TATA CONSULTANCY SERVICES

TATA

The Perpetually ADAPTIVE Enterprise



Subsidiary Financials

2024-25

CONTENT

VOLUME - I

Name of subsidiary	Sr. No.
Subsidiaries (held directly)	
Indian	
APTOnline Limited	1
MP Online Limited	2
C-Edge Technologies Limited	3
MahaOnline Limited	4
TCS e-Serve International Limited	5
TRIL Bengaluru Real Estate Five Limited	6
TRIL Bengaluru Real Estate Six Limited	7
TCS Foundation	8
Foreign	
Tata Consultancy Services (Africa) (PTY) Ltd.	9
Tata Consultancy Services Asia Pacific Pte Ltd.	10
TCS FNS Pty Limited	11
Tata Consultancy Services Belgium	12
Tata Consultancy Services Deutschland GmbH	13
Tata Consultancy Services Sverige AB	14
Tata Consultancy Services Netherlands BV	15
TCS Iberoamerica SA	16
Tata Consultancy Services Qatar L.L.C.	17
Diligenta Limited	18
Tata America International Corporation	19
Tata Consultancy Services Canada Inc.	20
Tata Consultancy Services UK Limited	21
Tata Consultancy Services Ireland Limited	22
Subsidiaries (held indirectly)	
Foreign	
Tata Consultancy Services (South Africa) (PTY) Ltd.	23
TCS Financial Solutions Australia Pty Limited	24
Tata Consultancy Services Malaysia Sdn Bhd	25

CONTENT

VOLUME - II

Name of subsidiary	Sr.No.
Tata Consultancy Services (China) Co., Ltd.	26
Tata Consultancy Services (Thailand) Limited	27
PT Tata Consultancy Services Indonesia	28
Tata Consultancy Services (Philippines) Inc.	29
Tata Consultancy Services Japan, Ltd.	30
Tata Consultancy Services Italia s.r.l.	31
Tata Consultancy Services Luxembourg S.A.	32
Tata Consultancy Services Osterreich GmbH	33
Tata Consultancy Services France	34
Tata Consultancy Services Switzerland Ltd.	35
Tata Consultancy Services De Espana S.A.U.	36
Tata Consultancy Services (Portugal) Unipessoal, Limitada	37
Tata Consultancy Services Saudi Arabia	38
TCS Business Services GmbH	39
TCS Technology Solutions GmbH	40
TCS Uruguay S.A.	41
TCS Solution Center S.A.	42
Tata Consultancy Services Argentina S.A.	43
Tata Consultancy Services Do Brasil Ltda	44
Tata Consultancy Services De Mexico S.A., De C.V.	45
MGDC S.C.	46
TCS Inversiones Chile Limitada	47
Tata Consultancy Services Chile S.A.	48
TATASOLUTION CENTER S.A.	49
Tata Consultancy Services Bulgaria EOOD	50
Tata Consultancy Services Guatemala, S.A.	51
Diligenta (Europe) B.V.	52

APTOnline Limited

FINANCIAL STATEMENTS

For the year ended
March 31, 2025

FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

CONTENT	PAGE
Independent Auditor's Report	1.2
Balance Sheet	1.12
Statement of Profit and Loss	1.13
Statement of Changes in Equity	1.14
Statement of Cash Flow	1.15
Notes forming part of the Financial Statements	1.17

Back to main content

Auditor's Report

UDIN NO: 25048889BMINHM3434

TO THE MEMBERS OF
APTONLINE LIMITED,
HYDERABAD.

Report on the standalone Financial Statements

Opinion

We have audited the Standalone financial statements of **APT Online Limited** (hereinafter referred to as "the Company"); which comprises the Balance Sheet as at 31st March 2025 and Statement of Profit and Loss (including other comprehensive income), statement of changes in equity and the Cash Flow Statement for the year then ended and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and Statement of Profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 financial statements under the provisions of the Companies Act, 2013 and the Rules 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 we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Information other than the Financial Statements and Auditor's Report Thereon

The Company's Management and Board of Directors is responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the financial statements and our auditor's report thereon. The Company's annual 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 do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matte to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Responsibility of Management's and Board of Director's for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flow of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (AS) specified under Section 133 of the Act, as applicable. 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 these financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India, in term of section 143(11) of the Act, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the order to the extent applicable.

(A) As required by Section 143(3) of the Act, We report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from the examination of those books.

c) The Balance Sheet, and the Statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and the Statement of Cash Flow dealt with by this report are in agreement with the books of accounts.

d) In our opinion, aforesaid 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 March 31, 2025, taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2025 from being appointed as a Director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(B) With respect to the other matters to be included in the Independent Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Note 18 to the financial statements.

ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii) There were no amounts which were 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, as disclosed in the note 22 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign 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 ("Ultimate Beneficiaries") by or on behalf of the Company or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

b) The management has represented, that, to the best of its knowledge and belief, as disclosed in the note 22 to the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and

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 (iv) (a) and (iv) (b) contain any material mis-statement.

(v) The final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 23 to the financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

(vi) As required under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014; based on our examination details and records on test check basis and information and explanation given to us, we state that the Company has used software for maintaining the books of accounts which has inbuilt feature of recording the audit trail and logs of activities in the software. The audit trail facility was enabled and operated throughout the year for the accounting software, we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.The Company also uses some other software such as portal for citizen services (G to C) and Human resource management, but they are not interfaced with the accounting software. Data is downloaded and then entered in the accounting software. Hence they have not been verified by us.

(C) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

According to the information and explanations given to us, no remuneration has been paid by the Company to any of its directors. Accordingly, provisions of Section 197 of the Act relating to remuneration to directors are not applicable. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **K B J & ASSOCIATES**
(Chartered Accountants)
Firm Registration No. 114934W

Kaushik B. Joshi
Proprietor
(Membership No. 48889)

Date: 12th May 2025.
Place: Mumbai

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

Report on Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 ('the Act') of APTONLINE LIMITED ('the Company')

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Plant, Property and Equipment.

(B) The Company has maintained proper records showing full particulars, including quantitative details and situation of intangible assets.

(b) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has a regular programme of physical verification of its property, plant and equipment by which all Property, plant and equipment are verified every year. In accordance with this programme, Property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and records examined by us, the company does not have any immovable property (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including Right-of-use assets) and intangible assets.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder during the year.

(ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable, and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year, except for investment in mutual funds. Accordingly, clause 3(iii)(a) to 3(iii)(f) of the Order is not applicable.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, or provided any guarantee or security as specified under Sections 185 of the Companies Act, 2013 ("the Act"). The company has not made any investments or provided any guarantee or security as specified under section 186 of the Companies Act, 2013 ("the Act") In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act are not required to be complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Sales tax, Service tax, Duty of excise and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into Goods and Service Tax (GST).

According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including GST, Provident fund, Employees' State Insurance, Income-tax, Cess and other material statutory dues have been generally deposited with the appropriate authorities. As explained to us, the Company did not have any dues of Customs.

According to the information and explanations given to us, no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-tax, Cess and other material statutory dues were in arrears as at 31 March 2025 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Provident Fund, Employees State Insurance, Income-Tax, or Cess or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute, except the following dues of Value added tax and sales tax, have not been deposited by the Company on account of dispute:

Name of the statute	Nature of the dues	Amount under dispute (₹in lakhs)	Amount paid under protest (₹in lakhs)	Amount not paid	Period to which the amount relates	Forum where dispute is pending
Andhra Pradesh General Sales Tax Act,1957	Sales Tax	2.30	2.30	Nil	2002-03 to 2004-05	Appellate Tribunal, Hyderabad
Andhra Pradesh Value Added Tax Act,2005	VAT (including Penalty)	16.46	11.49	4.97	2005-06 to 2011-12	Appellate Tribunal, Hyderabad

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

[c] According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds have been raised on short- term basis by the Company. Accordingly, clause 3(ix)(d) of the Order is not applicable.

(e) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under the Act) during the year ended 31 March 2025. Accordingly, clause 3(ix)(e) is not applicable.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) Establishment of vigil mechanism is not mandated for the Company. As represented to us by the management, there are no whistle blower complaints received by the company during the year vigil mechanism established voluntarily.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has more than one CIC as part of the Group. The Group has five CICs which are registered with the Reserve Bank of India and one CIC which is not required to be registered with the Reserve Bank of India.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to 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) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **K B J & ASSOCIATES**
(Chartered Accountants)
Firm Registration No. 114934W

Kaushik B. Joshi
Proprietor
Membership No. 48889

Date:12th May 2025.
Place: Mumbai

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

Report on the internal financial controls with reference to the aforesaid financial statements

Opinion

We have audited the internal financial controls with reference to financial statements of APTOnline Limited ("the Company") as of 31 March 2025 in conjunction with our audit of the financial statements of the Company as at and for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to 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 (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to financial statements based on the criteria established by the Company considering the essential components of internal control stated in 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to 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 financial statements were established and maintained and whether 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, 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 financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **K B J & ASSOCIATES**
(Chartered Accountants)
Firm Registration No. 114934W

Kaushik B. Joshi
Proprietor
Membership No. 48889

Date:12th May 2025.
Place: Mumbai

Balance Sheet

(₹ in lakhs)

	Note	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
Property, plant and equipment	7(a)	**419.62**	476.06
Intangible assets	7(b)	**136.44**	86.76
Financial assets			
Trade receivables	6(b)		
Billed		**-**	-
Unbilled		**48.77**	48.77
Income-tax assets (net)		**885.48**	1,053.12
Deferred tax assets (net)	14	**486.34**	423.58
Other assets	8(c)	**41.23**	45.66
Total non-current assets		**2,017.88**	2,133.95
Current assets			
Inventories	7(d)	**24.88**	32.22
Financial assets			
Investments	6(a)	**5,175.67**	5,214.41
Trade receivables			
Billed	6(b)	**5,466.91**	4,597.85
Unbilled		**346.39**	429.17
Cash and cash equivalents	6(c)	**1,327.33**	2,341.09
Other balances with banks	6(d)	**6,900.00**	5,700.00
Loans	6(e)	**22.75**	14.62
Other financial assets	6(f)	**767.48**	1,167.34
Other assets	7(c)	**407.16**	389.52
Total current assets		**20,438.57**	19,886.22
TOTAL ASSETS		**22,456.45**	22,020.17
EQUITY AND LIABILITIES			
Equity			
Share capital	6(l)	**177.00**	177.00
Other equity	8	**13,545.60**	12,629.84
Total Equity		**13,722.60**	12,806.84
Liabilities			
Non-current liabilities			
Employee benefit obligations	11	**142.51**	106.28
Total non-current liabilities		**142.51**	106.28
Current liabilities			
Financial liabilities			
Trade payables			
Dues of small enterprises and micro enterprises	6(g)	**-**	-
Dues of creditors other than small enterprises and micro enterprises	6(g)	**1,874.82**	1,133.06
Other financial liabilities	6(h)	**5,921.17**	6,798.61
Unearned and deferred revenue		**4.06**	19.83
Other liabilities	7(e)	**636.00**	727.27
Employee benefit obligations	11	**28.40**	35.83
Income-tax liabilities (net)		**126.89**	392.45
Total current liabilities		**8,591.34**	9,107.05
TOTAL EQUITY AND LIABILITIES		**22,456.45**	22,020.17
NOTES FORMING PART OF THE FINANCIALS Statements	1-23		

As per our report of even date attached.

For **K B J & ASSOCIATES**
Chartered Accountants
Firm's registration number : 114934W

Kaushik B. Joshi
Proprietor
Membership number : 048889

Mumbai
Date: 12th May 2025

For and on behalf of the Board

G S Lakshmi Narayanan
Director
DIN : 07982712

Date: 12th May 2025

V Rajanna
Director
DIN: :01280277

Statement of Profit and Loss

(₹ in lakhs)

	Note	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from operations	9	**16,716.10**	16,406.16
Other income	10	**1,032.27**	783.84
TOTAL INCOME		**17,748.37**	17,190.00
Expenses:			
Employee benefits expenses	11	**2,896.88**	2,802.58
Direct costs	12(a)	**10,094.94**	9,874.51
Purchases of stock-in-trade	12(b)	**230.08**	325.08
Changes in inventories of stock-in-trade	12(c)	**7.33**	0.03
Finance costs	13	**0.64**	1.62
Depreciation and amortisation expense		**289.68**	214.96
Other expenses	12(d)	**914.64**	719.85
TOTAL EXPENSES		**14,434.19**	13,938.63
PROFIT BEFORE TAX		**3,314.18**	3,251.37
Tax expense:			
Current tax	14	**910.78**	810.64
Deferred tax	14	**(51.20)**	25.92
TOTAL TAX EXPENSE		**859.58**	836.56
PROFIT FOR THE YEAR		**2,454.60**	2,414.81
OTHER COMPREHENSIVE INCOME (OCI)		**2,454.60**	2,414.81
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement of defined employee benefit plans		**(45.91)**	(11.71)
Income-tax on items that will not be reclassified subsequently to profit or loss		**11.56**	2.95
TOTAL OTHER COMPREHENSIVE INCOME / (LOSSES)		**(34.35)**	(8.76)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**2,420.25**	2,406.05
Earnings per equity share :- Basic and diluted (₹)	15	**138.68**	136.43
Weighted average number of equity shares		**1,770,000**	1,770,000
NOTES FORMING PART OF THE FINANCIAL STATEMENTS	1-23		

As per our report of even date attached

For **K B J & ASSOCIATES**
Chartered Accountants
Firm's registration number : 114934W

Kaushik B. Joshi
Proprietor
Membership number : 048889

Mumbai
Date: 12th May 2025

For and on behalf of the Board

G S Lakshmi Narayanan
Director
DIN:07982712

V Rajanna
Director
DIN:01280277

Date: 12th May 2025

Statement of Changes in Equity

A. EQUITY SHARE CAPITAL

(₹ in lakhs)

Balance as at April 1, 2024	Change in equity share capital due to prior period errors	Restated balance as at April 1, 2024	Change in equity share capital during the year*	Balance as at March 31, 2025
177.00	**-**	**-**	**-**	**177.00**

(₹ in lakhs)

Balance as at April 1, 2023	Change in equity share capital due to prior period errors	Restated balance as at April 1, 2023	Change in equity share capital during the year*	Balance as at March 31, 2024
177.00	-	-	-	177.00

*Refer note 6(l).

B. OTHER EQUITY

	Capital redemption reserve	Retained earnings	Total Equity
Balance as at April 1, 2024	**280.00**	**12,349.84**	**12,629.84**
Profit for the year	**-**	**2,454.61**	**2,454.61**
Other comprehensive income / (losses)	**-**	**(34.35)**	**(34.35)**
Total comprehensive income	**280.00**	**14,770.10**	**15,050.10**
Dividend	**-**	**(1,504.50)**	**(1,504.50)**
Balance as at March 31, 2025	**280.00**	**13,265.60**	**13,545.60**
Balance as at April 1, 2023	280.00	10,917.29	11,197.29
Profit for the year	-	2,414.81	2,414.81
Other comprehensive income / (losses)	-	(8.76)	(8.76)
Total comprehensive income	280.00	13,323.34	13,603.34
Dividend	-	(973.50)	(973.50)
Balance as at March 31, 2024	280.00	12,349.84	12,629.84

Loss of ₹ 34.35 lakhs and ₹ 8.76 lakhs on remeasurement of defined employee benefits (net of tax) is recognised as a part of retained earnings for year ended March 31, 2025 and 2024 respectively.

Nature and purpose of reserves

a. Capital redemption reserve

As per Companies Act, 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve is utilised in accordance with the provisoins of Section 69 of the Companies Act, 2013.

b. Retained earnings

This reserve represents undistributed accumulated earnings of the Company as on the balance sheet date.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS 1-23

As per our report of even date attached.

For **K B J & ASSOCIATES**
Chartered Accountants
Firm's registration number : 114934W

Kaushik B. Joshi
Proprietor
Membership number : : 048889

Mumbai
Date: 12th May 2025

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G S Lakshmi Narayanan
Director
DIN:07982712

V Rajanna
Director
DIN:01280277

Date: 12th May 2025

Back to content

Statement of Cash Flow

(₹ in lakhs)

	For the year ended March 31, 2025	For the year ended March 31, 2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the year	**3,314.18**	3,251.37
Adjustments for:		
Depreciation and amortisation expenses	**289.68**	214.96
Bad debts and advances written off, allowance on trade receivables and advances (net)	**168.55**	39.00
Net gain on disposal of property, plant and equipment	**0.00**	(11.37)
Net gain on disposal / fair valuation of investments	**(543.56)**	(344.21)
Interest income	**(457.71)**	(412.62)
Finance costs	**0.64**	1.62
Operating profit before working capital changes	**2,771.78**	2,738.75
Net Change in:		
Inventories	**7.33**	0.03
Trade receivables		
Billed	**(1,037.61)**	1,881.19
Unbilled	**82.77**	(139.85)
Loans and Other financial assets	**410.09**	(199.75)
Other assets	**(13.19)**	(172.19)
Trade payables	**741.76**	(609.03)
Unearned and deferred revenue	**(15.76)**	(14.87)
Other financial liabilities	**(877.45)**	2,906.60
Other liabilities and provisions	**(108.38)**	164.83
Cash flows generated from operations	**1,961.34**	6,555.71
Taxes paid (net of refunds)	**(1,008.66)**	(920.56)
Net cash flows generated from operating activities	**952.68**	5,635.15
CASH FLOWS FROM INVESTING ACTIVITIES		
Bank deposits placed	**(6,900.00)**	(6,698.00)
Inter-corporate deposits placed	**0.00**	1,000.00
Purchase of investments	**(22,350.00)**	(14,600.00)
Payment for purchase of property, plant and equipment	**(143.46)**	(241.08)
Payment for purchase of intangible assets	**(139.48)**	(111.96)
Proceeds from bank deposits	**5,700.00**	4,998.00
Proceeds from disposal / redemption of investments	**22,932.30**	12,190.11
Proceeds from disposal of property, plant and equipment	**0.00**	11.37
Interest received	**439.34**	363.50
Net cash flows generated from / (used in) investing activities	**(461.30)**	(3,088.06)

(₹ in lakhs)

	For the year ended March 31, 2025	For the year ended March 31, 2024
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	**(0.64)**	(1.62)
Dividend paid	**(1,504.50)**	(973.50)
Net cash flows used in financing activities	**(1,505.14)**	(975.12)
Net change in cash and cash equivalents	**(1,013.76)**	1,571.97
Cash and cash equivalents at the beginning of the year	**2,341.09**	769.12
Cash and cash equivalents at the end of the year (refer Note 6(c))	**1,327.33**	2,341.09

NOTES FORMING PART OF THE FINANCIAL STATEMENTS 1-23

As per our report of even date attached.

For **K B J & ASSOCIATES**
Chartered Accountants
Firm's registration number : 114934W

Kaushik B. Joshi
Proprietor
Membership number : 048889

Mumbai
Date: 12th May 2025

For and on behalf of the Board

G S Lakshmi Narayanan
Director
DIN : 07982712

V Rajanna
Director
DIN:01280277

Date : 12th May 2025

Notes forming part of the Financial Statements

1) Corporate information

APTOnline Limited ("formerly APOnline Limited") was incorporated on September 25, 2002 and is jointly promoted by Tata Consultancy Services Limited (TCS) and Andhra Pradesh Technology Services Limited (APTS), a corporation wholly owned by the Government of Andhra Pradesh (GOAP). The Company carries on the business of development, maintenance and management of the APONLINE portal for providing web-based services by Government to citizen, Government to business and other portfolio services of Government.

The state of Telangana was carved out of the State of Andhra Pradesh, pursuant to Andhra Pradesh Reorganisation Act, 2014. Presently, the Company continues to serve both the states of Telangana and Andhra Pradesh.

The Company is unlisted public limited company incorporated and domiciled in India. The address of its registered office is Synergy Park (Non-SEZ Campus), Sarayu, SGA-Z4, Gachibowli, Hyderabad-500032. Tata Consultancy Services Limited ('TCS'), the holding company, owns 89% of the Company's equity share capital. Tata Sons Pvt Limited is the ultimate parent company.

The name of the Company has been changed from APOnline Limited to APTOnline Limited with effect from April 2, 2016.

The Board of Directors approved the financial statements for the year ended March 31, 2025 and authorised for issue on 12th May 2025.

2) Statement of compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

3) Basis of preparation

These financial statements have been prepared in Indian rupee (₹) which is the functional currency of the Company.

These financial statements have been prepared on historical cost basis, except for certain financial instruments and defined benefit plans which are measured at fair value or amortised cost at the end of each reporting period and employee retirement obligation, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for 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. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

The statement of cash flows have been prepared under indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value to be cash equivalents.

The significant accounting policies used in preparation of the financial statements have been discussed in the respective notes.

4) Use of estimates and judgements

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures of contingent liabilities at the date of the financial statements and the reported amounts of income and expenses for the periods presented. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively in the period in which the estimates are revised and future periods are affected."

The Company uses the following critical accounting estimates in preparation of its financial statements:

Notes forming part of the Financial Statements

(a) Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

(b) Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(c) Provision for income tax and deferred tax assets

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

(d) Provisions and contingent liabilities

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Company uses significant judgements to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

(e) Employee benefits

The accounting of employee benefit plans in the nature of defined benefit requires the Company to use assumptions. These assumptions have been explained under employee benefits note.

(f) Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

The Company has elected not to apply the requirements of Ind AS 116 to leases of all assets with very low value or short-term leased assets that have a lease term of 12 months or less and where the company has right to terminate the lease before end of the lease period. The lease payments associated with these leases are recognized as an expense as an when payment is made or due over the lease term.

5) Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified

Notes forming part of the Financial Statements

Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

6) Financial assets, financial liabilities and equity instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and 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 measured on initial recognition of financial asset or financial liability.

The Company derecognises a financial asset only 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 entity. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

Cash and cash equivalents

The Company considers all highly liquid financial investments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received net of direct issue cost.

Impairment of financial assets (other than at fair value)

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Notes forming part of the Financial Statements

(a) Investments

Investments consist of the following:

Investment - Non current

(₹ in lakhs)

	As at March 31, 2025		As at March 31, 2024	
Current				
Investment carried at fair value through profit and Loss	**Quantity**	**₹**	Quantity	**₹**
Mutual funds (quoted)				
Tata Liquid Fund Direct Growth	**31,502.00**	**1,289.31**	31,229.00	1,189.91
UTI-Liquid Cash Plan-Institutional-Direct Plan-Growth	**7,513.00**	**319.38**	8,734.00	345.70
AXIS-Liquid Cash Plan-Institutional-Direct Plan-Growth	**47,156.00**	**1,359.78**	21,738.00	583.38
Aditya Birla Liquid Fund Direct Growth	**1,774.00**	**7.43**	165,864.00	646.34
Bandhan Liquid Fund Direct Growth	**29,825.00**	**934.28**	21,248.00	619.88
ICICI Liquid Fund Direct Growth	**91,892.00**	**352.77**	511,798.00	1,829.20
DSP Blackrock-LIQUID Fund Direct Growth	**24,613.00**	**912.73**	–	–
	234,275.00	**5,175.68**	760,611.00	5,214.41

Aggregate value of quoted investments is as follows:

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Aggregate value of quoted investments	**5,175.68**	5,214.41
Aggregate market value of quoted investments	**5,175.68**	5,214.41

(b) Trade receivables - Billed

Trade receivables (unsecured) consists of the following:

Trade receivables - Billed - Non-current

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Trade receivables - Billed	**1,758.12**	1,599.41
Less: Allowance for doubtful trade receivables - Billed	**(1,758.12)**	(1,599.41)
Considered Good	**-**	-

Notes forming part of the Financial Statements

Ageing for trade receivables - non-current outstanding as at March 31, 2025 is as follows:

(₹ in lakhs)

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less then 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Trade receivables - billed							
Undisputed trade receivables - considered good	-	-	-	51.02	81.95	1,620.17	1,753.14
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	-	0.07	0.01	4.90	4.98
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
	-	-	-	51.09	81.96	1,625.07	1,758.12
Less: Allowance for doubtful trade receivables - Billed							(1,758.12)
							-
Trade receivables - unbilled							48.77
							48.77

Ageing for trade receivables - non-current outstanding as at March 31, 2024 is as follows:

(₹ in lakhs)

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less then 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Trade receivables - billed							
Undisputed trade receivables - considered good	-	-	-	-	25.47	1,564.18	1,589.65
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	-	-	0.01	9.75	9.76
Disputed trade receivables - considered good significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
	-	-	-	-	25.48	1,573.93	1,599.41
Less: Allowance for doubtful trade receivables - Billed							(1,599.41)
							-
							48.77
Trade receivables - unbilled							48.77

Notes forming part of the Financial Statements

Trade receivables - Billed - Current

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Trade receivables - Billed	**5,466.91**	4,597.85
Less: Allowance for doubtful trade receivables - Billed	**-**	-
Considered Good	**5,466.91**	4,597.85
Trade receivables - Billed	**-**	-
Less: Allowance for doubtful trade receivables - Billed	**-**	-
Credit impaired	**-**	-
	5,466.91	4,597.85

Above balances of trade receivables include balances with related parties (Refer note 21).

Ageing for trade receivables - current outstanding as at March 31, 2025 is as follows:

(₹ in lakhs)

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Trade receivables - billed							
Undisputed trade receivables - considered good	**945.31**	**2,850.46**	**768.51**	**690.80**	**92.79**	**119.04**	**5,466.91**
Undisputed trade receivables - which have							
significant increase in credit risk	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Undisputed trade receivables - credit impaired	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Disputed trade receivables - considered good	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Disputed trade receivables - which have significant increase in credit risk	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Disputed trade receivables - credit impaired	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	945.31	**2,850.46**	**768.51**	**690.80**	**92.79**	**119.04**	**5,466.91**
Less: Allowance for doubtful trade receivables - Billed							**-**
							5,466.91
Trade receivables - unbilled							**346.39**
							5,813.30

Notes forming part of the Financial Statements

Ageing for trade receivables - current outstanding as at March 31, 2024 is as follows:

(₹ in lakhs)

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less then 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Trade receivables - billed							
Undisputed trade receivables - considered good	1,176.39	1,806.04	667.45	393.47	333.87	220.63	4,597.85
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
	1,176.39	1,806.04	667.45	393.47	333.87	220.63	4,597.85
Less: Allowance for doubtful trade receivables - Billed							-
Trade receivables - unbilled							4,597.85
Trade receivables - unbilled							429.17
							5,027.02

(c) Cash and cash equivalents

Cash and cash equivalents consists of the following:

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Balances with banks		
- in current accounts	**1,327.33**	2,341.09
	1,327.33	2,341.09

(d) Other balances with banks

Other balances with banks consists of the following:

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Short-term bank deposits	**6,900.00**	5,700.00
	6,900.00	5,700.00

Notes forming part of the Financial Statements

(e) Loans

Loans (unsecured) consists of the following:

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Loans - considered good	**22.75**	14.62
Loans and advances to employees	**22.75**	14.62

(f) Other financial assets

Other financial assets (unsecured) consists of the following:

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
a) Security deposits	**59.69**	32.19
b) Other advances	**521.73**	967.45
c) Accrued interest	**186.07**	167.70
	767.49	1,167.34

(g) Trade Payables

Trade payables consists of the following:

	As at March 31, 2025	As at March 31, 2024
For goods and services received	**1,422.64**	503.62
Accrued expenses	**452.18**	629.44
	1,874.82	1,133.06

Ageing for trade payables outstanding as at March 31, 2025 is as follows:

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Trade Payables						
MSME*	**-**	**-**	**-**	**-**	**-**	**-**
Others	**234.72**	**1,187.92**	**-**	**-**	**-**	**1,422.64**
Disputed dues - MSME*	**-**	**-**	**-**	**-**	**-**	**-**
Disputed dues - Others	**-**	**-**	**-**	**-**	**-**	**-**
	234.72	**1187.92**	**0.00**	**0.00**	**0.00**	**1,422.64**
Accrued expenses						**452.18**
						1,874.82

*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006.

Ageing for trade payables outstanding as at March 31, 2024 is as follows:

Notes forming part of the Financial Statements

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Trade Payables						
MSME*	-	-	-	-	-	-
Others	142.93	360.69	-	-	-	503.62
Disputed dues - MSME*						
Disputed dues - Others	-	-	-	-	-	-
	-	-	-	-	-	-
Accrued expenses	142.93	360.69	0.00	0.00	0.00	503.62
						629.44
						1,133.06

*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006.

(h) Other financial liabilities

Other financial liabilities consists of the following:

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
a) Amount collected on behalf of *		
Government departments	**5,250.92**	6,035.09
Non-government departments	**3.29**	73.37
b) Security deposits received	**546.02**	551.96
c) Employee payables	**120.94**	138.19
	5,921.17	6,798.61

* Amount collected on behalf of government and non-government includes collection of utility bills, ration card charges, government taxes, etc.

(i) Financial instruments by category

The carrying value of financial instruments by categories as of March 31, 2025 is as follows:

(₹ in lakhs)

	Fair value through profit or loss	Amortised cost	Total carrying value
Financial assets:			
Cash and cash equivalents	**-**	**1,327.33**	**1,327.33**
Other balances with bank	**-**	**6,900.00**	**6,900.00**
Investments	**5,175.67**	**-**	**5,175.67**
Trade receivables			
Billed	**-**	**5,466.91**	**5,466.91**
Unbilled	**-**	**395.17**	**395.17**

Back to content

Notes forming part of the Financial Statements

(₹ in lakhs)

	Fair value through profit or loss	Amortised cost	Total carrying value
Loans	-	22.75	22.75
Other financial assets	-	767.48	767.48
Total	5,175.67	14,879.64	20,055.31
Financial liabilities:			
Trade payables	-	1,874.82	1,874.82
Other financial liabilities	-	5,921.17	5,921.17
Total	-	7,795.99	7,795.99

The carrying value of financial instruments by categories as of March 31, 2024 is as follows:

(₹ in lakhs)

	Fair value through profit or loss	Amortised cost	Total carrying value
Financial assets:			
Cash and cash equivalents	-	2,341.09	2,341.09
Other balances with bank	-	5,700.00	5,700.00
Investments	5,214.41	-	5,214.41
Billed	-	4,597.85	4,597.85
Unbilled	-	477.94	477.94
Loans	-	14.62	14.62
Other financial assets	-	1,167.34	1,167.34
Total	5,214.41	14,298.84	19,513.25
Financial liabilities:			
Trade payables	-	1,133.06	1,133.06
Other financial liabilities	-	6,798.60	6,798.60
Total	-	7,931.66	7,931.66

Carrying amounts of cash and cash equivalents, other balances with bank, trade receivables, unbilled receivables, loans, other financial assets, trade payables and other financial liabilities as at March 31, 2025 and March 31, 2024 approximate the fair value due to their nature. Carrying amounts of other balances with bank, other financial assets and other financial liabilities which are subsequently measured at amortised cost also approximate the fair value due to their nature in each of the periods presented.

(j) 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.

Notes forming part of the Financial Statements

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosures are required):

As of March 31, 2025 (₹ in lakhs))

Financial assets:	Level 1	Level 2	Level 3	Total
Mutual fund units	**5,175.67**	**-**	**-**	**5,175.67**
Total	**5,175.67**	**-**	**-**	**5,175.67**

As of March 31, 2024 (₹ in lakhs)

Financial assets:	Level 1	Level 2	Level 3	Total
Mutual fund units	5,214.41	-	-	5,214.41
Total	5,214.41	-	-	5,214.41

(k) Financial risk management

The Company is exposed primarily to credit, liquidity and price risks, which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which covers risks associated with the financial assets and liabilities. The focus of the risk management committee is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the Company.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes.

Interest rate risk

The Company investments are primarily in fixed rate interest bearing investments. Hence, the Company is not significantly exposed to interest rate risk.

- **Credit risk**

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, unbilled receivables, investments and other financial assets. None of the other financial instruments of the Company result in material concentration of credit risk.

- **Exposure to credit risk**

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 20,055.31 lakhs and ₹ 19,513.25 lakhs as on March 31, 2025 and 2024, respectively, being the total of the carrying amount of investment in mutual funds, balances with banks, trade receivables, unbilled receivables, loans and other financial assets.
The Company exposure to customers is diversified. Apart from The principal Secretary-APPSC ₹ 670.71 lakhs, SERP-AP ₹ 769.85 lakhs and School Education Department-TS ₹ 1590.76 lakhs (Previous Year - The principal Secretary-APPSC ₹ 991.97 lakhs), no other customer contributes to more than 10% of outstanding accounts receivable as of March 31, 2025 and 2024.

- **Geographic concentration of credit risk**

The Company has a geographic concentration of trade receivables, net of allowances and unbilled receivables in India.

Notes forming part of the Financial Statements

The allowance for lifetime expected credit loss on trade receivables for the years ended March 31, 2025 and 2024 was ₹ 158.70 lakhs and ₹ 39 lakhs, respectively. The reconciliation of allowance for doubtful trade receivables is as follows:

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Balance at the beginning of the year	**1599.41**	1560.41
Change during the year	**158.71**	39.00
Balance at the end of the year	**1758.12**	1599.41

Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company consistently generates sufficient cash flows from operations to meet its financial obligations as and when they fall due.

The tables below provide details regarding the contractual maturities of significant financial liabilities as of:

(₹ in lakhs)

March 31, 2025	Due in 1st Year	Due in 2nd Year	Due in 3rd Year	Due in 4th Year	Due in 5th Year	Total
Trade payables	**1,874.82**	**-**	**-**	**-**	**-**	**1,874.82**
Other financial liabilities	**5,921.17**	**-**	**-**	**-**	**-**	**5,921.17**
Total	**7,795.99**	**-**	**-**	**-**	**-**	**7,795.99**

(₹ in lakhs)

March 31, 2024	Due in 1st Year	Due in 2nd Year	Due in 3rd Year	Due in 4th Year	Due in 5th Year	Total
Trade payables	1,133.06	-	-	-	-	1,133.06
Other financial liabilities	6,798.61	-	-	-	-	6,798.61
Total	7,931.67	-	-	-	-	7,931.67

Other price risks

The fair value of investment in mutual funds is ₹ 5,175.67 lakhs and ₹ 5,214.41 lakhs as on March 31, 2025 and March 31, 2024 respectively. The Company is exposed to price risks arising from investment in mutual funds. The investments are made in acceptable funds, while optimizing the returns.

Notes forming part of the Financial Statements

(I) Equity instruments

Share capital

The authorised, issued, subscribed and fully paid-up share capital comprises of the following :

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Authorised :		
a) Equity shares 3,000,000 of ₹ 10 each with voting rights (March 31, 2024: 3,000,000 equity shares of ₹ 10 each)	**300.00**	300.00
b) Redeemable preference shares 3,000,000 of ₹ 10 each (March 31, 2024: 3,000,000 preference shares of ₹ 10 each)	**300.00**	300.00
	600.00	600.00
Issued, Subscribed and Fully paid-up		
1,770,000 equity shares of ₹ 10 each (March 31, 2024: 1,770,000 equity shares of ₹ 10 each)	**177.00**	177.00
	177.00	177.00

I. Reconciliation of number of shares:

	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Amount (₹ lakhs)	Number of shares	Amount (₹ lakhs)
Equity shares				
Opening balance	**1,770,000**	**177.00**	1,770,000	177.00
Issued during the year	**-**	**-**	-	-
Closing balance	**1,770,000**	**177.00**	1,770,000	177.00

II. Rights, preferences and restrictions attached to shares

The Company has one class of equity shares having a face value of ₹ 10 each. Each holder of equity share is entitled to one vote per share held and carry a right to dividend. The dividend proposed by the Board of Directors is subject to the approval of the share holders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their share holding.

III. Details of shares held by Holding company

	As at March 31, 2025		As at March 31, 2024	
Equity shares	Number of shares	Amount (₹ lakhs)	Number of shares	Amount (₹ lakhs)
Holdinng Company, Tata Consultancy Services Limited	**1,575,300**	**157.53**	1,575,300	157.53
Total	**1,575,300**	**157.53**	1,575,300	157.53

Notes forming part of the Financial Statements

IV. Details of shares held by share holders holding more than 5% of the aggregate shares in the Company

(₹ in lakhs)

	As at March 31, 2025		As at March 31, 2024	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares				
Tata Consultancy Services Limited	**1,575,300**	**89%**	1,575,300	89%
Andhra Pradesh Technology Services Limited	**194,700**	**11%**	194,700	11%
	1,770,000	**100%**	1,770,000	100%

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. The Company is not subject to any externally imposed capital requirements.

V. Disclosure of Shareholding of Promoters

Disclosure of shareholding of promoters as at March 31, 2025 is as follows:

(₹ in lakhs)

Promoter name	Shares held by promoters				% Change during the year
	As at March 31, 2025		As at March 31, 2024		
	No.of shares*	% of total shares	No.of shares*	% of total shares	
Tata Consultancy Services Limited (holding company)	**1,575,300**	**89%**	1,575,300	89%	-
Andhra Pradesh Technology Services Limited (significant share holder)	**194,700**	**11%**	194,700	11%	-
Total	**1,770,000**	**100%**	1,770,000	100%	-

7) NON-FINANCIAL ASSETS AND NON-FINANCIAL LIABILITIES

(a) Property, plant and equipment

The Compnay recognizes the cost of an item of property, plant and equipment as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can measured reliably.

Property, plant and equipment are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use, less accumulated depreciation (other than freehold land) and impairment loss, if any.

Notes forming part of the Financial Statements

Depreciation is provided for property, plant and equipment on a straight-line basis so as to expense the cost less residual value over their estimated useful lives based on a technical evaluation. The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

The estimated useful lives are as mentioned below:

(₹ in lakhs)

Type of asset	Useful lives
Computer equipment	4 years
Vehicles	4 years
Office equipment	5 years
Furniture and fixtures	5 years

The Company believes that the technically evaluated useful lives, different from Schedule II of the Companies Act, 2013, best represent the period over which these assets are expected to be used.

Property, plant and equipment assets with finite life are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

The carrying amount of an item of property, plant and equipment shall be derecognised on disposal or when no future economic benefits are expected from its use or disposal.

Property, plant and equipment consists of the following:

(₹ in lakhs)

Description	Computer equipment	Vehicles	Office equipment	Furniture and fixtures	Total
Cost as at April 1, 2024	**2,605.86**	**53.40**	**1.43**	**2.61**	**2,663.30**
Additions	**126.35**	**17.53**	**0.11**	**-**	**143.99**
Disposals	**(1.08)**	**-**	**-**	**-**	**(1.08)**
Gross block as at March 31, 2025	**2,731.13**	**70.93**	**1.54**	**2.61**	**2,806.21**
Accumulated depreciation as at April 1, 2024	**(2,157.78)**	**(26.16)**	**(0.80)**	**(2.50)**	**(2,187.24)**
Depreciation for the year	**(188.21)**	**(11.49)**	**(0.09)**	**(0.11)**	**(199.90)**
On disposals	**0.55**	**-**	**-**	**-**	**0.55**
Accumulated depreciation as at March 31, 2025	**(2,345.44)**	**(37.65)**	**(0.89)**	**(2.61)**	**(2,386.59)**
Net carrying amount as at March 31, 2025	**385.69**	**33.28**	**0.65**	**-**	**419.62**

Notes forming part of the Financial Statements

(₹ in lakhs)

Description	Computer equipment	Vehicles	Office equipment	Furniture and fixtures	Total
Cost as at April 1, 2023	2,737.68	48.72	0.83	2.61	2,789.84
Additions	224.42	15.99	0.66	-	241.07
Disposals	(356.24)	(11.31)	(0.06)	-	(367.61)
Gross block as at March 31, 2024	2,605.86	53.40	1.43	2.61	2,663.30
Accumulated depreciation as at April 1, 2023	(2,339.43)	(28.93)	(0.74)	(2.01)	(2,371.11)
Depreciation for the year	(174.59)	(8.54)	(0.12)	(0.49)	(183.74)
On disposals	356.24	11.31	0.06	-	367.61
Accumulated depreciation as at March 31, 2024	(2,157.78)	(26.16)	(0.80)	(2.50)	(2,187.24)
Net carrying amount as at March 31, 2024	448.08	27.24	0.63	0.11	476.06

(b) Intangible assets

Intangible assets purchased are measured at cost as at the date of acquisition, as applicable, less accumulated amortisation and impairment, if any.

Intangible assets are amortised over their estimated useful life on straight line method as follows:

Asset	Useful life
Computer software	2 years

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

Intangible assets with finite life are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

Intangible assets consists of the following:

(₹ in lakhs)

Description	Computer software	Total
Cost as at April 1, 2024	**498.56**	498.56
Additions	**139.48**	139.48
Gross block as at March 31, 2025	**638.04**	638.04
Accumulated amortisation as at April 1, 2024	**(411.81)**	(411.81)
Amortisation for the year	**(89.79)**	(89.79)
Accumulated amortisation as at March 31, 2025	**(501.60)**	(501.60)
Net carrying amount as at March 31, 2025	**136.44**	136.44

Notes forming part of the Financial Statements

The estimated amortisation for the years subsequent to March 31, 2025 as follows:

(₹ in lakhs)

Year ending March 31	Amortisation expense
2026	100.83
2027	35.61
	136.44

(₹ in lakhs)

Description	Computer software	Total
Cost as at April 1, 2023	386.61	386.61
Additions	111.95	111.95
Gross block as at March 31, 2024	498.56	498.56
Accumulated amortisation as at April 1, 2023	(380.57)	(380.57)
Amortisation for the year	(31.23)	(31.23)
Accumulated amortisation as at March 31, 2024	(411.80)	(411.80)
Net carrying amount as at March 31, 2024	86.76	86.76

The estimated amortisation for the years subsequent to March 31, 2024 as follows

(₹ in lakhs)

Year ending March 31	Amortisation expense
2025	55.98
2026	30.78
	86.76

(c) Other assets

Other assets (unsecured) consists of the following:

A) Other assets - Non-current

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Prepaid expenses	**41.21**	45.66
	41.21	45.66

Other assets - current

(₹ in lakhs)

Considered good	As at March 31, 2025	As at March 31, 2024
a) Prepaid expenses	**285.65**	219.23
b) Advance to suppliers	**2.34**	1.29
c) Indirect taxes recoverable	**119.17**	169.00
	407.16	389.52

Notes forming part of the Financial Statements

(d) Inventories

Inventories consist of finished goods. Inventories are valued at the lower of cost on First In Fist Out (FIFO) basis and the net realisable value after providing for obsolescence and other losses, where considered necessary. The Cost of finished goods purchased by the Company includes direct material and labour cost.

Inventories consists of the following:

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Stock in trade	**24.88**	32.22
	24.88	32.22

Inventories are carried at lower of cost and net realisable value.

(e) Other liabilities

Other liabilities consists of the following:

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Other liabilities - current		
Advance received	**180.13**	270.21
Indirect tax payable and other statutory liabilities	**270.86**	278.16
Amount received from franchisees	**185.01**	178.90
	636.00	727.27

8) OTHER EQUITY

Other equity consist of the following:

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
(a) Capital redemption reserve		
Opening balance	**280.00**	280.00
Movement	**-**	-
Closing balance	**280.00**	280.00
(b) Retained earnings		
(i) Opening balance	**12,349.83**	10,917.29
(ii) Profit for the year	**2,454.61**	2,414.81
(iii) Other comprehensive income arising from remeasurement of defined employee benefit plans, net of income-tax	**(34.34)**	(8.76)
	14,770.10	13,323.34
Less: Appropriations		
(i) Dividend on equity shares	**(1,504.50)**	(973.50)
	13,265.60	12,349.84
	13,545.60	12,629.84

Back to content

Notes forming part of the Financial Statements

9) REVENUE RECOGNITION

The Company earns revenue primarily from providing IT enabled services in the State of Andhra Pradesh and Telangana.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.
- Revenue from the sale of distinct third party software and hardware is recognised at the point in time when control is transferred to the customer, net of applicable taxes and duties.
- Unearned and deferred revenue ("contract liability") consists of advances received from customers. The Company disaggregates revenue from contracts with customers by nature of services.

Revenue disaggregation by nature is as follows:

(₹ in lakhs)

		Year ended March 31, 2025	Year ended March 31, 2024
A)	**Information technology and consultancy services**		
	(a) Transaction revenue	**2,459.85**	2,908.31
	(b) Aasara Pensions	**637.69**	656.21
	(c) Software development services and maintenance	**2,673.09**	3,062.86
	(d) Man power supply	**613.36**	681.34
	(e) Data centre establishment and maintenance	**100.41**	114.88
	(f) Franchisee fees	**25.48**	42.90
	(g) Digital Assessment services	**9,623.10**	8,083.27
	(h) Aadhaar authentication	**192.07**	334.16
	(i) Others	**99.64**	101.43
	Total	**16,424.69**	15,985.36
B)	**Sale of products**		
	(a) Hardware	**8.58**	103.57
	(b) Software	**19.85**	35.93
	(c) Stationery	**262.99**	281.30
	Total	**291.42**	420.80
	Total	**16,716.11**	16,406.16

All revenue is derived in the State of Andhra Pradesh and Telangana.

The revenue recognised in the statement of profit and loss equals to the contracted price.

While disclosing the aggregate amount of transaction price yet to be recognized as revenue towards unsatisfied or partially satisfied performance obligations, along with the broad time band for the expected time to recognize those revenues, the Company has applied the practical expedient. Accordingly, the Company has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognized corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts.

The Company does not have contract assets.

Notes forming part of the Financial Statements

Changes in Unearned and deferred revenue are as follows:

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Balance at the beginning of the year	**19.83**	34.70
Revenue recognised that was included in the unearned and deferred revenue at the beginning of the year.	**(19.83)**	(34.70)
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year.	**4.06**	19.83
Balance at the end of the year	**4.06**	19.83

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

10) OTHER INCOME

Other Income comprises of interest income for all financial instruments measured at amortised cost. Interest income is recorded on accrual basis. Interest income is included in Other income in the Statement of Profit and Loss.

Dividend income is recorded when the right to receive payment is established. Interest income is recognised using effective interest method.

Other income consists of the following:

(₹ in lakhs)

		Year ended March 31, 2025	Year ended March 31, 2024
(a)	Net gain on disposal / fair valuation of investments carried at fair value through profit of loss	**543.56**	344.21
(b)	Interest income	**457.71**	412.62
(c)	Net gain on disposal of property, plant and equipment	**-**	11.37
(d)	Other income	**31.00**	15.64
		1,032.27	783.84

11) EMPLOYEE BENEFITS

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the date of each balance sheet date. Actuarial gains and losses are recognised in full in the other comprehensive income for the period in which they occur. Past service cost both vested and unvested is recognised as an expense at the earlier of (a) when the plan amendment or curtailment occurs; and (b) when the entity recognises related restructuring costs or termination benefits.

The retirement benefit obligations recognised in the balance sheet represents the present value of the defined benefit obligations reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

The Company provides Gratuity to it's employees is treated as defined contribution plan.

Defined contribution plans

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits.

The Company provides Provident Fund to it's employees is treated as defined contribution plan.

Notes forming part of the Financial Statements

Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, etc. and the expected cost of ex-gratia are recognized in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date.

Other short-term employee benefits

Other short-term employee benefits, including performance incentives expected to be paid in exchange for the services rendered by employees, are recognised during the period when the employee renders the service.

Employee benefit expenses consists of the following:

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
a) Salaries, incentives and allowances	**2,619.17**	2,531.42
b) Contributions to provident fund	**159.83**	158.09
c) Contributions to ESIC	**4.95**	9.59
d) Staff welfare expenses	**112.93**	103.48
	2,896.88	2,802.58

Employee benefit obligations consists of the following:

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
(A) Employee benefit obligation - Non-current		
Compensated absences	**142.51**	106.28
	142.51	106.28
(B) Employee benefit obligation - Current		
Compensated absences	**28.40**	35.83
	28.40	35.83

Gratuity

In accordance with Indian law, the Company operates a scheme of gratuity which is defined benefit plan. The gratuity plan provide for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 day's basic salary payable for each completed year of service. Vesting occurs upon completion of five continuous years of service. The Company manages the plan through a trust. Trustees administer contributions made to the trust through LIC group gratuity fund.

The following table sets out the funded status of the defined benefit schemes and the amount recognised in the financial statements.

Notes forming part of the Financial Statements

The estimate of future salary increase considered in actuarial valuation takes account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Change in defined benefit obligations		
Benefit obligations, beginning of the year	**301.10**	259.03
Service cost	**33.91**	24.92
Interest cost	**21.83**	18.78
Benefit paid	**(13.16)**	(21.45)
Actuarial loss/(gain) recognized in OCI	**46.70**	19.82
Benefit obligations, end of the year	**390.38**	301.10

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Change in plan assets		
Fair value of plan assets, beginning of the year	**405.10**	297.31
Interest Income	**29.37**	21.56
Employer contribution	**27.02**	99.57
Actuarial (loss)/gain	**-**	-
Benefits paid	**(13.16)**	(21.45)
Remeasurement-return on plan assets excluding amount included in interest income	**0.79**	8.11
Fair value of plan assets, end of the year	**449.12**	405.10

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Funded status:		
Surplus / (Deficit) of plan assets over obligations	**58.74**	104.00

	As at March 31, 2025	As at March 31, 2024
Category of assets:		
Insurance managed funds	**449.12**	405.10

Net periodic gratuity cost included in employee cost consists of the following components:

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Service cost	**33.91**	24.92
Net interest on net defined benefit (asset) / liability	**(7.54)**	(2.78)
Net periodic gratuity cost	**26.37**	22.14
Actual return on plan assets	**45.91**	11.71

Back to content

Notes forming part of the Financial Statements

Remeasurement of the net defined benefit liability/(asset):

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Actuarial (gains) and losses arising from changes in demographic assumptions.	**18.29**	8.84
Actuarial (gains) and losses arising from changes in financial assumptions.	**32.85**	-
Actuarial (gains) and losses arising from changes in experience adjustments.	**(4.43)**	10.99
Remeasurement of the net defined benefit liability	**46.71**	19.83
Remeasurement - return on plan assets excluding amount included in interest income	**(0.79)**	(8.11)
Total	**45.92**	11.72

The assumptions used in according for the defined benefit plan are set out below:

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Discount rate	**6.50%**	7.25%
Rate of increase in compensation	**9.00%**	8.00%
Levels of covered employees		
Rate of return on plan assets		
Weighted average duration of defined benefit obligations		
Attrition rate		
i) If Services for 0 years to 5 years	**17.66%**	29.98%
ii) If Services for 6 years and above	**15.85%**	20.44%
Mortality Rate	**Indian Assured Lives Mortality (2012-14) (Urban)**	Indian Assured Lives Mortality (2012-14) (Urban)

The expected benefits are based on the same assumptions as are used to measure the Company's defined benefit plan obligations as at March 31, 2025. The Company is expected to contribute ₹ nil lakhs to the defined benefit plan obligation for the year ending March 31, 2025.

Remeasurement (Gain) of defined employee benefit plan in other comprehensive income for the fiscals 2025 and 2024 are ₹ 45.92 lakhs and ₹ 11.71 lakhs respectively.

The significant actuarial assumptions for the determination of the defined benefit obligations are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Notes forming part of the Financial Statements

If the discount rate increases / decreases by 0.50%, the defined benefit obligations would increase / (decrease) as follows::

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Increase of 0.50%	**(10.13)**	(5.40)
Decrease of 0.50%	**10.71**	5.63

If the expected salary growth increases / decreases by 0.50%, the defined benefit obligations would increase / (decrease) as follows:

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Increase of 0.50%	**10.16**	5.54
Decrease of 0.50%	**(9.79)**	(5.37)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumption may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligations has been calculated using the Projected Unit Credit Method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the Balance sheet.

Each year an Asset - Liability matching study is performed in which the consequences of the strategic investment policies are analysed in terms of risk and return profiles. Investment and contribution policies are integrated within this study.

The defined benefit obligations shall mature after year ended March 31, 2025 as follows:

Year ending March 31,2025	**Defined benefit obligations**
2026	47.05
2027	47.73
2028	51.09
2029	46.55
2030	42.72
2031-2035	157.91
	393.05

Provident Fund

In accordance with Indian law, all eligible employees of the Company are entitled to receive benefits under the provident fund plan in which both the employee and employer (at a determined rate) contribute monthly to Regional Provident Fund Commissioner. The Company recognised ₹ 159.83 lakhs and ₹158.09 lakhs towards contribution provident fund and family pension fund in fiscals 2025 and 2024 respectively. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

12) COST RECOGNITION

Costs and expenses are recognised when incurred and have been classified according to their nature.

The costs of the Company are broadly categorised in direct costs, employee benefit expenses, purchases of stock-in-trade, depreciation and amortisation and other expenses. Direct costs include service charges and manpower supply. Employee costs include employee compensation, allowances paid, contribution to various funds and staff welfare expenses. Other expenses majorly include lease rentals, facility charges, travelling and conveyance, legal and professional fees, internet connectivity charges, allowances for doubtful trade receivables and miscellaneous expenses. Miscellaneous expenses is an aggregation of costs which are individually not material such as courier charges, Banker commision for Bank Guarantee's, recruitment and training, entertainment, etc.

Notes forming part of the Financial Statements

(a) Direct costs

Direct costs consists of the following:

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
(a) Service charges	**8,799.35**	8,193.48
(b) Man power charges	**1,295.58**	1,681.04
Total	**10,094.93**	9,874.52

(b) Purchase of stock-in-trade

Purchase of stock-in-trade consists of the following:

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
(a) Hardware Purchase	**3.18**	81.17
(b) Stationery Purchase	**226.90**	243.91
Total	**230.08**	325.08

(c) Changes in inventories of stock-in-trade

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Inventories at the end of the year:		
Stock-in-trade		
(a) Hardware, stationery, etc.	**24.88**	32.22
	24.88	32.22
Stock-in-trade		
(a) Hardware, stationery, etc.	**32.22**	32.25
	32.22	32.25
Net increase / (decrease)	**7.34**	0.03

(d) Other expenses

Other expenses consists of the following:

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
(a) Consumables	**0.76**	1.18
(b) Facility charges	**243.82**	228.72
(c) Repairs and maintenance - Others	**38.21**	42.50
(d) Rates and taxes	**0.73**	0.91
(e) Internet connectivity charges	**73.63**	74.58
(f) Travelling and conveyance	**17.09**	32.01

Notes forming part of the Financial Statements

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
(g) Printing and stationery	**33.83**	35.10
(h) Business promotion expenses	**25.86**	23.84
(i) Legal and professional fees	**45.81**	32.41
(j) Corporate Social Responsibility (refer Note below)	**55.39**	43.00
(k) Payments to auditors (refer Note 17)	**7.26**	7.28
(l) Software maintenance charges	**112.35**	72.48
(m) Allowance on trade receivables and advances	**158.70**	39.00
(n) Bad Debts Written off	**9.84**	-
(o) Miscellaneous expenses	**91.36**	86.84
	914.64	719.85

(e) Corporate Social Responsibility (CSR)

As per section 135 of the Companies Act, 2013, amount required to be spent on CSR by the Company during the year ended March 31, 2025 and 2024 is ₹ 55.35 lakhs and ₹ 42.88 lakhs, respectively, computed at 2% of its average net profit for the immediately preceding three financial years. The Company incurred an amount of ₹ 55.39 lakhs and ₹ 43.00 lakhs during the year ended March 31, 2025 and 2024, respectively, towards CSR expenditure for purposes other than construction / acquisition of any asset.

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
1 Amount required to be spent by the company during the year	**55.36**	42.88
2 Amount of expenditure incurred on:		
(i) Construction / acquisition of any asset	**-**	-
(ii) On purpose other than (i) and above	**55.39**	43.00
3 Shortfall at the end of the year,	**-**	-
4 Total of previous years shortfall	**-**	-
5 Reason for shortfall,	**NA**	NA
6 Nature of CSR activities,		
7 Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard	**₹ 31.94 lakhs spent for donation of 300 benches and 77 single cot beds to various Z.P.High schools in Guntur (Dt), Andhra Pradesh and ₹ 23.45 lakhs spent for donation of 139 benches and 139 single cot beds to Tribal welfare upgraded Residential Junior College in Jayashankar Bhupalapally (Dt), Telangana.**	₹ 25 lakhs and ₹ 18 lakhs paid to Hyderabad Eye Institute (Operating Trust of L V Prasad Eye institute) for performing critical eye surgeries for economically under privileged back ground patients at no cost to them from Andhra Pradesh & Telangana Sates.

Notes forming part of the Financial Statements

13) FINANCE COSTS

Finance costs consists of the following:

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
(i) Other interest costs	**0.64**	1.62
	0.64	1.62

14) INCOME TAXES

Income-tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

The Company has recognised income tax expenses applying the provision under section 115BAA of the Income-tax Act, 1961.

Management peridodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance taxes paid and income tax provisions arising in the same tax jurisdictions and where the relevant tax paying unit intends to settle the asset and liability on a net basis.

Deferred income taxes

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income-tax arises from the 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 or loss at the time of the transaction.

Deferred income-tax asset are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets and labilities are reviewed at each reporting date and are reduced or increased as the case may be.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

The Income tax expense consists of the following

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Current tax:		
Current tax expense for current year	**901.42**	800.33
Current tax (benefit) / expense pertaining to prior years	**9.36**	10.31

Notes forming part of the Financial Statements

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Deferred tax:		
Deferred tax (benefit) / expense for current year	**(51.20)**	25.92
Deferred tax (benefit) / expense pertaining to Prior Years	**-**	-
Total Income tax expense recognised in current year	**859.58**	836.56
Income - tax expense recognised in Other Comprehensive Income (OCI)		
Deferred tax on remeasurement of defined employee benefit plans	**11.56**	2.95
Total income - tax expense recognised	**11.56**	2.95

The reconciliation of estimated income tax expense at statutory income tax rate to income tax expense reported in statement of profit and loss is as follows:

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Profit before taxes	**3,314.18**	3,251.36
Indian Statutory income - tax rate	**25.168%**	25.168%
Expected Incometax expense	**834.11**	818.30
Tax effect of adjustments to reconcile expected income - tax expense to reported income - tax expense:		
Tax pertaining to prior years	**9.36**	10.31
Disallowance U/s 37		
CSR expenses	**13.94**	10.82
Others	**2.17**	(2.87)
Total Income tax expenses	**859.58**	836.56

Significant components of net deferred tax assets and liabilities for the year ended March 31, 2025 are as follows:

(₹ in lakhs)

	Opening balance	Recognised / reversed through profit or loss	Recognised / Reversed through other comprehensive income	Recognised / Reversed through retained earnings	Closing balance
Deferred tax assets / (liabilities) in relation to:					
Property, plant and equipment	**8.01**	**1.99**	**-**	**-**	**10.00**
Provision for employee benefits	**44.37**	**2.75**	**11.56**	**-**	**58.68**
Provision for doubtful debts	**402.54**	**39.98**	**-**	**-**	**442.52**
Others	**(31.36)**	**6.48**	**-**	**-**	**(24.88)**
Total deferred tax assets / (liabilities)	**423.56**	**51.20**	**11.56**	**-**	**486.32**

Notes forming part of the Financial Statements

Significant components of net deferred tax assets and liabilities for the year ended March 31, 2024 are as follows:

(₹ in lakhs)

	Opening balance	Recognised / reversed through profit or loss	Recognised / Reversed through other comprehensive income	Recognised / Reversed through retained earnings	Closing balance
Deferred tax assets / (liabilities) in relation to:					
Property, plant and equipment	14.53	(6.52)	-	-	8.01
Provision for employee benefits	51.38	(9.96)	2.95	-	44.37
Provision for doubtful debts	392.72	9.82	-	-	402.54
Others	(12.10)	(19.26)	-	-	(31.36)
Total deferred tax assets / (liabilities)	446.53	(25.92)	2.95	-	423.56

Gross deferred tax assets and liabilities are as follows:

(₹ in lakhs)

As at 31 March,2025	Assets	Liabilities	Net
Deferred tax assets / (liabilities) in relation to:			
Property, plant and equipment	**10.01**	**-**	**10.01**
Provision for employee benefits	**58.67**	**-**	**58.67**
Provision for doubtful debts	**442.52**	**-**	**442.52**
Others		**(24.88)**	**(24.88)**
Total deferred tax assets / (liabilities)	**511.20**	**(24.88)**	**486.32**

As at 31 March,2024	Assets	Liabilities	Net
Deferred tax assets / (liabilities) in relation to:			
Property, plant and equipment	8.01	-	8.01
Provision for employee benefits	44.37	-	44.37
Provision for doubtful debts	402.54	-	402.54
Others	-	(31.36)	(31.36)
Total deferred tax assets / (liabilities)	454.92	(31.36)	423.56

15) EARNINGS PER SHARE

Basic earnings per share are computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The Company did not have any potentially dilutive securities in any of the periods presented.

Notes forming part of the Financial Statements

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Profit for the year	**2,454.60**	2,414.81
Amount available for equity shareholders	**2,454.60**	2,414.81
Weighted average number equity shares	**1,770,000**	1,770,000
Total weighted average number of equity shares	**1,770,000**	1,770,000
Basic and diluted earning per share (₹)	**138.68**	136.43
Face value per equity share (₹)	**10.00**	10.00

16) AUDITORS REMUNERATION

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Services as statutory auditors (including quarterly audits)	**5.00**	5.00
Tax audit	**2.00**	2.00
Other services	**0.01**	-
For reimbursement of expenses	**0.25**	0.28
	7.26	7.28

17) SEGMENT INFORMATION

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker for assessing the Company's performance and allocating the resources based on an analysis of various performance indicators by business segments and geographic segments.

The Company is mainly engaged in the business of providing IT enabled services to various departments of Government of Andhra Pradesh and Government of Telangana which constitute a single business segment. These activities are conducted only in one geographic segment viz India. Therefore, the disclosure requirements of the Ind AS 108 "Segment Reporting" are not applicable.

For the year ended March 31 ,2025 there are three customers that contribute more than 10% each of total revenue.

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Department of School Education, Telangana	**3,405.67**	583.27
Andhra Pradesh State Council of Higher Education	**2,154.25**	1813.12
Telangana State Council of Higher Education	**2,065.15**	1845.80

Notes forming part of the Financial Statements

18) COMMITMENTS AND CONTINGENCIES

The Company uses significant judgements to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Contingent liability :		
Sales tax demands		
(i) Claims against the Company not acknowledged as debt - disputed sales tax liability	**18.76**	18.76
Capital commitment (net of advances) :		
(i) Estimated amount of contracts remaining to be executed on capital account	**179.27**	-

19) The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

20) RELATED PARTY TRANSACTIONS

The Company's principal related parties consist of its holding company, Tata Consultancy Services and its fellow-subsidiaries, and key managerial personnel. The Company's material related party transactions and outstanding balances are with related parties with whom the Company routinely enter into transactions in the ordinary course of business.

Key Management Personnel (KMP)

Mr. Satish Kumar Elaprolu

(₹ in lakhs)

	Year ended March 31, 2025				
	Tata Consultancy Services	Tata AIA Life Insurance Co Ltd	Tata Tele Services Ltd	Andhra Pradesh Technology Services Limited	Total
Revenue from sale of services and licenses	**4.73**	**-**	**-**	**-**	**4.73**
Purchases of goods and services (including reimbursement)*	**6,910.27**	**-**	**1.20**	**-**	**6,911.47**
Dividend paid	**1,339.01**	**-**	**-**	**165.50**	**1,504.50**
Rent expense	**71.44**	**-**	**-**	**-**	**71.44**

*The key manangement personnel of the Company are on deputation and have drawn remuneration of ₹ 52.88 Lakhs from Tata Consultancy Services Limited during the year ended March 31, 2025. Service charges are payable by the Company to Tata Consultancy Services Limited.

Notes forming part of the Financial Statements

(₹ in lakhs)

	Year ended March 31, 2024				
	Tata Consultancy Services	Tata AIA Life Insurance Co Ltd	Tata Tele Services Ltd	Andhra Pradesh Technology Services Limited	Total
Revenue from sale of services and licenses	3.00	-	0.04	-	3.04
Purchases of goods and services (including reimbursement)*	6,083.84	13.91	1.20	-	6,098.95
Dividend paid	866.42	-	-	107.09	973.50
Rent expense	71.44	-	-	-	71.44

*The key manangement personnel of the Company are on deputation and have drawn remuneration of ₹ 55.42 Lakhs from Tata Consultancy Services Limited during the year ended March 31, 2024. Service charges are payable by the Company to Tata Consultancy Services Limited.

(₹ in lakhs)

	Year ended March 31, 2025			
	Tata Consultancy Services	Tata AIA Life Insurance Co Ltd	Tata Tele Services Ltd	Total
Trade receivables and unbilled receivables	**10.17**	**0.05**	-	10.22
Total	**10.17**	**0.05**	-	10.22

(₹ in lakhs)

	Year ended March 31, 2024			
	Tata Consultancy Services	Tata AIA Life Insurance Co Ltd	Tata Tele Services Ltd	Total
Trade receivables and unbilled receivables	-	0.87	-	0.87
Total	-	0.87	-	0.87

(₹ in lakhs)

	Year ended March 31, 2025			
	Tata Consultancy Services	Tata AIA Life Insurance Co Ltd	Tata Tele Services Ltd	Total
Trade payables	**1,409.69**	**-**	-	1,409.69

(₹ in lakhs)

	Year ended March 31, 2024			
	Tata Consultancy Services	Tata AIA Life Insurance Co Ltd	Tata Tele Services Ltd	Total
Trade payables	499.85	-	-	499.85

Notes forming part of the Financial Statements

21) ADDITIONAL REGULATORY INFORMATION

• Ratios	Numerator	Denominator	Current Year	Previous Year	% Variance
Current ratio (in times)	**Total current assets**	**Total current liabilities**	**2.38**	**2.18**	**9.17 %**
Debt-Equity ratio (in times)	**Debt consists of borrowings and lease liabilities**	**Total equity**	**Not Applicable**		**-**
Debt service coverage ratio (in times)	**Earning for Debt service = Net Profit after taxes + Non-cash operating expenses + interest + Other non - cash adjustments**	**Debt service = Interest and lease payments + Principal repayments**	**Not Applicable**		**-**
Return On equity ratio (in %)	**Profit for the year less Preference dividend (if any)**	**Average total equity**	**18.50%**	**19.97%**	**(7.36)%**
Inventory turnover ratio (in times)	**Raw materials, subassemblies, components, finished goods and work in progress consumed**	**Average inventories**	**8.32**	**10.09**	**(17.54)%**
Trade receivable turnover ratio (in times)	**Revenue from operations**	**Average trade receivables**	**3.06**	**2.75**	**11.27 %**
Trade payables turnover ratio (in times)	**Cost of equipment and software licenses + Other expenses**	**Average trade payables**	**7.48**	**7.60**	**(1.58)%**
Net capital turnover ratio (in times)	**Revenue from operations**	**Average working capital (ie. Total current assets less Total current liabilities**	**1.48**	**1.61**	**(8.07)%**
Net profit ratio (in %)	**Profit for the year**	**Revenue from operations**	**14.68%**	**14.72%**	**(0.27)%**
Return on capital employed (in %)	**Profit before tax and finance cost**	**Capital employed = Net worth + Lease liabilities + Deferred tax liabilities**	**24.16%**	**25.40%**	**(4.88)%**
Return on investments (in %)	**Income generated from invested funds**	**Average invested funds in treasury investments**	**8.71%**	**8.71%**	**0.00 %**

*Restricted to two decimals

Notes forming part of the Financial Statements

22) 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 lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

23) DIVIDENDS

Dividends paid during the year ended March 31, 2025 include an amount of ₹ 55 per equity share for the year ended March 31,2024. Dividends paid during the year ended March 31,2024 include an amount of ₹ 55 per equity share towa rds dividend for the year ended March 31,2023.

Dividends declared by the Company are based on the profit available for distribution. On May 12, 2025,the Board of Directors of the Company have proposed a final dividend of ₹ 90 per share in respect of the year ended March 31, 202S subject to the approval of shareholders at the Annual General Meeting,and if approved, would result in a cash outflow of approximately ₹ 1,593.00 lakhs.

For **K B J & ASSOCIATES**
Chartered Accountants
Firm's registration number :114934W

Kaushik B. Joshi
Proprietor
Membership number : 048889

Mumbai
Date: 12th May 2025

For and on behalf of the Board

V Rajanna
Director
DIN : 07982712

V.Rajanna
Director
DIN:01280277

Date: 12th May 2025

MP ONLINE LIMITED

FINANCIAL STATEMENTS

For the year ended
March 31, 2025

FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

CONTENT	PAGE
Independent Auditor's Report	2.2
Balance Sheet	2.11
Statement of Profit and Loss	2.12
Statement of Changes in Equity	2.13
Statement of Cash Flow	2.14
Notes forming part of the Financial Statements	2.15

Back to main content

AUDITOR'S REPORT

UDIN:- 25048889BMINAQ3399

TO THE MEMBERS MP ONLINE LIMITED BHOPAL

Report on the standalone Financial Statements

Opinion

We have audited the Standalone financial statements of **MP Online Limited** (hereinafter referred to as "the Company"); which comprises the Balance Sheet as at 31st March, 2025 and Statement of Profit and Loss (including other comprehensive income), statement of changes in equity and the Cash Flow Statement for the year then ended and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and Statement of Profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 financial statements under the provisions of the Companies Act, 2013 and the Rules 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 we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Information other than the Financial Statements and Auditor's Report Thereon

The Company's Management and Board of Directors is responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the financial statements and our auditor's report thereon. The Company's annual 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 do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Responsibility of Management's and Board of Director's for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flow of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (AS) specified under Section 133 of the Act, as applicable. 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 these financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India, in term of section 143(11) of the Act, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the order to the extent applicable.

(A) As required by Section 143(3) of the Act, We report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from the examination of those books.

c) The Balance Sheet and the Statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and the Statement of Cash Flow dealt with by this report are in agreement with the books of accounts.

d) In our opinion, aforesaid 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 March 31, 2025, taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2025, from being appointed as a Director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(B) With respect to the other matters to be included in the Independent Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Note 19 to the financial statements.

ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii) There were no amounts which were 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, as disclosed in the note 23 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign 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 ("Ultimate Beneficiaries") by or on behalf of the Company or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(b) The management has represented, that, to the best of its knowledge and belief, as disclosed in the note 23 to the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and

(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 (iv) (a) and (iv) (b) contain any material mis-statement.

v) The final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 24 to the financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

(vi) As required under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014; based on our examination details and records on test check basis and information and explanation given to us, we state that the Company has used software for maintaining the books of accounts which has inbuilt feature of recording the audit trail and logs of activities in the software. The audit trail facility was enabled and operated throughout the year for the accounting software, we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention. The Company also uses some other software such as portal for citizen services (G to C) but it is not interfaced with the accounting software. Data is downloaded and then entered in the accounting software. Hence they have not been verified by us.

(C) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

According to the information and explanations given to us, no remuneration has been paid by the Company to any of its directors. Accordingly, provisions of Section 197 of the Act relating to remuneration to directors are not applicable. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For K B J & ASSOCIATES.
(Chartered Accountants)
(Firm Registration No. 114934W)

Kaushik B. Joshi
Proprietor
(Membership No. 48889)

Date : 7th May 2025
Place : Mumbai

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

Report on Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 ('the Act') of MP ONLINE LIMITED ('the Company')

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Plant, Property and Equipment.

(B) The Company does not have any intangible assets. Accordingly, clause 3(i)(a)(B) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has a regular programme of physical verification of its property, plant and equipment by which all Property, plant and equipment are verified every year. In accordance with this programme, Property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and records examined by us, the company does not have any immovable property (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including Right-of-use assets).

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company is a service company, primarily rendering development, management services of online portal for providing web-based services by Government to citizens. Accordingly, it does not hold any physical inventories. Accordingly, clause 3(ii)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year, except for investment in mutual funds and loan to a company details of the same are given below:

(a) (A) The Company does not have any subsidiaries. Accordingly, clause 3(iii)(a) A of the Order is not applicable.

(B) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has granted loans to other party as below:

Particulars	Amt (₹ In Lakhs)
Aggregate Amount during the year	6,000.00
Balance Outstanding at Balance sheet date	NIL

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the investments made, loans given are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan given falling due during the year, which has been renewed or extended or fresh loans given to settle the overdue of existing loans given to the same party.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans either repayable on demand or without specifying any terms or period of repayment.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, or provided any guarantee or security as specified under Sections 185 of the Companies Act, 2013 ("the Act") and the company has not made any investments or provided any guarantee or security as specified under section 186 of the Companies Act, 2013 ("the Act"). Further, the company has complied with the provisions of section 186 of the Companies Act, 2013 ("the Act") in relation to loans given. In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act are not required to be complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Sales tax, Service tax, Duty of excise and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into Goods and Service Tax (GST).

According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including GST, Provident fund, Employees' State Insurance, Income-tax, Cess and other material statutory dues have been generally deposited with the appropriate authorities. As explained to us, the Company did not have any dues of Customs.

According to the information and explanations given to us, no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income¬tax, Cess and other material statutory dues were in arrears as at 31 March 2025 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Provident Fund, Employees State Insurance, Income-Tax, Service Tax or Cess or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute, except the following dues of Service Tax and Income Tax have not been deposited by the Company on account of dispute:

Name of the statute	Nature of the dues	Amount under dispute (₹ in lakhs)	Amount paid under protest (₹ in lakhs)	Amount not paid	Period to which the amount relates	Forum where dispute is pending
The Finance Act, 1994	Service Tax	2,995.27	112.32	2,882.96	Oct-09 to Sept-14	Appellate Tribunal
The Finance Act, 1994	Service Tax	1,273.16	95.48	1,177.67	Oct-14 to Mar-16	Appellate Tribunal
The Finance Act, 1994	Service Tax	997.32	67.99	929.33	April-16 to June-17	Appellate Tribunal
The Income Tax Act, 1961	Income Tax	7.15	-	7.15	AY 2014-15	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	2.35	-	2.35	AY 2018-19	Commissioner of Income Tax (Appeals)

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds have been raised on short- term basis by the Company. Accordingly, clause 3(ix)(d) of the Order is not applicable.

(e) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under the Act) during the year ended 31 March 2025. Accordingly, clause 3(ix)(e) is not applicable.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub–section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) Establishment of vigil mechanism is not mandated for the Company. As represented to us by the management, there are no whistle blower complaints received by the company during the year vigil mechanism established voluntarily.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has more than one CIC as part of the Group. The Group has five CICs which are registered with the Reserve Bank of India and one CIC which is not required to be registered with the Reserve Bank of India.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to 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) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For K B J & ASSOCIATES.
(Chartered Accountants)
(Firm Registration No. 114934W)

Kaushik B. Joshi
Proprietor
(Membership No. 48889)

Date : 7th May 2025
Place : Mumbai

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE AFORESAID FINANCIAL STATEMENTS

Opinion

We have audited the internal financial controls with reference to financial statements of MP Online Limited ("the Company") as of 31 March 2025 in conjunction with our audit of the financial statements of the Company as at and for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to 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 (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to financial statements based on the criteria established by the Company considering the essential components of internal control stated in 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to 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 financial statements were established and maintained and whether 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, 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 financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For K B J & ASSOCIATES.
(Chartered Accountants)
(Firm Registration No. 114934W)

Kaushik B. Joshi
Proprietor
(Membership No. 48889)

Date : 7th May 2025
Place : Mumbai

Balance Sheet

(₹ in lakhs)

		Note	As at March 31, 2025	As at March 31, 2024
I.	**ASSETS**			
	Non - current assets			
	Property, plant and equipment	8(a)	**1,184.92**	145.39
	Right-of-use assets	7	**525.08**	576.22
	Financial assets			
	Trade receivables			
	Billed	6(b)	**-**	-
	Other financial assets	6(f)	**94.97**	2,571.39
	Income tax assets (net)		**36.66**	112.57
	Deferred tax assets (net)	15	**208.73**	231.99
	Other assets	8(b)	**288.42**	285.56
	Total non-current assets		**2,338.78**	3,923.12
	Current assets			
	Financial assets			
	Investments	6(a)	**3,834.78**	2,877.40
	Trade receivables			
	Billed	6(b)	**1,105.34**	1,814.45
	Cash and cash equivalents	6(c)	**2,176.98**	2,319.22
	Other balances with banks	6(d)	**10,300.00**	3,697.79
	Loans	6(e)	**4.65**	3.00
	Other financial assets	6(f)	**816.17**	6,926.89
	Other assets	8(b)	**415.70**	383.26
	Total current assets		**18,653.62**	18,022.01
	TOTAL ASSETS		**20,992.40**	21,945.13
II.	**EQUITY AND LIABILITIES**			
	Equity			
	Share capital	6(m)	**100.00**	100.00
	Other equity	9	**15,355.81**	13,919.46
	Total Equity		**15,455.81**	14,019.46
	Liabilities			
	Non-current liabilities			
	Financial liabilities			
	Lease liabilities		**636.74**	651.88
	Employee benefit obligations	12	**170.52**	149.35
	Total non-current liabilities		**807.26**	801.23
	Current liabilities			
	Financial liabilities			
	Lease liabilities		**79.46**	77.40
	Trade payables			
	Dues of small enterprises and micro enterprises	6(g)	**-**	-
	Dues to creditors other than small enterprises and micro enterprises	6(h)	**443.12**	640.54
	Other financial liabilities	6(i)	**3,317.89**	4,700.12
	Unearned and deferred revenue		**74.18**	146.27
	Other liabilities	8(c)	**748.83**	1,429.18
	Employee benefit obligations	12	**65.85**	49.44
	Income tax liabilities (net)		**-**	81.49
	Total current liabilities		**4,729.33**	7,124.44
	TOTAL EQUITY AND LIABILITIES		**20,992.40**	21,945.13
	NOTES FORMING PART OF THE FINANCIAL STATEMENTS	1-24		

As per our report of even date attached.

For **KBJ & Associates**
Chartered Accountants
Firm's registration number : 114934W

Kaushik B. Joshi
Proprietor
Membership number : 048889

Mumbai, May 07, 2025

For and on behalf of the Board of MP Online Limited
CIN number : U72400MP2006PLC018777

Tej Paul Bhatla
Director
DIN : 08491426

Venguswamy Ramaswamy
Director
DIN : 07943675

Mumbai, May 07, 2025

Back to content

Statement of Profit and Loss

(₹ in lakhs)

	Note	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from operations	10	**10,118.52**	8,911.28
Other income	11	**1,155.91**	1,250.28
TOTAL INCOME		**11,274.43**	10,161.56
Expenses			
Employee benefit expenses	12	**1,813.76**	1,490.65
Finance cost	14	**62.68**	55.46
Depreciation expense	7, 8(a)	**202.10**	86.89
Other expenses	13(a)	**4,815.76**	4,644.54
TOTAL EXPENSES		**6,894.30**	6,277.54
PROFIT BEFORE TAX		**4,380.13**	3,884.02
Tax expense			
Current tax	15	**1,165.00**	1,052.10
Deferred tax	15	**27.17**	(53.66)
TOTAL TAX EXPENSE		**1,192.17**	998.44
PROFIT FOR THE YEAR		**3,187.96**	2,885.58
OTHER COMPREHENSIVE INCOME /(LOSS)			
Items that will not be reclassified subsequently to profit and loss			
Remeasurement of defined employee benefit plans		**(15.57)**	(8.29)
Income-tax on items that will not be reclassified subsequently to profit or loss		**3.92**	2.08
TOTAL OTHER COMPREHENSIVE INCOME /(LOSS)		**(11.65)**	(6.21)
TOTAL OTHER COMPREHENSIVE INCOME FOR THE YEAR		**3,176.31**	2,879.37
Earnings per equity share - Basic and diluted (₹)	16	**318.80**	288.56
Weighted average number of equity shares		**10,00,000**	10,00,000
NOTES FORMING PART OF THE FINANCIAL STATEMENTS	1-24		

As per our report of even date attached.

For **KBJ & Associates**
Chartered Accountants
Firm's registration number : 114934W

Kaushik B. Joshi
Proprietor
Membership number : 048889

Mumbai, May 07, 2025

For and on behalf of the Board of MP Online Limited
CIN number : U72400MP2006PLC018777

Tej Paul Bhatla
Director
DIN : 08491426

Venguswamy Ramaswamy
Director
DIN : 07943675

Mumbai, May 07, 2025

Statement of Changes in Equity

A. EQUITY SHARE CAPITAL

(₹ in lakhs)

Balance as at April 1, 2024	Changes in equity share capital due to prior period errors	Restated balance as at April 1, 2024	Changes in equity share capital during the year	Balance as at March 31, 2025
100	**-**	**-**	**-**	**100**

(₹ in lakhs)

Balance as at April 1, 2023	Changes in equity share capital due to prior period errors	Restated balance as at April 1, 2023	Changes in equity share capital during the year	Balance as at March 31, 2024
100	-	-	-	100

*Refer note 6(m).

B. OTHER EQUITY

(₹ in lakhs)

	Retained earnings
Balance as at April 1, 2024	**13,919.46**
Profit for the year	**3,187.96**
Other comprehensive losses	**(11.65)**
Total comprehensive income	**17,095.77**
Dividend	**(1,740.00)**
Balance as at March 31, 2025	**15,355.81**
Balance as at April 1, 2023	12,620.09
Profit for the year	2,885.58
Other comprehensive losses	(6.21)
Total comprehensive income	15,499.46
Dividend	(1,580.00)
Balance as at March 31, 2024	13,919.46

Nature and purpose of reserves

General Reserve

The general reserve is a free reserve which is used from time to time to transfer profits from retained earnings for appropriation purposes.

Retained earnings

This reserve represents undistributed accumulated earnings of the Company as on the balance sheet date.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS 1-24

As per our report of even date attached.

For **KBJ & Associates**
Chartered Accountants
Firm's registration number : 114934W

Kaushik B. Joshi
Proprietor
Membership number : 048889

Mumbai, May 07, 2025

For and on behalf of the Board of MP Online Limited
CIN number : U72400MP2006PLC018777

Tej Paul Bhatla
Director
DIN : 08491426

Venguswamy Ramaswamy
Director
DIN : 07943675

Mumbai, May 07, 2025

Statement of Cash Flows

(₹ in lakhs)

		Year ended March 31, 2025	Year ended March 31, 2024
I	**CASH FLOWS FROM OPERATING ACTIVITIES**		
	Profit for the year	**4,380.13**	3,884.02
	Adjustments to reconcile profit and loss to net cash provided by		
	Operating activities		
	Depreciation expense	**202.09**	86.89
	Net gain on investements	**(156.35)**	(629.64)
	Bad debts and advances written off, allowance for doubtful trade receivables and advances (net)	**-**	(22.83)
	Creditors written back	**(2.88)**	-
	Interest income	**(921.07)**	(838.08)
	Unrealised gain on investments	**(75.60)**	217.44
	Finance costs	**62.68**	55.46
	Operating profit before working capital changes	**3,489.00**	2,753.26
	Net change in		
	Trade receivables	**709.11**	(1,692.59)
	Loans and other financial assets	**(4.34)**	(0.32)
	Other assets	**(35.30)**	(57.05)
	Trade payables	**(194.54)**	16.65
	Unearned and deferred revenue	**(72.09)**	145.93
	Employee benefit obligations	**22.01**	25.21
	Other liabilities and provisions	**(2,062.58)**	2,145.06
	Cash generated from operations	**1,851.27**	3,336.15
	Taxes paid (net of refunds)	**(1,170.54)**	(1,002.02)
	Net cash generated from operating activities	**680.73**	2,334.13
II	**CASH FLOWS FROM INVESTING ACTIVITIES**		
	Bank deposits placed	**(4,121.88)**	(8,223.81)
	Inter-corporate deposits placed	**6,000.00**	-
	Purchase of investments	**(6,600.00)**	(19,000.00)
	Payment for purchase of property, plant and equipment	**(1,190.47)**	-
	Proceeds from bank deposits	**-**	4,541.43
	Proceeds from disposal / redemption of investments	**5,874.57**	21,234.01
	Interest received	**1,030.57**	331.81
	Net cash generated from / (used in) investing activities	**992.79**	(1,116.56)
III	**CASH FLOWS FROM FINANCING ACTIVITIES**		
	Dividend	**(1,740.00)**	(1,580.00)
	Interest paid	**(62.68)**	(55.46)
	Lease payments	**(13.08)**	(23.80)
	Net cash (used in) financing activities	**(1,815.76)**	(1,659.26)
	Net change in cash and cash equivalents	**(142.24)**	(441.69)
	Cash and cash equivalents at the beginning of the year	**2,319.22**	2,760.91
	Cash and cash equivalents at the end of the year (Refer Note 6(c))	**2,176.98**	2,319.22
	NOTES FORMING PART OF THE FINANCIAL STATEMENTS	**1-24**	

Note: The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

As per our report of even date attached.

For **KBJ & Associates**
Chartered Accountants
Firm's registration number : 114934W

Kaushik B. Joshi
Proprietor
Membership number : 048889

Mumbai, May 07, 2025

For and on behalf of the Board of MP Online Limited
CIN number : U72400MP2006PLC018777

Tej Paul Bhatla
Director
DIN : 08491426

Venguswamy Ramaswamy
Director
DIN : 07943675

Mumbai, May 07, 2025

Notes forming part of the financial statements

1. CORPORATE INFORMATION

MP Online Limited (herein referred to as 'the Company') is a subsidiary of Tata Consultancy Services Limited ('TCS' or 'Holding Company') The Company primarily operates an e-commerce portal allowing payments and money transfer to be made through the Internet, enabling citizens and businesses to make payment of dues to various departments of state governments, educational institutions, public utilities and insurance companies.

The Company, is a public company incorporated and domiciled in India. The address of its registered office and principal place of business Office Block No.9 & 10, DB City Corporate block, DB Mall Fifth Floor, Arera Hills, MP Nagar, Bhopal - 462 011. As of March 31, 2025 Tata Consultancy Services Limited, the holding company owned 89% of the Company's equity share capital. Tata Sons Private Limited is the ultimate parent.

The Company is a venture between Tata Consultancy Services Limited and Madhya Pradesh State Electronics Development Corporation Limited ('Significant Shareholder'). The shareholding agreement between parties is valid until March 31, 2027.

The financial statements for the year ended March 31, 2025 were approved by the Board of Directors and authorised for issue on May 07, 2025.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

3. BASIS OF PREPARATION

These financial statements have been prepared in Indian Rupee which is the functional currency of the Company.

These financial statements have been prepared on the historical cost basis, except for financial instruments which are measured at fair values at the end of each reporting period and employee retirement obligations as explained in the accounting policies below. Historical cost is generally based on 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 measerement date.

All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria as set out in division II of Schedule III to the Company's Act, 2013. Based on the nature of services rendered to customer and time elapsed between deployment of resources and realisation in cash and cash equivalents of the consideration for such a services rendered, the Company has considered an operating cycle of 12 months.

The statement of cash flows have been prepared under indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value to be cash equivalents.

4. USE OF ESTIMATES AND JUDGEMENTS

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expenses for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The Company uses the following critical accounting estimates in preparation of its financial statements :

a) Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Notes forming part of the financial statements

b) Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

c) Provision for income tax and deferred tax assets

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax.

A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

d) Provisions and contingent liabilities

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Company uses significant judgements to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

e) Employee benefits

The accounting of employee benefit plans in the nature of defined benefit requires the Company to use assumptions. These assumptions have been explained under employee benefits note.

f) Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

5. RECENT PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

Notes forming part of the financial statements

6. FINANCIAL ASSETS, FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and 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 measured on initial recognition of financial asset or financial liability.

Cash and cash equivalents

The Company considers all highly liquid investments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received net of direct issue cost.

Impairment of financial assets (other than at fair value)

The Company assesses at each date of balance sheet whether a financial asset or a Group of financial assets is impaired.

Ind AS 109 requires expected credit losses to be measured through a loss allowance. In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Notes forming part of the financial statements

a) Investments - current

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Investments carried at fair value through profit or loss		
Mutual funds units (quoted)	**3,834.78**	2,877.40
	3,834.78	2,877.40

(₹ in lakhs)

	Quantity	As at March 31, 2025	Quantity	As at March 31, 2024
Aditya Birla Sun Life Liquid Fund - Growth-Direct Plan	**-**	**-**	2,56,960.00	1,001.32
Nippon - Liquid Fund - Growth-Direct Plan	**1,945.98**	**123.52**	9,664.96	571.10
SBI - Liquid Fund - Growth-Direct Plan	**40,377.82**	**1,637.70**	20,549.88	800.58
DSP Savings Fund - Direct Plan - Growth	**19,58,325.44**	**1,042.72**	10,19,379.37	504.40
Axis - Liquid Fund - Growth-Direct Plan	**35,748.47**	**1,030.84**	-	-
	20,36,397.71	**3,834.78**	13,06,554.21	2,877.40

Aggregate value of quoted investments is as follows:

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Aggregate value of quoted investments	**3,834.78**	2,877.40
Aggregate market value of quoted investments	**3,834.78**	2,877.40

b) Trade receivables - Billed

Trade receivables - Billed (unsecured) consist of the following:

Trade receivables - Billed - Non-current

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Trade receivables - Billed	**530.76**	530.76
Less : Allowance for doubtful trade receivables - Billed	**(530.76)**	(530.76)
Considered good	**-**	-

Ageing for trade receivables – non-current outstanding as at March 31, 2025 is as follows:

Notes forming part of the financial statements

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Trade receivables - Billed							
Undisputed trade receivables – considered good	-	-	-	-	-	**530.76**	**530.76**
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
	-	-	-	-	-	**530.76**	**530.76**
Less: Allowance for doubtful trade receivables - Billed							**(530.76)**
							-

Ageing for trade receivables - non-current outstanding as at March 31, 2024 is as follows:

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Trade receivables - Billed							
Undisputed trade receivables – considered good	-	-	-	-	-	530.76	530.76
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
	-	-	-	-	-	530.76	530.76
Less: Allowance for doubtful trade receivables - Billed							(530.76)
							-

Notes forming part of the financial statements

Trade receivables - Billed - Current

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Trade receivables - Billed	**1,105.34**	1,814.45
Less: Allowance for doubtful trade receivables - Billed	**-**	-
Considered good	**1,105.34**	1,814.45

Above balances of trade receivables include balances with related parties (Refer note 21).

Ageing for trade receivables – non-current outstanding as at March 31, 2025 is as follows:

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Trade receivables - Billed							
Undisputed trade receivables – considered good	**1,048.54**	**56.80**	**-**	**-**	**-**	**-**	**1,105.34**
Undisputed trade receivables – which have significant increase in credit risk	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Undisputed trade receivables – credit impaired	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Disputed trade receivables – considered good	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Disputed trade receivables – which have significant increase in credit risk	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Disputed trade receivables – credit impaired	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	1,048.54	**56.80**	**-**	**-**	**-**	**-**	**1,105.34**
Less: Allowance for doubtful trade receivables - Billed							**-**
							1,105.34

Notes forming part of the financial statements

Ageing for trade receivables – non-current outstanding as at March 31, 2024 is as follows:

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Trade receivables - Billed							
Undisputed trade receivables – considered good	1,798.81	-	1.14	14.50	-	-	1,814.45
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
	1,798.81	-	1.14	14.50	-	-	1,814.45
Less: Allowance for doubtful trade receivables - Billed							-
							1,814.45

c) Cash and cash equivalents

Cash and cash equivalents consist of the following:

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Balances with banks		
In current accounts	**2,176.98**	2,319.22
	2,176.98	2,319.22

*Earmarked balances includes balances held as margin money against guarantees.

d) Other balances with banks

Other balances with banks consists of the following:

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Short-term bank deposits	**10,300.00**	3,676.00
Earmarked balances with banks*	**-**	21.79
	10,300.00	3,697.79

*Earmarked balances includes balances held as margin money against guarantees.

Notes forming part of the financial statements

e) Loans

Loans (unsecured) consists of the following:

Loans - Current

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
Loans and advances to employee	**4.65**	3.00
	4.65	3.00

f) Other financial assets

Other financial assets consist of the following:

Other financial assets - Non-current

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Bank deposits	**-**	2,500.00
Security deposits	**23.20**	19.29
Earmarked balances with banks *	**71.77**	52.10
	94.97	2,571.39

Other financial assets - Current

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Inter-corporate deposits**	**-**	6,000.00
Interest receivable	**816.17**	926.89
	816.17	6,926.89

*Earmarked balances includes balances held as margin money against guarantees.

**Inter-corporate deposits placed with financial institutions yield fixed interest rate. The same financial institution has since, been merged with bank.

Notes forming part of the financial statements

g) Dues of small enterprises and micro enterprises

The disclosure pursuant to the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act) for dues to micro enterprises and small enterprises as at March 31, 2025 and March 31, 2024 is as under:

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Dues remaining unpaid to any supplier Principal	-	-
Interest on the above	-	-
Amount of interest paid in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
Amount of interest accrued and remaining unpaid	-	-
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 MSMED Act, 2006	-	-
	-	-

h) Trade payables

Ageing for trade payables outstanding as at March 31, 2025 is as follows:

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
MSME	-	-	-	-	-	-
Others	160.55	-		9.42	156.56	326.53
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
	160.55	-	-	9.42	156.56	326.53
Accrued expenses						116.59
						443.12

Above balances of trade payables include balances with related parties (Refer note 21).

Notes forming part of the financial statements

Ageing for trade payables outstanding as at March 31, 2024 is as follows:

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
MSME	-	-	-	-	-	-
Others	304.81	-	9.42	-	156.56	470.79
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
	304.81	-	9.42	-	156.56	470.79
Accrued expenses						169.75
						640.54

Above balances of trade payables include balances with related parties (Refer note 21).

i) Other financial liabilities

Other financial liabilities consist of the following:

Other financial liabilities - Current

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Amount collected on behalf of customers	**3,316.89**	4,645.22
Security deposits received	**1.00**	54.90
	3,317.89	4,700.12

j) Financial instruments by category

The carrying value of financial instruments by categories as of March 31, 2025 is as follows:

(₹ in lakhs)

	Fair value through profit or loss	Amortised cost	Total carrying value
Financial assets:			
Cash and cash equivalents	**-**	**2,176.98**	**2,176.98**
Other balances with bank	**-**	**10,300.00**	**10,300.00**
Investments	**3,834.78**	**-**	**3,834.78**
Trade receivables	**-**	**1,105.34**	**1,105.34**
Loans	**-**	**4.65**	**4.65**
Other financial assets	**-**	**911.14**	**911.14**
Total	**3,834.78**	**14,498.11**	**18,332.89**
Financial liabilities:			
Trade payables	**-**	**443.12**	**443.12**
Lease liabilities	**-**	**716.20**	**716.20**
Other financial liabilities	**-**	**3,317.89**	**3,317.89**
Total	**-**	**4,477.21**	**4,477.21**

Notes forming part of the financial statements

The carrying value of financial instruments by categories as of March 31, 2024 is as follows:

(₹ in lakhs)

	Fair value through profit or loss	Amortised cost	Total carrying value
Financial assets:			
Cash and cash equivalents	-	2,319.22	2,319.22
Other balances with bank	-	3,697.79	3,697.79
Investments	2,877.40	-	2,877.40
Trade receivables	-	1,814.45	1,814.45
Loans	-	3.00	3.00
Other financial assets	-	9,498.28	9,498.28
Total	2,877.40	17,332.74	20,210.14
Financial liabilities:			
Trade payables	-	640.54	640.54
Lease liabilities	-	729.28	729.28
Other financial liabilities	-	4,700.12	4,700.12
Total	-	6,069.94	6,069.94

Carrying amounts of cash and cash equivalents, other balances with bank, trade receivables, loans receivables, trade payables and other financial liabilities as at March 31, 2025 and 2024 approximate the fair value due to their nature. Carrying amounts of other balances with bank, other financial assets and other financial liabilities which are subsequently measured at amortised cost also approximate the fair value due to their nature in each of the periods presented.

Measurement of fair value

The management assessed the fair values of cash and cash equivalents, trade receivables, unbilled revenue, loan receivables, other financial assets, trade payable and other financial liabilities at their carrying amounts due to short term maturities of these investments.

k) 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 consist 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.

Notes forming part of the financial statements

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosures are required):

As at March 31, 2025 (₹ in lakhs)

Financial assets	Level 1	Level 2	Level 3	Total
Mutual fund units	**3,834.78**	**-**	**-**	**3,834.78**
Total	**3,834.78**	**-**	**-**	**3,834.78**

As of March 31, 2024 (₹ in lakhs)

Financial assets:	Level 1	Level 2	Level 3	Total
Mutual fund units	2,877.40	-	-	2,877.40
Total	2,877.40	-	-	2,877.40

l) Financial risk management

The Company is exposed primarily to credit and liquidity risk which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which covers risks associated with the financial assets and liabilities. The focus of the Board is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the Company.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes.

Foreign currency exchange rate risk

The Company has no exposure to foreign currency risk.

Interest rate risk

The Company investments are primarily in fixed rate interest bearing investments. Hence the Company is not significantly exposed to interest rate risk.

Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, cash and cash equivalents, bank deposits, inter corporate deposits and other financial assets. Inter corporate deposits of ₹ 0.00 lakhs and ₹ 6,000 lakhs as of March 31, 2025 and 2024, respectively was issued by a financial institution which has since been merged with reputed bank , both having a high credit-rating. Bank deposits of ₹ 10,371.77 lakhs and ₹ 6,249.89.00 lakhs as at March 31, 2025 and 2024, respectively is held with Indian banks having high credit ratings. None of the other financial instruments of the Company result in material concentration of credit risk.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 18,334.92 lakhs and ₹ 20,210.14 lakhs as of March 31, 2025 and 2024, respectively, being the total of the Carrying amount of cash and cash equivalent, other balances with banks, investments, trade receivables, loans receivables, Intercorporate deposits and other financial assets.

Notes forming part of the financial statements

Of the total trade receivables ₹ 1,636.10 lakhs as at March 31, 2025, Amt of ₹ 833.27/- is due from the variuos collecting agents which have since been received. Out of balance receivables of ₹ 804.86 lakhs following three as at March 31, 2025 (four as at March 31, 2024) are largest customers of the Company. There are no other customers who represent more than 10% of the total trade receivables other than collecting agents.

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Customer A	**327.81**	327.81
Customer B	**191.76**	191.76
Customer C	**184.32**	-
	703.89	519.57

Geographic concentration of credit risk

The Company has a geographic concentration of trade receivables, net of allowances in India.

Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company consistently generated sufficient cash flows from operations to meet its financial obligations as and when they fall due.

The tables below provide details regarding the contractual maturities of significant financial liabilities as of:

(₹ in lakhs)

March 31, 2025	Due in 1st Year	Due in 2nd Year	Due in 3rd to 5th Year	Due after 5th Year	Total
Trade and other payables	**443.12**	**-**	**-**	**-**	**443.12**
Lease liabilities	**79.46**	**82.06**	**251.81**	**1,332.00**	**1,745.33**
Other financial liabilities	**3,317.89**	**-**	**-**	**-**	**3,317.89**
Total	**3,840.47**	**82.06**	**251.81**	**1,332.00**	**5,506.34**

(₹ in lakhs)

March 31, 2024	Due in 1st Year	Due in 2nd Year	Due in 3rd to 5th Year	Due after 5th Year	Total
Trade and other payables	640.54	-	-	-	640.54
Lease liabilities	77.40	79.46	262.44	1,403.43	1,822.73
Other financial liabilities	4,700.12	-	-	-	4,700.12
Total	5,418.06	79.46	262.44	1,403.43	7,163.39

Notes forming part of the financial statements

m) Equity instruments

The authorised, issued, subscribed and fully paid-up share capital comprises of the following:

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Authorised :		
1,000,000 equity shares of ₹10 each	**100.00**	100.00
(March 31, 2024 : 1,000,000 Equity shares of ₹ 10 each)	**-**	-
Issued, Subscribed and Fully paid up		
1,000,000 equity shares of ₹ 10 each	**100.00**	100.00
(March 31, 2024 : 1,000,000 Equity shares of ₹ 10 each)	**-**	-
	100.00	100.00

a. Reconciliation of the number of shares

	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Amount (₹ lakhs)	Number of shares	Amount (₹ lakhs)
Equity shares				
Opening balance	**10,00,000**	**100.00**	10,00,000	100.00
Issued during the year	**-**	**-**	-	-
Closing balance	**10,00,000**	**100.00**	10,00,000	100.00

b. Rights, preferences and restrictions attached to shares

The Company has one class of equity shares having a par value of T 10 per share. Each shareholder is eligible for one vote per share held and carry a right to dividend. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of the interim dividend. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c. Shares held by holding company

	Number of shares	
	As at March 31, 2025	As at March 31, 2024
Equity shares		
Holding Company		
8,90,000 equity shares are held by Tata Consultancy Services Limited	**8,90,000**	8,90,000

Notes forming part of the financial statements

d. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Class of shares / Name of shareholder	As at March 31, 2025		As at March 31, 2024	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares				
Tata Consultancy Services Limited	**8,90,000**	**89%**	8,90,000	89%
Madhya Pradesh State Electronics Development Corporation	**1,10,000**	**11%**	1,10,000	11%

e. Disclosure of Shareholding of Promoters

Disclosure of shareholding of promoters as at March 31, 2024 is as follows:

Promoter name	Shares held by promoters				% Change during the year
	As at March 31, 2025		As at March 31, 2024		
	Number of shares	% of total shares	Number of shares	% of total shares	
Tata Consultancy Services Limited	**8,90,000**	**89%**	8,90,000	89%	0%
Madhya Pradesh State Electronics Development Corporation Limited	**1,10,000**	**11%**	1,10,000	11%	0%

f. The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. The Company is not subject to any externally imposed capital requirements.

7. LEASES

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative standalone price of the lease component and the aggregate standalone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right- of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with

Notes forming part of the financial statements

reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in¬substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

Company as a lessee

The details of the right-of-use asset held by the Company is as follows:

(₹ in lakhs)

	Additions for the year ended March 31, 2025	Net carrying amount as at March 31, 2025
Leasehold Building	-	**525.08**
	-	**525.08**

(₹ in lakhs)

	Additions for the year ended March 31, 2024	Net carrying amount as at March 31, 2024
Leasehold Building	217.31	576.22
	217.31	576.22

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation		
Leasehold Building	**51.16**	52.01
	51.16	52.01

Interest on lease liabilities is ₹ 62.68 lakhs and ₹ 55.46 lakhs for the years ended March 31, 2025 and 2024, respectively.

The total cash outflow for leases is ₹ 75.76 lakhs and ₹ 80.12 lakhs for the years ended March 31, 2025 and 2024, respectively.

The Company incurred ₹ Nil lakhs and ₹ 2.85 lakhs for the years ended March 31, 2025 and 2024, respectively, towards expenses relating to short-term leases and leases of low-value assets.

Lease contracts entered by the Company majorly pertains for buildings taken on lease to conduct its business in the ordinary course. The Company does not have any lease restrictions and commitment towards variable rent as per the contract.

Notes forming part of the financial statements

8. NON-FINANCIAL ASSETS AND NON-FINANCIAL LIABILITIES

a) Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment loss, if any. Cost of an item of property, plant and equipment comprises of its purchases price including non refundable taxes, after deducting trade discount and any directly attributable cost of bringing the item to its working condition for its intended use.

Depreciation is provided for property, plant and equipment on straight line basis so as to expense the cost less residual value over their estimated useful lives based on a technical evaluation. The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

The estimated useful lives are as mentioned below:

Type of asset	Useful lives
Leasehold improvements	Lease term
Computer equipment	4 years
Vehicles	4 years
Office equipment	5 years
Electrical installations	10 years
Furniture and fixtures	5 years

Property, plant and equipment with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

Property, plant and equipment consists of the following:

(₹ in lakhs)

Description	Leasehold improvements	Computer equipment	Vehicles	Office equipment	Electrical installations	Furniture and fixtures	Total
Cost as at April 1, 2024	143.30	628.09	9.04	89.71	16.28	48.49	934.91
Additions	-	1,160.70	29.02	0.75	-	-	1,190.47
Disposals	-	(124.25)	-	(0.80)	-	-	(125.05)
Cost as at March 31, 2025	143.30	1,664.54	38.06	89.66	16.28	48.49	2,000.33
Accumulated depreciation as at April 1, 2024	(26.29)	(599.76)	(9.04)	(89.66)	(16.28)	(48.49)	(789.52)
Disposals	-	124.25	-	0.80	-	-	125.05
Depreciation for the year	(4.78)	(141.93)	(4.15)	(0.08)	-	-	(150.94)
Accumulated depreciation as at March 31, 2025	(31.07)	(617.44)	(13.19)	(88.94)	(16.28)	(48.49)	(815.41)
Net carrying amount as at March 31, 2025	112.23	1,047.10	24.87	0.72	-	-	1,184.92

Notes forming part of the financial statements

(₹ in lakhs)

Description	Leasehold improvements	Computer equipment	Vehicles	Office equipment	Electrical installations	Furniture and fixtures	Total
Cost as at April 1, 2023	204.00	628.51	9.04	109.43	16.28	52.69	1,019.95
Additions	-	-	-	-	-	-	0.00
Disposals	(60.70)	(0.42)	-	(19.72)	-	(4.20)	(85.04)
Cost as at March 31, 2024	143.30	628.09	9.04	89.71	16.28	48.49	934.91
Accumulated depreciation as at April 1, 2023	(78.10)	(579.69)	(9.04)	(103.88)	(16.28)	(52.69)	(839.68)
Disposals	60.70	0.42	-	19.72	-	4.20	85.04
Depreciation for the year	(8.89)	(20.49)	-	(5.50)	-	-	(34.88)
Accumulated depreciation as at March 31, 2024	(26.29)	(599.76)	(9.04)	(89.66)	(16.28)	(48.49)	(789.52)
Net carrying amount as at March 31, 2024	117.01	28.33	-	0.05	-	-	145.39

b) Other assets

Other assets consist of the following:

Other assets - Non - current

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
Prepaid expenses	**12.62**	9.76
Balance with Government authorities	**275.80**	275.80
	288.42	285.56

Other assets - Current

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
Prepaid expenses	**45.77**	49.24
Other advance*	**369.93**	334.02
	415.70	383.26

* Paid to MP Electricty Board

Notes forming part of the financial statements

c) Other liabilities

Other liabilities - Current

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Advance received from collection agents	**655.34**	1,380.81
Indirect tax payable and other statutory liabilities	**93.49**	48.37
	748.83	1,429.18

9. OTHER EQUITY

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Retained earnings		
Opening balance	**13,919.46**	12,620.09
Profit for the year	**3,187.96**	2,885.58
Other comprehensive income arising from remeasurement of defined employee benefit plans, net of income-tax	**(11.65)**	(6.21)
	17,095.77	15,499.46
Less: Appropriations		
Dividend	**(1,740.00)**	(1,580.00)
	15,355.81	13,919.46

10. REVENUE RECOGNITION

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

Revenue from time and material is recognised on output basis measured by number of transactions processed.

Revenue is measured based on the transaction price, which is the consideration as specified in the contract with the customer. Revenue excludes taxes collected from customers.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

The Company disaggregates revenue from contracts with customers by nature of services.

Revenue disaggregation by nature is as follows:

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Transaction revenue	**10,071.64**	8,885.16
Adhar authentication	**6.63**	26.12
Manpower supply	**40.25**	-
	10,118.52	8,911.28

Notes forming part of the financial statements

While disclosing the aggregate amount of transaction price yet to be recognized as revenue towards unsatisfied or partially satisfied performance obligations, along with the broad time band for the expected time to recognize those revenues, the Company has applied the practical expedient aligning Ind AS 115. Accordingly, the Company has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognized corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts.

The Company does not have any contract assets.

Movement in contract liabilities is given below:

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Balance at the beginning of the year	**146.27**	0.34
Revenue recognised that was included in the contract liability balance at the beginning of the period.	**(992.55)**	(401.83)
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year.	**920.46**	547.76
Balance at the end of the year	**74.18**	146.27

For the current year, the revenue recongnised in the statement of profit and loss equals to the contracted price. All the revenue is derived in the state of Madhya Pradesh in India.

11. OTHER INCOME

Dividend income is recorded when the right to receive payment is established. Interest income is recognised using the effective interest method.

Other income (net) consist of the following :

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Interest income	**919.85**	836.63
Net gain on investments carried at fair value through profit or loss	**75.60**	(217.44)
Net gain on sale of investments carried at fair value through profit or loss	**156.35**	629.64
Liabilities no longer required written back	**2.88**	-
Miscellaneous income *	**1.23**	1.45
	1,155.91	1,250.28
Interest income comprises :		
Interest on bank deposits	**872.72**	418.49
Interest income on corporate deposit	**47.13**	418.14
(*) Includes interest on lease deposits	**1.22**	1.71

12. EMPLOYEE BENEFITS

Defined benefit plans

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Past service cost, both vested and unvested, is recognised as an expense at the earlier of (a) when the plan amendment or curtailment occurs; and (b) when the entity recognises related restructuring costs or termination benefits.

Notes forming part of the financial statements

The retirement benefit obligations recognised in the balance sheet represents the present value of the defined benefit obligations reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

Defined contribution plans

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits.

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognized in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Compensated absences

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as undiscounted liability at the balance sheet date. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date.

Employee benefit expenses consist of the following:

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, incentives and allowances	**1,658.68**	1,348.13
Contribution to provident and other funds	**98.39**	85.00
Staff welfare expenses	**56.69**	57.52
	1,813.76	1,490.65

Employee benefit obligations consist of the following:

Employee benefit obligation - Non-Current

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Gratuity	**105.96**	94.99
Compensated absences	**64.56**	54.36
	170.52	149.35

Employee benefit obligation - Current

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Gratuity	**52.50**	38.94
Compensated absences	**13.35**	10.50
	65.85	49.44

Notes forming part of the financial statements

Employee benefit plans consist of the following:

Gratuity

In accordance with law, the Company operates a scheme of Gratuity which is a defined benefit plan. The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days' salary payable for each completed year of service. Vesting occurs upon completion of five continous years of service.

The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit Credit Method with actuarial valuations being carried out at each balance sheet date.

The following table sets out the details of the defined benefit retirement plans and the amounts recognised in the financial statements:

(₹ in lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Change in benefit obligations		
Benefit obligations, beginning of the year	**185.82**	155.50
Service cost	**16.96**	15.17
Interest cost	**13.47**	11.67
Actuarial losses on obligations for the year	**14.53**	7.10
Benefit paid	**(2.70)**	(3.62)
Benefit obligations, end of the year	**228.08**	185.82
Change in plan assets		
Fair value of plan assets, beginning of the year	**51.90**	48.46
Interest income	**3.76**	3.63
Employers' contributions	**15.00**	1.00
Return on plan assets, excluding interest income	**(1.04)**	(1.19)
Fair value of plan assets, end of the year	**69.62**	51.90

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Net obligation:		
(Deficit) of plan assets over obligations	**(158.46)**	(133.92)
	(158.46)	(133.92)
Category of assets:		
Insurer managed funds	**69.62**	51.90
	69.62	51.90

Notes forming part of the financial statements

Net periodic gratuity included in employee cost consists of the following components:

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Service cost	**16.96**	15.17
Net interest on net defined benefit liability / (asset)	**9.71**	8.03
Net periodic gratuity / pension cost	**26.67**	23.20
Actual return on plan asets	**3.76**	3.63

Remeasurement of the net defined benefit liability / (asset):

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Actuarial (gains) arising from changes in demographic assumptions	**-**	3.46
Actuarial losses arising from changes in financial assumptions	**11.32**	4.28
Actuarial losses arising from changes in experience adjustments	**3.21**	(0.65)
Return on plan assets, excluding interest income	**1.04**	1.19
Remeasurement of the net defined benefit liability / (assets)	**15.57**	8.28

The assumptions used in according for the defined benefit plan are set out below:

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Discount rate	**6.75%**	7.25%
Salary escalation rate	**6%**	6%
Attrition rate		
i) If Services < = 5 years	**7.44%**	17.07%
ii) If Services > 5 years	**5.16%**	5.58%
Mortality rate	**Indian Assured Lives Mortality (2012-14)**	Indian Assured Lives Mortality (2012-14)

Future mortality experience assumptions are taken based on the published statistics by the Life Insurance Corporation of India.

The Company is expected to contribute ₹ 52.50 lakhs to the defined benefit plan obligation for the year ending March 31, 2025.

Remeasurement (gain) / loss of defined employee benefit plan in other comprehensive income for the fiscals 2025 and 2024 are ₹ 15.57 lakhs and ₹ 8.29 lakhs respectively.

The significant actuarial assumptions for the determination of the defined benefit obligations are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Notes forming part of the financial statements

If the discount rate increases / decreases by 0.50%, the defined benefit obligations would increase / (decrease) as follows:

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Increase of 0.50%	**(10.85)**	(8.40)
Decrease of 0.50%	**11.75**	9.08

If the expected salary growth increases / decreases by 0.50%, the defined benefit obligations would increase / (decrease) as follows:

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Increase of 0.50%	**11.72**	9.15
Decrease of 0.50%	**10.98**	(8.54)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumption may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligations has been calculated using the Projected Unit Credit Method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the Balance sheet.

The defined benefit obligations shall mature after year ended March 31, 2025 as follows:

Year ending March 31,	Defined benefit obligations
2026	15.53
2027	12.78
2028	14.15
2029	15.11
2030	13.34
2031 to 2035	78.97

Provident Fund

In accordance with law, the employees of the Company are entitled to receive benefits under the provident fund plan in which both the employee and employer (at a determined rate) contribute monthly.

These are plans in which the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. The Company offers its employees defined contribution plan in the form of provident fund and family pension fund. Provident fund and family pension fund covers substantially all regular employees. While both, the employee and the Company pay predetermined contributions into the provident fund, contribution into the family pension fund are made by only the Company. The contribution is based on certain proportion of employee's salary. Contributions to Provident Fund are made to The Regional Provident Fund Commissioner for qualifying employees.

The Company expensed contributed ₹ 70.97 lakhs (March 31, 2024: ₹ 59.20 lakhs) for provident fund during the year ended March 31, 2025.

13. COST RECOGNITION

Costs and expenses are recognised when incurred and have been classified according to their nature.

The costs of the Company are broadly categorised in employee benefit expenses, depreciation and amortisation expense and other expenses. Other expenses mainly include fees to external consultants, facility expenses, travel expenses, cost of equipment and software licences, communication expenses, comission, bad debts and advances written off, allowance

Notes forming part of the financial statements

for doubtful trade receivable and advances (net) and other expenses. Other expenses is an aggregation of costs which are individually not material such as commission and brokerage, recruitment and training, entertainment, etc.

(a) Other expenses

Other expenses consist of the following:

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Fees to external consultants	**1,006.75**	656.86
Facility expenses	**156.41**	157.30
Cost of equipment and software licences	**38.04**	16.15
Communication expenses	**127.93**	135.41
Commission	**3,162.71**	3,550.30
Bad debts and advances written off, allowance for doubtful trade receivables and advances (net)	**-**	(22.83)
Payment to Auditors(Ref. note17)	**6.69**	6.71
Expenditure on Corporate Social Responsibility (refer to in note 13b)	**67.92**	56.26
Others (includes auditors remuneration referred to in note 17)	**249.31**	88.38
	4,815.76	4,644.54

(b) Corporate Social Responsibility (CSR) expenditure

(₹ in lakhs)

		Year ended March 31, 2025	Year ended March 31, 2024
1	Amount required to be spent by the Company during the year	**67.92**	56.26
2	Amount of expenditure incurred on:		
	(i) Construction/acquisition of any asset	**-**	-
	(ii) On purposes other than (i) above	**67.92**	56.26
3	Shortfall at the end of the year	**-**	-
4	Total of previous years shortfall	**-**	-
5	Reason for shortfall	**-**	-
6	Nature of CSR activities	**PM Care Fund**	**Education and welfare of children with disabilities**
7	Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard	**-**	-

Notes forming part of the financial statements

14. FINANCE COSTS

Finance costs consists of the following:

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Interest on lease liabilities	**62.68**	55.46
	62.68	55.46

15. INCOME TAX

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current income taxes

Current tax is measured based on taxable profit for the year and is computed in accordance with the Income Tax Act, 1961 using the tax rates that have been enacted or substantively enacted at the end of the reporting period.

Advance taxes and provisions for current income taxes are presented in the Balance Sheet after offsetting advance taxes paid and income tax provisions arising in the same tax jurisdictions.

Deferred income taxes

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the 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 or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

The income tax expense consists of the following:

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Current tax		
Current tax expenses for current year	**1,101.47**	1,052.10
Current tax expenses pertaining to prior years	**63.53**	-
	1,165.00	1,052.10
Deferred tax expenses/(benefit)	**27.17**	(53.66)
Deferred tax expense / (benefit) pertaining to prior years	**27.17**	(53.66)
Total income tax expense recognised in current year	**1,192.17**	998.44
Income tax expense recognised in OCI		
Deferred tax on remeasurement of defined employee benefit plan	**3.92**	2.08

Notes forming part of the financial statements

The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in statement of profit and loss is as follows:

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Profit before income taxes	**4,380.13**	3,884.02
Indian statutory income tax rate	**25.17%**	25.17%
Expected income tax expense	**1,102.48**	977.61
Tax effect of adjustments to reconcile expected income tax expense		
Disallowance of CSR expenses	**17.09**	14.15
Others (net)	**72.60**	6.68
Total income tax expense	**1,192.17**	998.44

Deferred tax balance

Significant components of net deferred tax assets and liabilities for the year ended March 31, 2025 are as follows:

(₹ in lakhs)

	Opening balance	Recognised in profit and loss	Recognised through OCI	Recognised through Retained earning	Closing balance
Deferred tax assets / (liabilities) in relation to					
Property, plant and equipment	**23.80**	**(13.46)**	**-**	**-**	**10.34**
Provision for employee benefits	**50.03**	**5.55**	**3.91**	**-**	**59.50**
Unrealised gain on securities carried at fair value through profit or loss / other comprehensive income	**(9.07)**	**(19.03)**	**-**		**(28.10)**
Operating lease liabilities	**38.52**	**9.58**	**-**	**-**	**48.10**
Provision for doubtful debts	**133.59**	**-**	**-**	**-**	**133.59**
Others	**(4.89)**	**(9.80)**	**-**	**-**	**(14.70)**
Net deferred tax assets / (liabilities)	**231.98**	**(27.16)**	**3.91**	**-**	**208.73**

Gross deferred tax assets and liabilities are as follows:

(₹ in lakhs)

As at 31 March, 2025	Assets	Liabilities	Net
Deferred tax assets / (liabilities) in relation to			
Property, plant and equipment	**10.34**	**-**	**10.34**
Provision for employee benefits	**59.50**	**-**	**59.50**
Unrealised gain on securities carried at fair value through profit or loss / other	**-**	**(28.10)**	**(28.10)**
Right of Use	**180.26**	**-**	**180.26**
Operating lease liabilities	**-**	**(132.16)**	**(132.16)**
Provision for doubtful debts	**133.59**	**-**	**133.59**
Others	**(14.70)**	**-**	**(14.70)**
Total deferred tax assets / (liabilities)	**368.99**	**(160.26)**	**208.73**

Notes forming part of the financial statements

Significant components of net deferred tax assets and liabilities for the year ended March 31, 2024 are as follows:

(₹ in lakhs)

	Opening balance	Recognised in profit and loss	Recognised through OCI	Recognised through Retained earning	Closing balance
Deferred tax assets / (liabilities) in relation to					
Property, plant and equipment	28.40	(4.60)	-	-	23.80
Provision for employee benefits	41.60	6.34	2.09	-	50.03
Unrealised gain on securities carried at fair value through profit or loss / other comprehensive income	(63.80)	54.73	-	-	(9.07)
Operating lease liabilities	33.71	4.81	-	-	38.52
Provision for doubtful debts	139.50	5.92	-	-	133.59
Others	(3.16)	(1.73)	-	-	(4.89)
Net deferred tax assets / (liabilities)	176.25	53.63	2.09	-	231.98

Gross deferred tax assets and liabilities are as follows:

(₹ in lakhs)

As at 31 March, 2024	Assets	Liabilities	Net
Deferred tax assets / (liabilities) in relation to			
Property, plant and equipment	23.80	-	23.80
Provision for employee benefits	50.04	-	50.04
Unrealised gain on securities carried at fair value through profit or loss / other	-	(9.07)	(9.07)
Right of Use	183.56	-	183.56
Operating lease liabilities		(145.04)	(145.04)
Provision for doubtful debts	133.58	-	133.58
Others	(4.89)	-	(4.89)
Total deferred tax assets / (liabilities)	386.09	(154.11)	231.98

16. EARNINGS PER SHARE

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The Company did not have any potentially dilutive securities in any of the years presented.

(₹ lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Profit for the year (₹ in lakhs)	**3,187.96**	2,885.58
Weighted average number of equity shares	**10,00,000**	10,00,000
Earnings per share basic and diluted (₹)	**318.80**	288.56
Face value per equity share (₹)	**10**	10

Notes forming part of the financial statements

17. AUDITORS' REMUNERATION

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Services as statutory auditors	**5.00**	5.00
Tax audit	**1.25**	1.25
Re-imbursement of out of pocket expenses	**0.29**	0.31
Other Services	**0.15**	0.15
	6.69	6.71

18. SEGMENT INFORMATION

The Company has been operating largely in one business segment viz. development, maintenance and management of the MP Online portal for providing web based services and the other activities of the Company are incidental to the portal. These activities conducted only in one geographic segment viz India. Therefore, the disclosure requirements of the Ind AS 108 on "Segment Reporting" are not applicable.

For the year ended March 31, 2025 there are two customers that contribute more than 10% each of total revenue.

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Customer A	**1,396.60**	1,683.08
Customer B	**1,145.69**	1,180.39

19. COMMITMENTS AND CONTINGENCIES

Indirect tax matters

The Company has ongoing disputes with tax authorities mainly relating to treatment of characterisation and classification of certain items. As at March 31, 2025, the Company has demands amounting to ₹ 5,265.76 lakhs (March 31, 2024: ₹ 5,265.76 lakhs) from indirect tax authority which are being contested by the Company.

Income tax matters

The Company has ongoing disputes with income tax authorities relating to tax treatment of certain items. The disputes relate to tax treatment of certain expenses claimed as deductions, computation or eligibility of tax incentives or allowances, and characterisation of fees for services received.

The Company has contingent liability in respect of demands from direct tax authorities, which are being contested by the Company on appeal amounting ₹ 9.50 lakhs and ₹ 9.50 lakhs as at March 31, 2025 and 2024, respectively.

Bank guarantees

The Company has provided guarantees to third parties aggregating ₹ 55.00 lakhs (March 31, 2024: ₹ 60.00 lakhs). The Company does not expect any outflow of resources in respect of the above.

20. The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Back to content

Notes forming part of the financial statements

21. RELATED PARTY TRANSACTIONS

The Company's principal related parties consist of its Holding Company Tata Consultancy Services Limited, Madhya Pradesh State Electronics Development Corporation Limited and key managerial personnel. The Company's material related party transactions and outstanding balances are with related parties with whom the Company routinely enter into transactions in the ordinary course of business.

Ultimate Holding Company

Tata Sons Private Limited

Holding Company

Tata Consultancy Services Limited

Significant shareholder

Madhya Pradesh State Electronics Development Corporation Limited

Key Management Personnel (KMP)

Prashant Rathi - Chief Operating Officer w.e f. July 01, 2024

Arun Panchal - Chief Operating Officer upto July 31, 2024

Transactions with related parties are as follows:

(₹ in lakhs)

	Year ended March 31, 2025		
	Holding Company	Significant shareholder	Total
Revenue from operations	**40.25**	**120.67**	**160.92**
Purchases of goods and services*	**860.03**	**34.13**	**894.16**
Reimbursement of expenses	**7.70**	**18.34**	**26.04**
Dividend paid	**1,548.60**	**191.40**	**1,740.00**

(₹ in lakhs)

	Year ended March 31, 2024		
	Holding Company	Significant shareholder	Total
Revenue from operations	-	594.53	594.53
Purchases of goods and services*	444.02	32.90	476.92
Reimbursement of expenses	-	15.52	15.52
Dividend paid	1,406.20	173.80	1,580.00

* The key manangement personnel of the Company are on deputation and draw remuneration ₹ 58.29 lakhs and ₹ 38.52 lakhs from Tata Consultancy Services Limited as at March 31, 2025 and 2024, respectively. Service charges are payable by the Company to Tata Consultancy Services Limited.

Notes forming part of the financial statements

(₹ in lakhs)

	As at March 31, 2025		
	Holding Company	Significant shareholder	Total
Trade receivables	**13.28**	**22.92**	**36.20**
Security deposit	**-**	**8.15**	**8.15**
Total	**13.28**	**3 1.07**	**44.35**

(₹ in lakhs)

	As at March 31, 2024		
	Holding Company	Significant shareholder	Total
Trade receivables	10.98	17.09	28.07
Security deposit	-	8.15	8.15
Total	10.98	25.24	36.22

Balances payable to related parties are as follows:

(₹ in lakhs)

	As at March 31, 2025		
	Holding Company	Significant shareholder	Total
Trade payables, unearned and deferred revenue, other financial liabilities and other liabilities	**-**	**-**	**-**
Total	**-**	**-**	**-**

(₹ in lakhs)

	As at March 31, 2024		
	Holding Company	Significant shareholder	Total
Trade payables, unearned and deferred revenue, other financial liabilities and other liabilities	144.79	-	144.79
Total	144.79	-	144.79

Notes forming part of the financial statements

22. ADDITIONAL REGULATORY INFORMATION

a) Ratios

	Numerator	Denominator	Current Year	Previous Year
Current ratio (in times)*	Total current assets (excluding Earmarked Balance)	Total current liabilities	3.94	2.53
Debt-Equity ratio (in times)	Debt consists of borrowings and lease liabilities	Total equity	0.05	0.05
Debt service coverage ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments+ Principal repayments	45.57	38.49
Return on equity ratio (in %)	Profit for the year less Preference dividend (if any)	Average total equity	30%	29%
Trade receivables turnover ratio (in times)**	Revenue from operations	Average trade receivables	6.93	9.31
Trade payables turnover ratio (in times)	Cost of equipment and software licences + Other expenses	Average trade payables	8.89	7.38
Net capital turnover ratio (in times)	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	0.82	1.06
Net profit ratio (in %)	Profit for the year	Revenue from operations	32%	32%
Return on capital employed (in %)	Profit before tax and finance cost	Capital employed = Net worth + Lease liabilities + Deferred tax liabilities	28%	27%
Return on investment (in %)	Income generated from invested funds	Average invested funds in treasury investments	0.08	0.09

* Current ratios had gone up due to decrease in current liabilities.

**Trade receivables turnover ratio (in times) has gone down due to increase in average receivables.

23. 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 lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Notes forming part of the financial statements

24. DIVIDENDS

Dividends paid during the year ended March 31, 2025 include an amount of ₹ 174 per equity share for the year ended March 31, 2024.

Dividends declared by the Company are based on the profit available for distribution. On May 07, 2025, the Board of Directors of the Company have proposed a final dividend of ₹ 192 per share in respect of the year ended March 31, 2025 subject to the approval of shareholders at the Annual General Meeting, and if approved, would result in a cash outflow of approximately ₹ 1920 lakhs.

Note:

Previous Years Figures have been reclassed wherever necessary.

As per our report of even date attached.

For **KBJ & Associates**
Chartered Accountants
Firm's registration number : 114934W

Kaushik B. Joshi
Proprietor
Membership number : 048889

Mumbai, May 07, 2025

For and on behalf of the Board of MP Online Limited
CIN number : U72400MP2006PLC018777

Tej Paul Bhatla
Director
DIN : 08491426

Venguswamy Ramaswamy
Director
DIN : 07943675

Mumbai, May 07, 2025

C - Edge Technologies Limited

(CIN: U72900MH2006PLC159038)

FINANCIAL STATEMENTS

For the year ended
March 31, 2025

SUBSIDIARY FINANCIALS FOR THE YEAR ENDED MARCH 31, 2025

CONTENTS **PAGE**

Independent auditors' report	3.2
Separate statement of financial position as at March 31, 2025	3.10
Separate statement of profit or loss and other comprehensive income for the year ended March 31, 2025	3.11
Separate statement of changes in equity for the year ended March 31, 2025	3.12
Separate statement of cash flows for the year ended March 31, 2025	3.13
Notes to the separate financial statements as at March 31, 2025	3.15

Back to main content

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF C - EDGE TECHNOLOGIES LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of C-Edge Technologies Limited (the "Company") which comprise the balance sheet as at 31 March 2025, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including 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 financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements section of our report*. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Management's and Board of Directors' Responsibilities for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to

provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   c. The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.

   d. In our opinion, the aforesaid 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 1 April 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act.

   f. the modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(A)(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   a. The Company has disclosed the impact of pending litigations as at 31 March 2025 on its financial position in its financial statements - Refer Note 17 to the financial statements.

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 22 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign 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.

(ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 22 to the financial statements, 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 Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures 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 (i) and (ii) above, contain any material misstatement.

e. The final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 23 to the financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

f. Based on our examination which included test checks, the Company has used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software except that, in case of an accounting software used for maintaining general ledger, the feature of recording audit trail (edit log) facility was not enabled for a part of the year for certain fields/tables at the application layer since it was enabled in a phased manner from 17 April 2024 to 17 July 2024. Further, for the periods where audit trail (edit log) facility was enabled and operated for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the Company has not paid any remuneration to its directors during the year. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Rajesh Shetty
Partner

Membership No.: 130778
ICAI UDIN:25130778BMJKYO8662

Place: Mumbai
Date: 24 April 2025

Annexure A to the Independent Auditor's Report on the Financial Statements of C-Edge Technologies Limited for the year ended 31 March 2025

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(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.

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified every year. In accordance with this programme, all property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The Company does not have any immovable property (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company is a service company, primarily rendering information technology related solution. Accordingly, it does not hold any physical inventories. Accordingly, clause 3(ii)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the products manufactured by it (and/or services provided by it). Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Duty of Customs.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2025 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount demanded (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending	Amount paid under Protest (₹ in lakhs)	Remarks, if any
The Goods and Service Tax Act, 2017	Goods and Services Tax (Including Interest and Penalty)	304.38	Financial Year: 2016-17	Commisioner Appeals	91.31	
The Goods and Service Tax Act, 2017	Goods and Services Tax (Including Interest and Penalty)	42.28	Financial Year: 2020-21	Joint Commisioner (Appeals)	2.23	

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2025. Accordingly, clause 3(ix)(e) is not applicable.

(f) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2024. Accordingly, clause 3(ix)(f) is not applicable.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) Based on the information and explanations provided to us, the Company does not have a vigil mechanism and is not required to have a vigil mechanism as per the Act or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) Pursuant to circular dated July 05, 2017 notified by Ministry of Corporate Affairs (MCA), the Company is exempted from the requirements of constitution of audit committee, accordingly the requirements as stipulated by the provisions of Section 177 of the Act are not applicable to the Company. In our opinion and according to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with the related parties are in compliance with Section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has more than one CIC as part of the Group. The Group has five CICs which are registered with the Reserve Bank of India and one CIC which is not required to be registered with the Reserve Bank of India.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to 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) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Rajesh Shetty
Partner

Membership No.: 130778
ICAI UDIN:25130778BMJKYO8662

Place: Mumbai
Date: 24 April 2025

Annexure B to the Independent Auditor's Report on the financial statements of C - Edge Technologies Limited for the year ended 31 March 2025

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of C-Edge Technologies Limited ("the Company") as of 31 March 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to 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 (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in 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 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 financial statements based on our audit. We conducted our audit in accordance with the Guidance Note 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 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 financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Rajesh Shetty
Partner

Place: Mumbai
Date: 24 April 2025

Membership No.: 130778
ICAI UDIN:25130778BMJKYO8662

Balance Sheet

(₹ in lakhs)

	Note	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non - current assets			
Property, plant and equipment	8(a)	**6,994.88**	4,306.38
Right-of-use assets	7	**2,711.29**	2,818.81
Intangible assets	8(b)	**5,027.40**	2,361.30
Financial assets			
Other financial assets	6(c)	**265.59**	129.00
Deferred tax assets (net)	15	**232.41**	345.99
Income tax asset (net)		**455.48**	644.36
Other assets	8(c)	**230.88**	280.88
Total non-current assets		**15,917.93**	10,886.72
Current assets			
Financial assets			
Trade receivables			
Billed	6(a)	**12,378.41**	9,726.19
Unbilled		**1,876.83**	1,359.61
Cash and cash equivalents	6(b)(i)	**18,673.24**	15,840.99
Other balances with bank	6(b)(ii)	**15,500.00**	12,006.07
Other financial assets	6(c)	**1,217.48**	1,476.68
Other assets	8(c)	**3,144.35**	2,359.08
Total current assets		**52,790.31**	42,768.62
TOTAL ASSETS		**68,708.24**	53,655.34
EQUITY AND LIABILITIES			
Equity			
Share capital	6(i)	**1,000.00**	1,000.00
Other equity	6(j)	**50,391.47**	40,083.19
Total equity		**51,391.47**	41,083.19
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities		**2,689.61**	2,744.47
Employee benefit obligations	11 (ii) (a)	**450.15**	86.63
Unearned and deferred revenue		**67.28**	179.25
Total non-current liabilities		**3,207.04**	3,010.35
Current liabilities			
Financial liabilities			
Lease liabilities		**326.13**	230.98
Trade payables			
Dues of small enterprises and micro enterprises	6(d)	**-**	22.92
Dues of creditors other than small enterprises and micro enterprises	6(e)	**10,132.99**	4,823.35
Other financial liabilities	6(f)	**41.80**	88.51
Unearned and deferred revenue		**703.17**	904.36
Other liabilities	8(d)	**1,662.02**	1,760.20
Employee benefit obligations	11 (ii) (b)	**267.70**	485.79
Income tax liabilities (net)		**975.92**	1,245.69
Total current liabilities		**14,109.73**	9,561.80
TOTAL EQUITY AND LIABILITIES		**68,708.24**	53,655.34
NOTES FORMING PART OF FINANCIAL STATEMENTS	1 – 23		

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Rajesh Shetty
Partner
Membership number: 130778

Mumbai, April 24, 2025

For and on behalf of the Board

Lakshminarayanan Gomatam Seshadri
Director
DIN: 07982712

Purvang Shah
Director
DIN: 11024672

Rahul Kulkarni
Chief Executive Officer

Aarti Salekar
Company Secretary

Rohinton Peer
Chief Financial Officer
Mumbai, April 24, 2025

Statement of Profit and Loss

(₹ in lakhs)

	Note	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue from operations	9	**58,709.05**	42,291.14
Other income	10	**1,898.25**	1,872.13
TOTAL INCOME		**60,607.30**	44,163.27
Expenses:			
Employee benefits expenses	11(i)	**9,598.37**	7,467.37
Finance costs	14	**237.02**	207.11
Depreciation and amortisation expense		**3,556.22**	2,459.57
Other expenses	12	**26,624.73**	21,225.16
TOTAL EXPENSES		**40,016.34**	31,359.21
PROFIT BEFORE TAX		**20,590.96**	12,804.06
Tax expense:			
Current tax	15	**5,106.44**	3,259.25
Deferred tax	15	**129.35**	61.43
Total tax expenses		**5,235.79**	3,320.68
PROFIT FOR THE YEAR		**15,355.17**	9,483.38
OTHER COMPREHENSIVE INCOME (OCI)			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of defined employee benefit plans		**(62.66)**	12.74
Income tax on item that will not be reclassified subsequently to the statement of profit or loss		**15.77**	(3.21)
TOTAL OTHER COMPREHENSIVE INCOME / (LOSSES)		**(46.89)**	9.53
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**15,308.28**	9,492.91
Earnings per equity share- Basic and diluted (₹)	19	**153.55**	94.83
Weighted average number of equity shares		**10,000,000**	10,000,000
NOTES FORMING PART OF FINANCIAL STATEMENTS	1 – 23		

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

For and on behalf of the Board

Rajesh Shetty
Partner
Membership number: 130778

Lakshminarayanan Gomatam Seshadri
Director
DIN: 07982712

Purvang Shah
Director
DIN: 11024672

Rahul Kulkarni
Chief Executive Officer

Aarti Salekar
Company Secretary

Rohinton Peer
Chief Financial Officer

Mumbai, April 24, 2025

Mumbai, April 24, 2025

Statement of Changes in Equity

A. EQUITY SHARE CAPITAL

(₹ in lakhs)

Balance as on April 1, 2024	Changes in equity share capital due to prior period errors	Restated balance as at April 1, 2024	Changes in equity share capital during the year	Balance as at March 31, 2025
1,000.00	**-**	**1,000.00**	**-**	**1,000.00**

(₹ in lakhs)

Balance as on April 1, 2023	Changes in equity share capital due to prior period errors	Restated balance as at April 1, 2023	Changes in equity share capital during the year	Balance as at March 31, 2024
1,000.00	-	1,000.00	-	1,000.00

Refer note 6(i).

B. OTHER EQUITY

(₹ in lakhs)

	Retained earnings	Total Equity
Balance as at April 1, 2024	**40,083.19**	**40,083.19**
Profit for the year	**15,355.17**	**15,355.17**
Other comprehensive income / (losses)	**(46.89)**	**(46.89)**
Total comprehensive income	**15,308.28**	**15,308.28**
Dividend	**(5,000.00)**	**(5,000.00)**
Balance as at March 31, 2025	**50,391.47**	**50,391.47**
Balance as at April 1, 2023	35,090.28	35,090.28
Profit for the year	9,483.38	9,483.38
Other comprehensive income / (losses)	9.53	9.53
Total comprehensive income	9,492.91	9,492.91
Dividend	(4,500.00)	(4,500.00)
Balance as at March 31, 2024	40,083.19	40,083.19

Nature and purpose of reserves

a. Retained earnings

This reserve represents undistributed accumulated earnings of the Company as on the balance sheet date.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS 1-23

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

For and on behalf of the Board

Rajesh Shetty
Partner
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Rohinton Peer
Chief Financial Officer

Mumbai, April 24, 2025

Mumbai, April 24, 2025

Statement of Cash Flows

(₹ in lakhs)

	For the year ended March 31, 2025	For the year ended March 31, 2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the year	**15,355.17**	9,483.38
Adjustments for :		
Depreciation and amortisation expense	**3,556.22**	2,459.57
Bad debts written off, allowance for expected credit losses and doubtful advances (net)	**497.96**	-
Tax expense	**5,235.79**	3,320.68
Unrealised (gain) / loss on lease modification	**-**	(80.92)
Net loss on disposal of property, plant & equipment	**-**	20.99
Interest income	**(1,870.85)**	(1,790.34)
Finance costs	**237.02**	207.11
Operating profit before working capital changes	**23,011.31**	13,620.47
Net change in		
Trade receivables		
Billed	**(3,150.18)**	(4,191.50)
Unbilled	**(517.22)**	1,412.84
Other financial assets	**(83.71)**	(88.03)
Other assets	**(735.27)**	(597.35)
Trade payables	**5,286.72**	1,366.60
Unearned and deferred revenues	**(313.16)**	(482.62)
Other financial liabilities	**145.43**	(14.70)
Other liabilities and provision	**(74.27)**	1,133.93
Cash generated from operations	**23,569.65**	12,159.64
Taxes paid (net of refunds)	**(5,260.74)**	(1,969.74)
Net cash generated from operating activities	**18,308.91**	10,189.90
CASH FLOWS FROM INVESTING ACTIVITIES		
Bank deposits matured	**12,006.07**	2,618.13
Bank deposits placed	**(15,500.00)**	(3,000.00)
Payment for purchase of property, plant and equipment	**(4,801.66)**	(2,539.93)
Payment for intangible assets	**(3,736.27)**	(1,959.63)
Interest received	**2,077.17**	780.06
Net cash used in Investing activities	**(9,954.69)**	(4,101.37)

(₹ in lakhs)

	For the year ended March 31, 2025	For the year ended March 31, 2024
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of lease liabilities	**(284.95)**	(327.27)
Interest paid	**(237.02)**	(92.13)
Dividend paid	**(5,000.00)**	(4,500.00)
Net cash used in financing activities	**(5,521.97)**	(4,919.40)
Net change in cash and cash equivalents	**2,832.25**	1,169.13
Cash and cash equivalents at the beginning of the year	**15,840.99**	14,671.86
Cash and cash equivalents at the end of the year (Refer note 6(b)(i))	**18,673.24**	15,840.99
Components of cash and cash equivalents		
Balances with bank		
In current accounts	**904.82**	892.84
In deposit accounts	**17,768.42**	14,948.15
	18,673.24	15,840.99
NOTES FORMING PART OF THE FINANCIAL STATEMENTS 1-23		

Refer note 12(j) for amount spent during the years ended March 31, 2025 and 2024 on construction / acquisition of any asset and other purposes relating to CSR activities.

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

For and on behalf of the Board

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Partner
Membership number: 130778

Lakshminarayanan Gomatam Seshadri
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DIN: 07982712

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Chief Executive Officer

Aarti Salekar
Company Secretary

Rohinton Peer
Chief Financial Officer

Mumbai, April 24, 2025

Mumbai, April 24, 2025

Notes Forming Part of Financial Statements

1) Corporate information

C-Edge Technologies Limited (herein referred to as 'the Company') is a subsidiary of Tata Consultancy Services Limited ('TCS' or 'Holding Company') which owns 51% of the equity shares. The balance 49% of the equity shares are owned by State Bank of India ('SBI' or 'Significant Shareholder'). The main objects of the Company are to provide information technology related services and solutions; to develop, procure, license / sublicense and supply computer software and to design, manufacture, procure, supply hardware and to develop, customize and adapt any software for its own use or for the use of multiple users and to provide computer hardware / software maintenance services.

The Company is a public limited company incorporated and domiciled in India. The address of its Corporate office is Lodha iThink, Tower A, Floor 9th, Kolshet Road, Sandoz Baug, Thane (West) – 400 607.

The financial statements for the year ended March 31, 2025 were approved by the Board of Directors and authorised for issue on April 24, 2025.

2) Statement of compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

3) Basis of preparation

These financial statements have been prepared on historical cost basis, except for certain financial instruments and defined benefit plans which are measured at fair value or at amortised cost at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for 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. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customer and time elapsed between deployment of resources and realisation in cash and cash equivalents of the consideration for such a services rendered, the Company has considered an operating cycle of 12 months.

The statement of cash flows has been prepared under indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value to be cash equivalents.

These financial statements have been prepared in Indian Rupee (₹) which is the functional currency of the Company. Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are retranslated at the exchange rate prevailing on the balance sheet dates and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

The material accounting policy information related to preparation of the financial statements have been discussed in the respective notes.

4) Use of estimates and judgements

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management of the Company to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of the financial statements and the reported amounts of income and expenses for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Notes Forming Part of Financial Statements

The Company uses the following critical accounting judgements, estimates and assumptions in preparation of its financial statements:

a) Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods. (Refer note 8 (a))

b) Deferred tax assets

A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period. (Refer note 15)

c) Provisions and contingent liabilities

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each balance sheet date and are adjusted to reflect the current best estimates. (Refer note 17)

The Company uses significant judgements to assess contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

d) Employee benefits

The accounting of employee benefit plans in the nature of defined benefit requires the Company to use assumptions. These assumptions have been explained under employee benefits note. (Refer note 11)

e) Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirement of Ind AS 116. Identification of a lease require significant judgements. The Company uses significant judgement in assessing the term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and the periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

5) Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

6) Financial assets, financial liabilities and equity instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Notes Forming Part of Financial Statements

Financial assets and liabilities are initially measured at fair value, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

The Company derecognises a financial asset only 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 entity. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

Cash and cash equivalents

The Company considers all highly liquid investments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified date that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received net of direct issue cost.

Impairment of financial assets (other than at fair value)

Measurement of impairment of financial assets require use of estimates, which have been explained in the note on financial assets, financial liabilities and equity instruments, under impairment of financial assets. The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and/or all trade receivables that do not constitute a financing transaction. In determining the allowances for expected credit losses, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rate used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Notes Forming Part of Financial Statements

6) (a) TRADE RECEIVABLES - BILLED

Trade receivables - Billed (unsecured) consist of the following:

Trade receivables - Billed – Current

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Trade receivable - Billed *	**13,071.15**	10,207.47
Less : Allowance for expected credit loss	**(692.74)**	(481.28)
Considered good	**12,378.41**	9,726.19
Trade receivable - Billed *	**715.89**	664.32
Less : Allowance for expected credit loss	**(715.89)**	(664.32)
Credit impaired	**-**	-
	12,378.41	9,726.19

* Above balances of trade receivables include balances with related parties (Refer note 18)

Ageing for trade receivables – current outstanding as at March 31, 2025 is as follows:

(₹ in lakhs)

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	
Undisputed trade receivables – considered good	**7,058.79**	**5,422.72**	**589.64**	**-**	**-**	**-**	**13,071.15**
Undisputed trade receivables – credit impaired	**-**	**-**	**-**	**146.92**	**234.14**	**334.83**	**715.89**
	7,058.79	**5,422.72**	**589.64**	**146.92**	**234.14**	**334.83**	**13,787.04**
Less : Allowance for expected credit loss							**(1,408.63)**
							12,378.41
Trade Receivables - unbilled							**1,876.83**
							14,255.24

Ageing for trade receivables – current outstanding as at March 31, 2024 is as follows:

(₹ in lakhs)

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	
Undisputed trade receivables – considered good	6,758.53	3,155.93	207.06	85.95	-	-	**10,207.47**
Undisputed trade receivables – credit impaired	-	-	-	233.70	309.31	121.31	**664.32**
	6,758.53	**3,155.93**	**207.06**	**319.65**	**309.31**	**121.31**	**10,871.79**
Less : Allowance for expected credit loss							**(1,145.60)**
							9,726.19
Trade Receivables - unbilled							**1,359.61**
							11,085.80

Notes Forming Part of Financial Statements

(b) i Cash and cash equivalents

Cash and cash equivalents consist of the following:

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Balances with banks		
In current accounts *	**904.82**	892.84
In deposit accounts with original maturity less than 3 months ***	**17,768.42**	14,948.15
	18,673.24	15,840.99

* Above balances of cash and cash equivalents include balances with related parties (Refer note 18)

** The deposits maintained by the Company with banks and financial institutions comprise of time deposits, which can be withdrawn by the Company at any point without prior notice or penalty on the principal.

(b) ii Other balances with bank

Other balances with bank consists of the following:

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Short term bank deposits*	**15,500.00**	12,006.07
	15,500.00	12,006.07

*Above balances of short-term bank deposits include balances with related parties (Refer note 18)

(c) Other financial assets

Other financial assets consist of the following:

(i) Other financial assets - Non – current

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Security deposits	**265.59**	129.00
	265.59	129.00

(ii) Other financial assets – current

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Security deposits	**44.00**	**96.88**
Interest receivable *	**1,173.48**	**1,379.80**
	1,217.48	**1,476.68**

*Above balances of interest receivable include balances with related parties (Refer note 18)

Notes Forming Part of Financial Statements

d) Dues of small enterprises and micro enterprises

The disclosure pursuant to the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act) for dues to micro enterprises and small enterprises as at March 31, 2025 and March 31, 2024 is as under:

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Dues remaining unpaid to any supplier		
Principal	-	22.92
Interest on the above	-	-
Amount of interest paid in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
Amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under th e MSMED Act, 2006	-	-
Amount of interest accrued and remaining unpaid	-	-
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 MSMED Act, 2006	-	-

(e) Trade payables

Ageing for trade payables outstanding as at March 31, 2025 is as follows:

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 months	1 - 2 years	2 - 3 years	More than 3 years	
MSME *	-	-	-	-	-	-
Others **	916.76	1,398.01	-	-	113.47	2,428.24
Disputed dues - Others •	-	-	-	-	-	-
	916.76	1,398.01	-	-	113.47	2,428.24
Accrued expenses						7,704.75
						10,132.99

*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006.

• Disputed Trade Payables pertain to those parties where a legal claim has been filed in any court in India.

**Above balances of trade payables include balances with related parties (Refer note 18).

Notes Forming Part of Financial Statements

Ageing for trade payables outstanding as at March 31, 2024 is as follows:

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 months	1 - 2 years	2 - 3 years	More than 3 years	
MSME *	22.92	-	-	-	-	22.92
Others **	-	776.32	-	-	113.47	889.79
Disputed dues - Others •	-	-	-	-	-	-
	22.92	776.32	-	-	113.47	912.71
						3,933.56
Accrued expenses						4,846.27

* MSME as per the Micro, Small and Medium Enterprises Development Act, 2006.

• Disputed Trade Payables pertain to those parties where a legal claim has been filed in any court in India.

* Above balances of trade payables include balances with related parties (Refer note 18).

(f) Other financial liabilities - current

Other financial liabilities consist of the following:

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Accrued payroll	**41.80**	17.89
Capital creditors	**-**	70.62
	41.80	88.51

g) Financial instruments by category

The carrying value of financial instruments by categories as at March 31, 2025 is as follows:

(₹ in lakhs)

	Fair value through Profit and Loss	Amortised cost	Total carrying value
Financial assets			
Cash and cash equivalents	**-**	**18,673.24**	**18,673.24**
Trade receivables			
Billed	**-**	**12,378.41**	**12,378.41**
Unbilled	**-**	**1,876.83**	**1,876.83**
Other bank balances	**-**	**15,500.00**	**15,500.00**
Other financial assets	**-**	**1,483.07**	**1,483.07**
Total	**-**	**49,911.55**	**49,911.55**
Financial liabilities			
Trade payables	**-**	**10,132.99**	**10,132.99**
Lease liabilities	**-**	**3,015.74**	**3,015.74**
Other financial liabilities	**-**	**41.80**	**41.80**
Total	**-**	**13,190.53**	**13,190.53**

Notes Forming Part of Financial Statements

The carrying value of financial instruments by categories as at March 31, 2024 is as follows:

(₹ in lakhs)

	Fair value through Profit and Loss	Amortised cost	Total carrying value
Financial assets			
Cash and cash equivalents	-	15,840.99	15,840.99
Trade receivables			
Billed	-	9,726.19	9,726.19
Unbilled	-	1,359.61	1,359.61
Other bank balances	-	12,006.07	12,006.07
Other financial assets	-	1,605.68	1,605.68
Total	-	40,538.54	40,538.54
Financial liabilities			
Trade and other payables	-	4,823.35	4,823.35
Lease liabilities	-	2,975.45	2,975.45
Other financial liabilities	-	88.51	88.51
Total	-	7,887.31	7,887.31

Carrying amounts of cash and cash equivalents, trade receivables and trade payables as at March 31, 2025 and 2024, approximate the fair value due to their nature. Carrying amounts of bank deposits, other financial assets and other financial liabilities which are subsequently measured at amortised cost also approximate the fair value due to their nature in each of the periods presented. Fair value measurement of lease liabilities is not required.

(h) Financial risk management

The Company is exposed primarily to credit, liquidity and interest rate risks which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which covers risks associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors. The focus of the Board is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the Company.

a) Interest rate risk

The Company's investments are primarily in fixed rate interest bearing investments. Hence the Company is not significantly exposed to interest rate risk.

b) Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Refer note 4 for methods, assumptions and information used to measure expected credit losses.

Financial instruments that are subject to credit risk consist of trade receivables, cash and cash equivalents, bank deposits and other financial assets. Bank deposits include an amount of ₹ 15,500.00 lakhs held with two banks having high credit rating, cash & cash equivalent includes amount of ₹ 18,673.24 lakhs held with one bank, which is individually in excess of 10% or more of the Company's total bank deposit as at March 31,2025.

The Company's exposure to customers is diversified and there are no customers other than the Holding Company who contributes to more than 10% of outstanding trade receivables as at March 31, 2025 and March 31, 2024. None of the other financial instruments of the Company result in material concentration of credit risk.

The allowance for lifetime expected credit loss on trade receivables for the years ended March 31,2025 and 2024, was ₹ 497.96 lakhs and ₹ NIL lakhs respectively. The reconciliation of allowance for expected credit loss is as follows:

Notes Forming Part of Financial Statements

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Balance at the beginning of the year	**1,145.60**	1,357.85
Changes during the year	**497.96**	-
Bad debts written off	**(234.93)**	(212.25)
Balance at the end of the year	**1,408.63**	1,145.60

c) Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company consistently generated sufficient cash flows from operations to meet its financial obligations including lease liabilities as and when they fall due.

The tables below provide details regarding the contractual maturities of significant financial liabilities as at:

(₹ in lakhs)

	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5 years	Total
March 31, 2025					
Trade payables	**10,132.99**	**-**	**-**	**-**	**10,132.99**
Lease liabilities	**549.90**	**577.41**	**1,026.54**	**1,796.22**	**3,950.07**
Other financial liabilities	**41.80**	**-**	**-**	**-**	**41.80**
	10,724.69	**577.41**	**1,026.54**	**1,796.22**	**14,124.86**
March 31, 2024					
Trade payables	4,823.35	-	-	-	4,823.35
Lease liabilities	454.37	430.63	1,425.47	1,796.22	4,106.69
Other financial liabilities	88.51	-	-	-	88.51
	5,366.23	430.63	1,425.47	1,796.22	9,018.55

d) Foreign currency exchange rate risk

The Company's exposure to foreign currency risk is not material.

(i) Equity instruments

The authorised, issued, subscribed and fully paid-up share capital consist of the following:

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Authorised :		
4,00,00,000 equity shares of ₹ 10 each (March 31 2024 : 400,00,000 equity shares of ₹ 10 each)	**4,000.00**	4,000.00
	4,000.00	4,000.00
Issued, subscribed and fully paid-up:		
1,00,00,000 equity shares of ₹ 10 each (March 31, 2024 : 1,00,00,000 equity shares of ₹ 10 each)	**1,000.00**	1,000.00
	1,000.00	1,000.00

Notes Forming Part of Financial Statements

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. The Company is not subject to any externally imposed capital requirements.

i) Reconciliation of number of shares

(₹ in lakhs)

	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Amount (₹ in lakhs)	Number of shares	Amount (₹ in lakhs)
Equity shares				
Opening balance	**1,00,00,000**	**1,000.00**	1,00,00,000	1,000.00
Issued during the year	**-**	**-**	-	-
Closing balance	**1,00,00,000**	**1,000.00**	1,00,00,000	1,000.00

ii) Rights, preferences and restrictions attached to shares

The Company has one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held and carry a right to dividend. The dividend, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

iii) Details of shears held by shareholders holding more than 5% of the aggregate shares in the Company

Equity shares

	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Holding	Number of shares	Holding
Tata Consultancy Services Limited (Holding company)	**51,00,000**	**51%**	51,00,000	51%
State Bank Of India (Significant shareholder)	**49,00,000**	**49%**	49,00,000	49%

iv) Disclosure of Shareholding of Promoters holding more than 5% of the aggregated shares in the Company

Disclosure of shareholding of promoters as at March 31, 2025 is as follows:

Sr. no.	Promoter name	Shares held by promoters		% Change during the year
		No. of shares	% of total shares	
1	Tata Consultancy Services Limited (holding company)	**51,00,000**	**51**	**-**
2	State Bank of India (significant shareholder)	**49,00,000**	**49**	**-**
	Total	**1,00,00,000**	**100**	**-**

Disclosure of shareholding of promoters as at March 31, 2024 is as follows:

Sr. no.	Promoter name	Shares held by promoters		% Change during the year
		No. of shares	% of total shares	
1	Tata Consultancy Services Limited (holding company)	**51,00,000**	**51**	**-**
2	State Bank of India (significant shareholder)	**49,00,000**	**49**	**-**
	Total	**1,00,00,000**	**100**	**-**

Notes Forming Part of Financial Statements

(j) Other equity

Other equity consists of the following:

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
(i) Retained earnings		
Opening balance	**40,083.19**	35,090.28
(ii) Profit for the year	**15,355.17**	9,483.38
(iii) OCI Impact and remeasurement of defined employee benefit plans	**(46.89)**	9.53
(iv) Appropriation :		
(v) Less :		
(a) Dividend on equity shares	**(5,000.00)**	(4,500.00)
	50,391.47	40,083.19

7) Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative standalone price of the lease component and the aggregate standalone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right- of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease-by-lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

Notes Forming Part of Financial Statements

The details of the right-of-use asset held by the Company is as follows:

(₹ in lakhs)

	Additions for the year ended March 31, 2025	Net carrying amount as at March 31, 2025
Buildings	**335.98**	**2,711.29**
	335.98	**2,711.29**

(₹ in lakhs)

	Additions for the year ended March 31, 2024	Net carrying amount as at March 31, 2024
Buildings	3,029.76	2,818.81
	3,029.76	2,818.81

Depreciation on right - of - use assets is as follows:

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Buildings	**443.51**	541.42
	443.51	541.42

Changes in lease liabilities are as follows:

	As at March 31, 2025	As at March 31, 2024
Balance as at beginning of the year	**2,975.45**	790.36
Additions during the year	**325.24**	2,857.74
Repayment of lease liabilities during the year	**(284.95)**	(327.27)
Other non-cash movements	**-**	(345.38)
Balance as at end of the year	**3,015.74**	2,975.45

Interest on lease liabilities is ₹ 237.02 lakhs and ₹ 207.11 lakhs for the year ended March 31, 2025 and 2024 respectively.

The Company incurred ₹ 9.86 lakhs and ₹ 8.25 lakhs for the year ended March 31, 2025 and 2024 respectively towards expenses relating to short-term leases and leases of low-value assets.

The total cash outflow for leases is ₹ 531.84 lakhs and ₹ 427.65 lakhs for the year ended March 31, 2025 and 2024 respectively, including cash outflow for short term and low value leases.

Lease contracts entered by the Company majorly pertains for premises taken on lease to conduct its business in the ordinary course. The Company does not have any lease restrictions and commitments towards variable rent as per contract.

Notes Forming Part of Financial Statements

8) NON-FINANCIAL ASSETS AND NON-FINANCIAL LIABILITIES

(a) Property, plant and equipment

The Company recognises the cost of an item of property, plant and equipment as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can measured reliably.

Property, plant and equipment are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use less accumulated depreciation and impairment loss, if any.

Depreciation is provided for property, plant and equipment on a straight line basis so as to expense the cost less residual value over their estimated useful lives as prescribed in schedule II of the Companies Act, 2013 except in respect of certain categories of assets, where the useful life of the asset has been assessed based on a technical evaluation. The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

The estimated useful lives are as mentioned below:

Type of the asset	Useful life
Office equipment	5 - 10 years*
Buildings (Leasehold)	Lease term
Furniture and fixtures	5 years*
Computer equipment	4 years*
Leasehold improvements	Lease term

*The Company believes that the technically evaluated useful lives, different from Schedule II of the Companies Act, 2013, best represent the period over which these assets are expected to be used.

Depreciation is not recorded on capital work-in-progress until construction and installation is complete and the asset is ready for its intended use.

Property, plant and equipment with finite life are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

The carrying amount of an item of property, plant & equipment shall be derecognised on disposal or when no future economic benefits are expected from its use or disposal.

Property, plant and equipment

Property, plant and equipment consist of the following:

(₹ in lakhs)

Description	Gross Block as at April 1, 2024	Additions	Disposals	Gross block as at March 31, 2025	Accumulated depreciation as at April 1, 2024	Depreciation for the year	Depreciation on disposals	Accumulated depreciation as at March 31, 2025	Net carrying amount as at March 31 , 2025	Net carrying amount as at March 31, 2024
Computer equipment	12,355.85	4,631.12		16,986.97	(9,146.62)	(1,874.67)		(11,021.29)	5,965.68	3,209.23
Office equipment	385.74	96.21		481.95	(110.56)	(52.43)		(162.99)	318.96	275.18
Furniture and fixtures	261.20	3.71	-	264.91	(88.02)	(36.85)	-	(124.87)	140.04	173.18
Leasehold Improvements	780.32	-	-	780.32	(131.53)	(78.59)	-	(210.12)	570.20	648.79
Total	13,783.11	4,731.04	-	18,514.15	(9,476.73)	(2,042.54)	-	(11,519.27)	6,994.88	4,306.38

(₹ in lakhs)

Description	Gross Block as at April 1, 2023	Additions	Disposals	Gross block as at March 31, 2024	Accumulated depreciation as at April 1, 2023	Depreciation for the year	Depreciation on disposals	Accumulated depreciation as at March 31, 2024	Net carrying amount as at March 31 , 2024	Net carrying amount as at March 31, 2023
Computer equipment	11,098.84	1,451.83	194.82	12,355.85	(7,889.78)	(1,451.66)	(194.82)	(9,146.62)	3,209.23	3,209.06
Office equipment	279.35	233.98	127.59	385.74	(148.54)	(43.85)	(81.83)	(110.56)	275.18	130.81
Furniture and fixtures	116.11	208.47	63.38	261.20	(113.53)	(37.87)	(63.38)	(88.02)	173.18	2.58
Leasehold Improvements	208.13	661.48	89.29	780.32	(160.31)	(60.51)	(89.29)	(131.53)	648.79	47.82
Total	11,702.43	2,555.76	475.08	13,783.11	(8,312.16)	(1,593.89)	(429.32)	(9,476.73)	4,306.38	3,390.27

Notes Forming Part of Financial Statements

(b) Intangible assets

Intangible assets purchased are measured at cost as at the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

Intangible assets consist of rights under licensing agreement and software licences which are amortised over licence period which equates the economic useful life of 4 years on a straight-line basis over the period of its economic useful life.

Intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

Intangible assets consist of the following:

(₹ in lakhs)

	Software licences
Cost as at April 1, 2024	**2,747.63**
Additions	**3,736.27**
Disposals / Derecognised	**-**
Cost as at March 31, 2025	**6,483.90**
Accumulated amortisation as at April 1, 2024	**(386.33)**
Amortisation	**(1,070.17)**
Disposals / Derecognised	**-**
Accumulated amortisation as at March 31, 2025	**(1,456.50)**
Net carrying amount as at March 31, 2025	**5,027.40**

(₹ in lakhs)

	Software licences
Cost as at April 1, 2023	788.00
Additions	1,959.63
Disposals / Derecognised	-
Cost as at March 31, 2024	2,747.63
Accumulated amortisation as at April 1, 2023	(62.07)
Amortisation	(324.26)
Disposals / Derecognised	-
Accumulated amortisation as at March 31, 2024	(386.33)
Net carrying amount as at March 31, 2024	2,361.30

Notes Forming Part of Financial Statements

The estimated amortisation for years subsequent to March 31, 2025 is as follows:

(₹ in lakhs)

Year ending March 31,	Amortisation expense
2026	**1,620.96**
2027	**1,558.91**
2028	**1,296.72**
2029	**550.81**
	5,027.40

(c) Other assets

Other assets consist of the following:

(i) Other assets - Non – current

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
(a) Prepaid expenses	**51.00**	93.18
(b) Contract fulfillment cost *	**86.34**	96.39
(c) Balance with Government Authorities **	**93.54**	91.31
	230.88	280.88

** Amount deposited with Goods & Service Tax (GST) Authorities.

(ii) Other assets – current

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
(a) Advance to suppliers	**40.93**	34.95
(b) Prepaid expenses	**275.93**	408.04
(c) Contract fulfillment cost *	**1,150.91**	694.98
(d) Indirect taxes recoverable	**1,674.55**	1,216.22
(e) Advances to employees	**2.03**	4.89
	3,144.35	2,359.08

* Contract fulfilment costs of ₹ 1,237.26 lakhs and ₹ 1,315.28 lakhs for the years ended March 31, 2025 and 2024, respectively, have been amortized in the statement of profit and loss.

(d) Other liabilities

Other liabilities consists of the following:

(i) Other liabilities – current

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Advance received from customers	**-**	104.50
Indirect taxes payable and other statutory liabilities	**1,662.02**	1,655.70
	1,662.02	1,760.20

Notes Forming Part of Financial Statements

9) Revenue recognition

The Company earns revenue primarily from providing IT services and business solutions.

The Company's contracts with customers could include commitment to transfer multiple products and services to a customer. The Company assesses the products / services committed in a contract and identifies distinct performance obligations in the contract including whether a performance obligation is satisfied at a point in time or over a period of time. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at each reporting period.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue from ASP (Applications Service Provider) platforms are recognised as the services are performed and amount earned. Revenue is recongnised on a time elapsed mode and revenue is straight lined over the period of performance. Amounts are considered to be earned once evidence of an agreement or contractual arrangement has been obtained, services are delivered and collectability is reasonably assured.
- Revenue from the supply of third party equipment or software is recognised at the point in time when control is transferred to the customer net of applicable taxes and duties.

Contract fulfilment costs

Contract fulfilment costs are generally expensed as incurred except for certain software license costs which meet the criteria for capitalisation. Such costs are amortized over the contractual period or useful life of the license whichever is less. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

Contract assets are recognised when there are excess of revenues earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

The Company disaggregates revenue from contracts with customers by industry verticals and nature of services.

In accordance with Ind AS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Significant shareholder, along with it's Regional Rural Banks, and the Holding Company contributes 47% (39% : March 2024) and 27% (31% : March 31, 2024) of the company's total revenue for year ended March 31, 2025, respectively.

Other income comprises of interest income for financial instruments namely bank and corporate deposits measured at amortised cost which is recorded on accrual basis.

Notes Forming Part of Financial Statements

Revenue from operations

The Company generates revenue from consultancy services and sale of equipment to the Banking, Financial Services and Insurance (BFSI) sector in India.

(₹ in lakhs)

	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Information technology and consultancy services	**58,179.75**	41,075.06
(b) Sale of equipment	**529.30**	1,216.08
	58,709.05	42,291.14

The Company has applied practical expedient of not disclosing the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognized corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts.

The Company does not have any contract assets.

Movement in contract liabilities is given below:

(₹ in lakhs)

	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening balance	**1,083.61**	1,566.23
Less : Revenue recognised that was included in contract liability balance at the beginning of the year	**(841.81)**	(1,001.33)
Add : Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	**528.64**	518.71
Closing balance	**770.44**	1,083.61

The revenue recongnised in the statement of profit and loss equals to the contracted price.

10) OTHER INCOME

Interest income is recognised using the effective interest method. Other income consist of the following:

(₹ in lakhs)

	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest income	**1,870.85**	1,771.70
Other income	**27.40**	100.43
	1,898.25	1,872.13
Interest income comprises :		
Interest income on bank deposits and interest on financial assets carried at amortised cost.	**1,870.85**	1,703.93
Interest revenue - Income tax refunds	**-**	67.77
Others income comprises :		
Net gain on lease modification	**-**	80.92
Others	**27.40**	19.51

Notes Forming Part of Financial Statements

11) EMPLOYEE BENEFITS

i) Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognized in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii) Defined benefit plans

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Past service cost, both vested and unvested, is recognised as an expense at the earlier of (a) when the plan amendment or curtailment occurs; and (b) when the entity recognises related restructuring costs or termination benefits.

The retirement benefit obligations recognised in the balance sheet represents the present value of the defined benefit obligations reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

The Company provided benefits such as gratuity and provident fund to its employees which are treated as defined benefit plan.

iii) Defined contribution plan

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits.

iv) Other employee benefit obligations

Compensated absences

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as undiscounted liability at the balance sheet date. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date using the Projected Unit Credit Method.

i) Employee benefit expenses consist of the following:

(₹ in lakhs)

	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Salaries, incentives and allowances	**8,986.30**	7,006.73
(b) Contribution to provident and other funds	**380.46**	307.03
(c) Staff welfare expenses	**231.61**	153.61
	9,598.37	7,467.37

Notes Forming Part of Financial Statements

Employee benefit obligation consist of the following:

(ii)(a) Employee benefit obligations - non current

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Gratuity liability	**450.15**	86.63
	450.15	86.63

(ii)(b) Employee benefit obligations – current

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Gratuity liability	**49.55**	302.07
Compensated absences	**218.15**	183.72
	267.70	485.79

Employee benefit plans consists of the following:

i) Defined contribution plans

Provident fund

In accordance with Indian law, the Company's employees are entitled to receive benefits under the provident fund plan in which both the employee and employer (at a determined rate) contribute monthly.

These are plans in which the Company pays pre-defined amounts to separate funds (provident fund and pension fund) and does not have any legal or informal obligation to pay additional sums. The Company offers its employees defined contribution plan in the form of provident fund and family pension fund. Provident fund and family pension fund covers substantially all regular employees. While both, the employee and the Company pay predetermined contributions into the provident fund, contribution into the family pension fund are made by only the Company. The contribution is based on certain proportion of employee's salary. Contributions to Provident Fund are made to The Regional Provident Fund Commissioner for qualifying employees.

The Company contributed ₹ 304.79 lakhs (March 31, 2024 : ₹ 241.05 lakhs) for provident fund during the year ended March, 31 2025.

Gratuity

In accordance with Indian law, the Company operate a scheme of Gratuity which is a defined benefit plan and is wholly unfunded. The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days' salary payable for each completed year of service. Vesting occurs upon completion of five continuous years of service.

The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit Credit Method with actuarial valuations being carried out at each balance sheet date.

The following table sets out the details of the defined benefit retirement plans and the amount recognised in the financial statements:

Notes Forming Part of Financial Statements

(₹ in lakhs)

	For the year ended March 31, 2025	For the year ended March 31, 2024
Change in benefit obligations		
Benefit obligations, beginning of the year	**388.71**	348.77
Service cost	**39.61**	36.64
Interest cost	**28.18**	25.29
Benefits paid	**(19.44)**	(9.25)
Actuarial losses / (gains) recognized in OCI	**62.66**	(12.74)
Benefit obligations, end of the year	**499.72**	388.71
Service cost	**39.61**	36.64
Net interest on net defined benefit (assets)/liabilities	**28.18**	25.29
Net periodic gratuity cost	**67.79**	61.93

The Company has no plan assets.

The assumptions used in accounting for the defined benefit plan are set out below:

Discount rate	**6.50%**	7.25%
Salary escalation rate	**6.00%**	5.00%
Mortality Rate	**Indian Assured Lives Mortality (2012-14)**	Indian Assured Lives Mortality (2012-14)

Future mortality assumptions are taken based on the published statistics by the Insurance Regulatory and Development Authority of India.

Attrition rate

i) If Services < = 5 years	**24.28%**	33.52%
ii) If Services > 5 years	**10.35%**	20.43%

Remeasurement of net defined benefit liability / (asset)

(₹ in lakhs)

	For the year ended March 31, 2025	For the year ended March 31, 2024
Actuarial (gains) and losses arising from changes in demographic assumptions	**(13.26)**	(0.88)
Actuarial (gains) and losses arising from changes in financial assumptions	**50.06**	(26.59)
Actuarial (gains) and losses arising from changes in experience adjustments	**25.86**	14.73
Remeasurement of net defined benefit liability / (asset)	**62.66**	(12.74)

The expected benefits are based on the same assumptions as used to measure the Company's defined benefit obligations as at March 31, 2025.

Remeasurement loss / (gain) of the defined benefit obligation of ₹ 62.66 lakhs and ₹ (12.74) lakhs for the years ended March 31, 2025 and March 31, 2024 has been accounted in other comprehensive income.

Notes Forming Part of Financial Statements

The significant actuarial assumptions for determination of defined benefit obligation are the discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the period, while holding all other assumptions constant.

If the discount rate increases / decreases by 0.50%, the defined benefit obligations would increase / (decrease) as follows:

(₹ in lakhs)

	For the year ended March 31, 2025	For the year ended March 31, 2024
Increase of 0.50%	**(15.20)**	6.25
Decrease of 0.50%	**16.15**	(6.01)

If the expected salary growth increases / decreases by 0.50%, the defined benefit obligations would increase / (decrease) as follows:

(₹ in lakhs)

	For the year ended March 31, 2025	For the year ended March 31, 2024
Increase of 0.50%	**16.13**	6.35
Decrease of 0.50%	**(15.34)**	(6.17)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation recognised in the balance sheet.

The defined benefit obligations shall mature after year ended March 31, 2025 as follows:

(₹ in lakhs)

Year ending March 31,	Defined benefit obligation
2026	**49.55**
2027	**49.93**
2028	**58.30**
2029	**51.70**
2030	**53.63**
2031 to 2035	**204.74**

12) COST RECOGNITION

Cost and expenses are recognised when incurred and have been classified according to their nature.

The costs of the Company are broadly categorised in employee benefit expenses, cost of equipment and software licences, depreciation and amortisation expense and other expenses. Other expenses mainly include fees to external consultants, facility expenses, travel expenses, communication expenses, bad debts and advances written off, allowance for expected credit losses and doubtful advances (net) and other expenses. Other expenses are aggregation of costs which are individually not material such as commission and brokerage, recruitment and training, entertainment, etc.

Notes Forming Part of Financial Statements

Other expenses consist of the following:

(₹ in lakhs)

		For the year ended March 31, 2025	For the year ended March 31, 2024
(a)	Fees to external consultants	**3,859.51**	2,517.01
(b)	Software and material costs	**11,913.77**	9,709.14
(c)	Communication expenses	**7,743.10**	7,067.90
(d)	Travelling and conveyance expenses	**143.12**	102.10
(e)	Facility and hosting charges	**893.56**	617.14
(f)	Repairs and maintenance	**590.59**	466.29
(g)	Electricity expenses	**136.64**	113.44
(h)	Bad debts written off, allowance for trade receivable and advance (net)	**497.96**	-
(i)	Security charges	**82.99**	54.07
(j)	Corporate Social Responsibility*	**239.18**	220.89
(k)	Others (includes Auditor's remuneration referred to in note 13)	**524.31**	357.18
		26,624.73	21,225.16

*** Corporate Social Responsibility (CSR) expenditure**

(₹ in lakhs)

	For the year ended March 31, 2025	For the year ended March 31, 2024
• Amount approved by the Board and required to be spent by the company during the year	**239.18**	220.89
• Amount of expenditure incurred on :		
(i) Construction/acquisition of any asset	**-**	-
(ii) On purposes other than (i) above	**239.18**	220.89
• Excess / (Shortfall) at the end of the year	**-**	-
• Total of previous years shortfall	**-**	-
• Nature of CSR activities	Education, Skilling, Health, Sanitation and Hygiene	

13) AUDITOR'S REMUNERATION

Auditor's remuneration consists of the following:

(₹ in lakhs)

	For the year ended March 31, 2025	For the year ended March 31, 2024
Auditor	**6.73**	6.73
For other services	**2.36**	2.36
For reimbursement of out-of-pocket expenses	**0.50**	0.50
	9.59	9.59

Inclusive of indirect taxes input credit has been / will be availed.

Notes Forming Part of Financial Statements

14) FINANCE COSTS

Finance costs consist of the following:

(₹ in lakhs)

	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest on lease liability	**237.02**	207.11
	237.02	207.11

15) INCOME TAXES

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

i) Current income taxes

Current tax is measured based on taxable profit for the year and is computed in accordance with the Income Tax Act, 1961 using the tax rates that have been enacted or substantively enacted at the end of the reporting period.

Advance taxes and provisions for current income taxes are presented in the Balance Sheet after offsetting advance taxes paid and income tax provisions arising in the same tax jurisdictions.

ii) Deferred income taxes

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination, affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax asset are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax labilities and assets and the Company can settle current tax labilities and assets on a net basis.

The income tax expense consists of the following:

Income tax recognised in the statement of profit and loss

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Current tax: Current tax expense for current year	**5,106.91**	3,258.76
Current tax expense pertaining to prior years	**(0.47)**	0.49
	5,106.44	3,259.25
Deferred tax expense / (benefit)	**129.35**	61.43
Total income tax expense recognised in the current year	**5,235.79**	**3,320.68**
Income tax expense recognised in OCI		
Deferred tax on remeasurement of defined employee benefit plan.	**15.77**	(3.21)

Notes Forming Part of Financial Statements

The reconciliation of estimated income tax expense at statutory income tax rate to income tax expense reported in statement of profit or loss is as follows:

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Profit before taxes	**20,540.96**	12,804.06
Indian statutory income tax rate	**25.170%**	25.170%
Expected income tax expense	**5,182.74**	3,222.78
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense		
(a) Current tax expense pertaining to prior years	**(0.47)**	0.49
(b) Disallowance under section 37		
(i) CSR expenses	**60.20**	56.80
(c) Others (net)	**(6.68)**	40.61
Total income tax expense	**5,235.79**	3,320.68

Significant components of net deferred tax assets and liabilities for the year ended March 31, 2025 are as follows:

(₹ in lakhs)

	Opening balance	Recognised / (reversed) through statement of profit and loss	Recognised in/ reclassified from other comprehensive income	Recognised in/ reclassified from retained earnings	Closing balance
Deferred tax assets / (liabilities) in relation to:					
Property, plant and equipment	**(148.25)**	**(258.50)**	**-**	**-**	**(406.75)**
Lease liabilities and right-of-use assets	**66.87**	**35.70**	**-**	**-**	**102.57**
Provision for Employee benefit	**139.03**	**27.25**	**15.77**	**-**	**182.05**
Provision for receivables, loans and advances	**288.34**	**66.20**	**-**	**-**	**354.54**
Total deferred tax assets / (liabilities)	**345.99**	**(129.35)**	**15.77**	**-**	**232.41**

Gross deferred tax assets and liabilities are as follows:

(₹ in lakhs)

As at March 31, 2025	Assets	Liabilities	Net
Deferred tax assets / (liabilities) in relation to:			
Property, plant and equipment	**-**	**(406.75)**	**(406.75)**
Lease liabilities	**759.06**	**-**	**759.06**
Right-of-use assets	**-**	**(656.49)**	**(656.49)**
Provision for Employee benefit	**182.05**	**-**	**182.05**
Provision for receivables, loans and advances	**354.54**	**-**	**354.54**
Net deferred tax assets / (liabilities)	**1,295.65**	**(1,063.24)**	**232.41**

Notes Forming Part of Financial Statements

Significant components of net deferred tax assets and liabilities for the year ended March 31, 2024 are as follows:

(₹ in lakhs)

	Opening balance	Recognised / (reversed) through statement of profit and loss	Recognised in/ reclassified from other comprehensive income	Recognised in/ reclassified from retained earnings	Closing balance
Deferred tax assets/ (liabilities) in relation to:					
Property, plant and equipment	(84.01)	(64.24)	-	-	(148.25)
Lease liabilities and right-of-use assets	23.14	43.73	-	-	66.87
Provision for Employee benefit	129.73	12.51	(3.21)	-	139.03
Provision for receivables, loans and advances	341.77	(53.43)	-	-	288.34
Total deferred tax assets / (liabilities)	410.63	(61.43)	(3.21)	-	345.99

Gross deferred tax assets and liabilities are as follows:

(₹ in lakhs)

As at March 31, 2024	Assets	Liabilities	Net
Deferred tax assets / (liabilities) in relation to:			
Property, plant and equipment	-	(148.25)	(148.25)
Lease liabilities	748.92	-	748.92
Right-of-use assets	-	(682.05)	(682.05)
Provision for Employee benefit	139.03	-	139.03
Provision for receivables, loans and advances	288.34	-	288.34
Net deferred tax assets / (liabilities)	1,176.29	(830.30)	345.99

16) SEGMENT INFORMATION

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. The Company's chief operating decision maker is the Chief Executive Officer.

The Company has been operating largely in one business segment viz. Banking, Financial Services and Insurance (BFSI). The activities of the Company are conducted only in one geographic segment viz India. Therefore, the disclosure requirements of the Ind AS 108 on "Segment Reporting" are not applicable.

17) COMMITMENTS AND CONTINGENCIES

The company has contractually committed (net of advances) ₹ 2003.28 lakhs as at March 31, 2025 (March 31, 2024 : ₹ 1200.00 lakhs) for purchase of property, plant and equipment.

Contingencies

Indirect tax matters

The Company has received a demand notice from the Office of the Commissioner of Goods and Service Tax dated September 03, 2020 demanding ₹ 304.38 lakhs which the Company has claimed as transition benefits u/s 140 of the Central Goods and Service Tax Act, 2017. The Company has filed an appeal before the Appellate Authority after making payment of 10% of the confirmed demand, i.e. ₹ 30.44 lakhs.

Since the Appellate Authority has upheld the base demands, consequential interest and penalties have also been upheld via order in appeal dated April 05, 2021, the next recourse available to the company is to file an appeal within three months of constitution of the Appellate Tribunal, as also clarified by CBIC vide Circular 132/2/2020 – GST dated 18.03.2020.

Notes Forming Part of Financial Statements

However, in view of non-constitution of the GST Appellate Tribunal, company is unable to file the appeal as on date. Company has complied with the pre-deposit requirement u/s 112 (9) of the CGST Act, 2017 and made further payment of ₹ 60.88 lakhs. The total deposit paid by the company is ₹ 91.31 lakhs.

The Company has received a demand order on February 27, 2025 from Uttar Pradesh GST Authorities for FY 2020-21 confirming a demand of ₹ 35.59 lakhs along with consequential interest and penalties. The issue pertains to claim of input tax credit. The Company is in the process of filing an appeal against the same.

The company has received a demand order on February 27, 2025 from Karnataka GST authorities for FY 2020-21 confirming a demand of ₹ 6.69 lakhs along with consequential interest and penalties. The issue pertains to claim of input tax credit. The company is in the process of filing an appeal against the same.

18) RELATED PARTY DISCLOSURES

The Company's material related party transactions and outstanding balances are with its Holding Company and Significant Shareholder with whom the Company routinely enters into transactions in the ordinary course of business.

a) Related parties and their relationship

Ultimate Holding Company	Tata Sons Private Limited
Holding Company	Tata Consultancy Services Limited
Significant shareholder	State Bank of India
Key Management Personnel	Rahul Kulkarni - Chief Executive Officer *
	Rohinton Peer - Chief Financial Officer *

b) Transactions with the related parties

Transactions with related parties are as follows:

For the year ended March 31, 2025 and March 31, 2024

(₹ in lakhs)

Particulars	Holding Company	Significant shareholder	Key Management Personnel*	Total
i) Revenues from operation	**15,708.78**	**3,415.05**	**-**	**19,123.83**
	13,084.14	*1,542.48*	-	*14,626.62*
ii) Managerial remuneration	**-**	**-**	**-**	**-**
	-	-	-	-
iii) Other operating expenses	**2,737.87**	**-**	**155.50**	**2,893.37**
	2,182.05	-	*144.05*	*2,326.10*
iv) Interest income	**-**	**1,326.11**	**-**	**1,326.11**
	-	*1,277.83*	-	*1,277.83*
v) Dividend paid	**2,550.00**	**2,450.00**	**-**	**5,000.00**
	2,295.00	*2,205.00*	-	*4,500.00*
vi) Deposits	**-**	**1,700.00**	**-**	**1,700.00**
	-	*3,000.00*	-	*3,000.00*

Notes Forming Part of Financial Statements

As at March 31, 2025 and March 31, 2024

(₹ in lakhs)

Particulars	Holding Company	Significant shareholder	Key Management Personnel*	Total
i) Trade payables	**2,099.21**	**-**	**-**	**2,099.21**
	959.69	-	-	*959.69*
ii) Trade receivables	**7,778.36**	**1,125.84**	**-**	**8,904.20**
	7,029.53	*319.72*	-	*7,349.25*
iii) Balances with bank	**-**	**18,673.24**	**-**	**18,673.24**
	-	*15,840.99*	-	*15,840.99*
iv) Unearned and deferred revenues	**0.36**	**-**	**-**	**0.36**
	47.90	-	-	*47.90*
v) Interest receivable	**-**	**637.37**	**-**	**637.37**
	-	*839.80*	-	*839.80*
vi) Bad debts	**178.39**	**-**	**-**	**178.39**
	153.79	-	-	*153.79*
vii) Deposits	**-**	**8,500.00**	**-**	**8,500.00**
	-	*6,800.00*	-	*6,800.00*

*The Chief Executive Officer and Chief Financial Officer of the Company are on deputation and draw remuneration from Tata Consultancy Services Limited. Service charges are payable by the Company to Tata Consultancy Services Limited.

Figures in italics in the above tables pertains to March 31, 2024.

19) EARNING PER SHARE (EPS)

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The Company did not have any potentially dilutive securities in any of the years presented.

	Year ended March 31, 2025	Year ended March 31, 2024
Profit for the year (₹ in lakhs)	**15,355.17**	9,483.38
Weighted average number of equity shares	**10,000,000**	10,000,000
Earning per share basic and diluted (₹)	**153.55**	94.83
Face value per equity share (₹)	**10**	10

20) The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

21) ADDITIONAL REGULATORY INFORMATION

Ratio	Numerator	Denominator	March 31, 2025	March 31, 2024	% variance	Reason for variance
Current ratio (in times)	Total current assets	Total current liabilities	3.74	4.47	(16.33)%	Increase due to increase in profits while interest and lease payment remaining same as previous year.
Debt service coverage ratio (in times)	Earning for Debt Service = Profit after tax + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	36.68	22.74	61.30%	
Return On equity ratio (in %)	Profit for the year	Average total equity	33.21%	24.58%	35.11%	Increase in profits during the current year.
Trade receivable turnover ratio (in times)	Revenue from operations	Average trade receivables	4.63	4.36	6.19%	
Trade payables turnover ratio (in times)	Cost of equipment and software licenses + Other expenses	Average trade payables	3.56	5.11	(30.33)%	Increase in expenses during the year.
Net capital turnover ratio (in times)	Revenue from operations	Average working capital (ie. Total current assets less Total current liabilities	1.63	1.57	3.82%	
Net profit ratio (in %)	Profit for the year	Revenue from operations	26.15%	22.42%	16.64%	
Return on capital employed (in %)	Profit before tax and finance cost	Capital employed = Tangible net worth + Lease Liability + Deferred tax liabilities	38.28%	29.53%	29.63%	Increase in profits for the current year.
Return on investments (in %)	Income generated from invested funds	Average invested funds	6.94%	8.25%	(15.88)%	
Debt equity ratio (in times)	Lease liability	Total equity	0.06	0.07	(14.29)%	

Notes Forming Part of Financial Statements

22) No funds have been advanced/loaned/invested (from borrowed funds or from share premium or from any other sources / kind of funds) by the Company to any other person(s) or entity(ies), including foreign entities (Intermediaries), with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

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 Group shall (i) directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

23) SUBSEQUENT EVENT

Dividend paid during the year ended March 31, 2025 pertains to final dividend for the year ended March 31, 2024.

The dividends declared by the Company are based on the profits available for distribution as reported in the financial statements of the Company. Accordingly, the Retained Earnings reported in these financial statements may not be fully distributable. As at March 31, 2025, income available for distribution were ₹ 50,391.47 lakhs. On April 24, 2025 the Board of Directors of the Company have proposed a final dividend of ₹ 75.00 per equity share in respect of the year ended March 31, 2025 subject to the approval of shareholders at the Annual General Meeting. If approved, the dividend would result in a cash outflow of ₹ 7,500.00 lakhs.

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

For and on behalf of the Board

Rajesh Shetty
Partner
Membership number: 130778

Lakshminarayanan Gomatam Seshadri
Director
DIN: 07982712

Purvang Shah
Director
DIN: 11024672

Rahul Kulkarni
Chief Executive Officer

Aarti Salekar
Company Secretary

Rohinton Peer
Chief Financial Officer

Mumbai, April 24, 2025

Mumbai, April 24, 2025

MAHAONLINE LIMITED

FINANCIAL STATEMENTS

For the year ended
March 31, 2025

FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

CONTENT	PAGE
Independent Auditor's Report	4.2
Balance Sheet	4.11
Statement of Profit and Loss	4.12
Statement of Changes in Equity	4.13
Statement of Cash Flow	4.14
Notes forming part of the Financial Statements	4.15

Back to main content

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS MAHAONLINE LIMITED,
Report on the standalone Financial Statements

Opinion

We have audited the Standalone financial statements of **MahaOnline Limited** (hereinafter referred to as "the Company"); which comprises the Balance Sheet as at 31st March 2025 and Statement of Profit and Loss (including other comprehensive income), statement of changes in equity and the Cash Flow Statement for the year then ended and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025 and Statement of Profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 financial statements under the provisions of the Companies Act, 2013 and the Rules 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 we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Information other than the Financial Statements and Auditor's Report Thereon

The Company's Management and Board of Directors is responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the financial statements and our auditor's report thereon. The Company's annual 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 do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Responsibility of Management and Board of Directors for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flow of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (AS) specified under Section 133 of the Act, as applicable. 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 these financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Attention is invited to Note 23 to the financial statement about management's views on use of the Going Concern basis of accounting for the year. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India, in term of section 143(11) of the Act, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the order to the extent applicable.

(A) As required by Section 143(3) of the Act, We report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from the examination of those books.

c) The Balance Sheet and the Statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and the Statement of Cash Flow dealt with by this report are in agreement with the books of accounts.

d) In our opinion, aforesaid 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 March 31, 2025, taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2025 from being appointed as a Director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(B) With respect to the other matters to be included in the Independent Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements- Refer Note 19 to the financial statements.

ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii) There were no amounts which were 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, as disclosed in the Note 24 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign 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 ("Ultimate Beneficiaries") by or on behalf of the Company or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(b) The management has represented, that, to the best of its knowledge and belief, as disclosed in the Note 24 to the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and

(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 (iv) (a) and (iv) (b) contain any material mis-statement.

[v) The final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 25 to the financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

vi) As required under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014; based on our examination details and records on test check basis and information and explanation given to us, we state that the Company has used software for maintaining the books of accounts which has inbuilt feature of recording the audit trail and logs of activities in the software. The audit trail facility was enabled and operated throughout the year for the accounting software, we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

(C) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

According to the information and explanations given to us, no remuneration has been paid by the Company to any of its directors. Accordingly, provisions of Section 197 of the Act relating to remuneration to directors are not applicable. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For K B J & ASSOCIATES.
(Chartered Accountants)
(Firm Registration No. 114934W)

Kaushik B. Joshi
Proprietor
(Membership No. 48889)

Date: ___th April,2025
Place: Mumbai

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

Report on Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 ('the Act') of MahaOnline Limited ('the Company')

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Plant, Property and Equipment.

(B) The Company has maintained proper records showing full particulars of Intangible assets.

(b) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has a regular programme of physical verification of its Property, plant and equipment by which all Property, plant and equipment are verified every year. In accordance with this programme, Property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and records examined by us, the company does not have any immovable property including the leased property during the year. Accordingly, clause 3(i)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including Right-of-use assets) and intangible assets.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company is a service company, primarily rendering information technology related solutions. Accordingly, it does not hold any physical inventories. Accordingly, clause 3(ii)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year, except for investment in mutual funds. Accordingly, clause 3(iii)(a) to 3(iii)(f) of the Order is not applicable.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, or provided any guarantee or security as specified under Sections 185 of the Companies Act, 2013 ("the Act"). The company has not made any investments or provided any guarantee or security as specified under section 186 of the Companies Act, 2013 ("the Act") In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act are not required to be complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Sales tax, Service tax, Duty of excise and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into Goods and Service Tax (GST).

According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including GST, Provident fund, Employees' State Insurance, Income-tax, Cess and other material statutory dues have been generally deposited with the appropriate authorities. As explained to us, the Company did not have any dues of Customs.

According to the information and explanations given to us, no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-tax, Cess and other material statutory dues were in arrears as at 31 March 2025 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Provident Fund, Employees State Insurance, Income-Tax, or Cess or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute. The following dues of Income tax and value added tax, have not been deposited by the Company on account of dispute:

Name of the statute	Nature of the dues	Amount under dispute (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
The Income Tax Act, 1961	Income Tax	12.95	AY 2017-18	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	0.75	AY 2012-13 and AY 2013-14	Assessing Officer

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds have been raised on short- term basis by the Company. Accordingly, clause 3(ix)(d) of the Order is not applicable.

(e) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under the Act) during the year ended 31 March 2025. Accordingly, clause 3(ix)(e) is not applicable.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) Establishment of vigil mechanism is not mandated for the Company. As represented to us by the management, there are no whistle blower complaints received by the company during the year vigil mechanism established voluntarily.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.

(xiv) Based on information and explanations provided to us, the Company is not required to have internal audit system. Accordingly, clause (xiv) of the Order is not applicable

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has more than one CIC as part of the Group. The Group has five CICs which are registered with the Reserve Bank of India and one CIC which is not required to be registered with the Reserve Bank of India.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to 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) As stated in Note 13 (b) of the Financial statements and according to the information and explanations given to us, during the year provision of Section 135 is not applicable to the company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable

For K B J & ASSOCIATES.
(Chartered Accountants)
(Firm Registration No. 114934W)

Kaushik B. Joshi
Proprietor
(Membership No. 48889)

Date: ___th April, 2025
Place: Mumbai

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

Report on the internal financial controls with reference to the aforesaid financial statements

Opinion

We have audited the internal financial controls with reference to financial statements of MahaOnline Limited ("the Company") as of 31 March 2025 in conjunction with our audit of the financial statements of the Company as at and for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to 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 (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to financial statements based on the criteria established by the Company considering the essential components of internal control stated in 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to 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 financial statements were established and maintained and whether 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, 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 financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For K B J & ASSOCIATES.
(Chartered Accountants)
(Firm Registration No. 114934W)

Kaushik B. Joshi
Proprietor
(Membership No. 48889)

Date: ___th April, 2025
Place: Mumbai

Balance Sheet

(₹ in lakhs)

	Note	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
Property, plant and equipment	8(a)	**-**	-
Right-of-use assets	7	**-**	-
Intangible Assets	8(b)	**-**	-
Financial assets			
Other financial assets	6(e)	**6.00**	6.00
Trade Receivables			
Billed	6(b)	**-**	-
Income-tax assets (net)		**521.92**	535.11
Total non-current assets		**527.92**	541.11
Current assets			
Financial assets			
Investments	6(a)	**8,225.36**	8,401.22
Trade receivables			
Billed	6(b)	**3,208.77**	3,208.77
Cash and cash equivalents	6(c)	**621.43**	652.87
Other balances with banks	6(d)	**1,798.92**	1,698.73
Other financial assets	6(e)	**30.89**	30.50
Other assets	8(c)	**54.02**	66.84
Total current assets		**13,939.39**	14,058.93
TOTAL ASSETS		**14,467.31**	14,600.04
EQUITY AND LIABILITIES			
Equity			
Share capital	6(k)	**255.27**	255.27
Other equity	9	**8,011.72**	8,229.84
Total Equity		**8,266.99**	8,485.11
Liabilities			
Non-current liabilities			
Employee benefit obligations	12	**11.10**	5.76
Deferred tax liability (net)	15	**313.34**	187.45
Total non-current liabilities		**324.44**	193.21
Current liabilities			
Financial liabilities			
Lease liabilities		**-**	-
Trade payables			
Dues of micro enterprises and small enterprises	6(f)	**-**	**-**
Dues of creditors other than micro enterprises and small enterprises	6(f)	**1,091.40**	1,087.79
Other financial liabilities	6(g)	**4,651.34**	4,651.34
Other liabilities	8(d)	**113.67**	110.88
Employee benefit obligations	12	**2.82**	5.12
Income tax liabilities (net)		**16.65**	66.59
Total current liabilities		**5,875.88**	5,921.72
TOTAL EQUITY AND LIABILITIES		**14,467.31**	14,600.04
NOTES FORMING PART OF THE FINANCIAL STATEMENTS	1-25		

As per our report of even date attached

For and on behalf of the Board
CIN: U72900MH2010PLC206026

For KBJ & Associates
Chartered Accountants
Firm's registration no: 114934W

Kaushik B. Joshi
Proprietor
Membership No: 48889
Mumbai

Lakshminarayanan G S
Director
Din No: 07982712

Shanti Nair
Chief Operating Officer

Tej Paul Bhatla
Director
Din No: 08491426

Back to content

Statement of Profit and Loss

(₹ in lakhs)

	Note	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from operations	10	**0.32**	11.87
Other income	11	**743.30**	988.31
TOTAL INCOME		**743.62**	1,000.18
Expenses			
Employee benefit expenses	12	**52.28**	42.40
Depreciation	7,8(a)	**-**	3.33
Other expenses	13(a)	**86.91**	109.89
Finance costs	14	**-**	1.69
TOTAL EXPENSES		**139.19**	157.31
PROFIT BEFORE TAX		**604.43**	842.87
Tax expense			
Current tax	15	**52.32**	103.08
Deferred tax	15	**126.30**	96.82
TOTAL TAX EXPENSE		**178.62**	199.90
PROFIT FOR THE YEAR		**425.81**	642.97
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of defined employee benefit plans		**(1.56)**	(1.88)
Income tax on items that will not be reclassified subsequently to profit or loss		**0.40**	0.47
TOTAL OTHER COMPREHENSIVE (LOSSES)/INCOME		**(1.16)**	(1.41)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**424.65**	641.56
Earnings per equity share - Basic and diluted (₹)	16	**16.68**	25.19
Weighted average number of equity shares		**2,552,705**	2,552,705
NOTES FORMING PART OF THE FINANCIAL STATEMENTS	1-25		

As per our report of even date attached

For KBJ & Associates
Chartered Accountants
Firm's registration no: 114934W

Kaushik B. Joshi
Proprietor
Membership No: 48889
Mumbai

For and on behalf of the Board
CIN: U72900MH2010PLC206026

Lakshminarayanan G S
Director
Din No: 07982712

Tej Paul Bhatla
Director
Din No: 08491426

Shanti Nair
Chief Operating Officer

Back to content

Statement of Changes in Equity

A EQUITY SHARE CAPITAL

(₹ in lakhs)

Balance as on April 1, 2024	Changes in equity share capital due to prior period erros	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the year	Balance as at March 31, 2025
255.27	**-**	**-**	**-**	**255.27**

(₹ in lakhs)

Balance as on April 1, 2023	Changes in equity share capital due to prior period erros	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the year	Balance as at March 31, 2024
255.27	-	-	-	255.27

*Refer note 6(k)

B OTHER EQUITY

Other equity consist of the following:

(₹ in lakhs)

	Reserves and surplus	
	Retained earnings	Total Equity
Balance as at April 1, 2024	**8,229.84**	**8,229.84**
Profit for the year	**425.81**	**425.81**
Other comprehensive income	**(1.16)**	**(1.16)**
Total comprehensive income	**424.65**	**424.65**
Dividend	**642.77**	**642.77**
Balance as at March 31, 2025	**8,011.72**	**8,011.72**
Balance as at April 1, 2023	8,288.49	8,288.49
Profit for the year	642.97	642.97
Other comprehensive income	(1.41)	(1.41)
Total comprehensive income	641.56	641.56
Dividend	700.21	700.21
Balance as at March 31, 2024	8,229.84	8,229.84

Retained earnings

This reserve represents undistributed accumulated earnings of the Company as on the balance sheet date.

Loss of ₹ (1.16)lakhs and of ₹ (1.41) lakhs on remeasurement of defined employee benefit plans (net of tax) is recognised as a part of retained earnings for the years ended March 31, 2025 and 2024, respectively.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS 1-25

As per our report of even date attached

For KBJ & Associates
Chartered Accountants
Firm's registration no: 114934W

Kaushik B. Joshi
Proprietor
Membership No: 48889
Mumbai

For and on behalf of the Board
CIN: U72900MH2010PLC206026

Lakshminarayanan G S
Director
Din No: 07982712

Shanti Nair
Chief Operating Officer

Tej Paul Bhatla
Director
Din No: 08491426

Back to content

Statement of Cash Flows

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the year	**425.81**	642.97
Adjustments to reconcile profit and loss to net cash provided by operating activities		
Depreciation	**-**	3.33
Net gain on disposal of property, plant and equipment	**-**	(0.78)
Net gain on investments	**(167.98)**	(127.42)
Tax expense	**178.62**	199.90
Interest income	**(149.15)**	(172.58)
Unrealised gain on investments	**(426.17)**	(383.26)
Finance costs	**-**	1.69
Operating profit before working capital changes	**(138.87)**	163.85
Net change in		
Trade receivables	**-**	(149.30)
Other financial assets	**-**	251.62
Other assets	**12.82**	20.41
Trade payables	**3.61**	(88.18)
Unearned and deferred revenue	**-**	(47.16)
Other financial liabilities	**-**	(71.20)
Other liabilities and provisions	**4.27**	14.00
Cash generated from operations	**(118.17)**	94.04
Taxes paid (net of refunds)	**(89.07)**	(88.34)
Net cash (used in)/ generated from operating activities	**(207.24)**	5.70
CASH FLOWS FROM INVESTING ACTIVITIES		
Bank deposits placed	**(1,795.52)**	(1,715.40)
Purchase of investments	**-**	(5,300.00)
Payment for purchase of property, plant and equipment	**-**	0.01
Proceeds from disposal of property, plant and equipment	**-**	0.94
Proceeds from bank deposits	**1,695.33**	2,557.40
Proceeds from inter-corporate deposits	**-**	1,401.72
Proceeds from disposal / redemption of investments	**770.00**	750.00
Interest received	**148.76**	276.92
Net cash generated from/(used in) investing activities	**818.57**	(2,028.41)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	**(642.77)**	(700.21)
Repayment of lease liabilities	**-**	(120.77)
Net cash used in financing activities	**(642.77)**	(820.98)
Net change in cash and cash equivalents	**(31.44)**	(2,843.69)
Cash and cash equivalents at the beginning of the year	**652.87**	3,496.56
Cash and cash equivalents at the end of the year (Refer Note 6 (c))	**621.43**	652.87
NOTES FORMING PART OF THE FINANCIAL STATEMENTS 1-25		

As per our report of even date attached

For KBJ & Associates
Chartered Accountants
Firm's registration no: 114934W

Kaushik B. Joshi
Proprietor
Membership No: 48889
Mumbai

For and on behalf of the Board
CIN: U72900MH2010PLC206026

Lakshminarayanan G S
Director
Din No: 07982712

Shanti Nair
Chief Operating Officer

Tej Paul Bhatla
Director
Din No: 08491426

Back to content

Notes forming part of the financial statements

1. CORPORATE INFORMATION

MahaOnline Limited (hereinafter referred as 'the Company') provides information technology (IT) and IT enabled services in the State of Maharashtra. The Company is engaged into the business of development, maintenance and management of MahaOnline portals for providing web-based services by Government to Citizens (G2C), Government to Business and other portal services of Government of Maharashtra.

The Company is unlisted public limited company incorporated and domiciled in India. The address of the registered office is Directorate of Information Technology, Mantralaya Annex, 7th Floor, Mumbai - 400032. Tata Consultancy Services Limited (TCS), the holding company, owns 74% of the Company's equity share capital. Tata Sons Limited is the ultimate parent.

The joint venture between Tata Consultancy Services ("TCS") and the Government of Maharashtra ("GoM") to provide IT services to the GoM was for a period of 10 years until the agreement is terminated or the Joint Venture ("JV") Company is liquidated/dissolved. The agreement expired in July 2020 and post July 2020 the Joint Venture agreement is in continuation until notice of termination of the agreement by either party is received.

Effective 1st April 2020, MahaOnline transferred its projects to Maharashtra Information Technology Corporation Limited (MahaIT). However, MahaOnline continues to assist Maha IT in fulfilling its service responsibilities on these projects that Maha IT now has with Government of Maharashtra. MahaOnline will raise invoices with agreed markup on MahaIT for the expenses incurred on the its associates cost, office premises lease cost and all AMCs renewal /firewall/UPS cost (Refer Note No 23).

The financial statements for the year ended March 31, 2025 were approved by the Board of Directors and authorised for issue on XXXX

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

3. BASIS OF PREPARATION

These financial statements have been prepared in Indian Rupee which is the functional currency of the company. These financial statements have been prepared on historical cost basis except for certain financial instruments and defined benefit plans which are measured at fair value or amortised cost at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for 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.

All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle. Based on the nature of services rendered to customer and time elapsed between deployment of resources and realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

The statement of cash flows have been prepared under indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value to be cash equivalents.

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are retranslated at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss.

The significant accounting policies used in preparation of the financial statements have been discussed in the respective notes.

Notes forming part of the financial statements

4. USE OF ESTIMATES AND JUDGEMENTS

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expenses for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The Company uses the following critical accounting estimates in preparation of its financial statements.

a) Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods. (Refer note 8(a)).

b) Provision for income tax and deferred tax

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.The Company reviews the carrying amount of deferred tax assets at the end of each reporting period.

c) Provision and contingent liabilities

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

d) Employee benefits

The accounting of employee benefit plans in the nature of defined benefit requires the Company to use assumptions. These assumptions have been explained under employee benefits note.

e) Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

5. RECENT PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions,

Notes forming part of the financial statements

applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

6. FINANCIAL ASSETS, FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and 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 measured on initial recognition of financial asset or financial liability.

The Company derecognises a financial asset only 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 entity. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

Cash and cash equivalents

The Company considers all highly liquid investments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received net of direct issue cost.

Impairment of financial assets (other than at fair value)

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix.For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Notes forming part of the financial statements

a) Investment

Investments consist of the following:

(₹ in lakhs)

Investments - Current	As at March 31, 2025		As at March 31, 2024	
	Quantity	₹	Quantity	₹
Investment carried at fair value through profit and loss Mutual funds (quoted)				
Tata Liquid Fund Direct Plan - Growth	**85,252**	**3,489.21**	1,04,763	3,991.74
UTI Liquid Cash Plan - Direct Growth Plan	**1,11,408**	**4,736.15**	1,11,408	4,409.48
	1,96,660	**8,225.36**	2,16,171	8,401.22

Aggregate value of quoted investments is as follows:

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Aggregate value of quoted investments	**8,225.36**	8,401.22
Aggregate market value of quoted investments	**8,225.36**	8,401.22

b) Trade receivables - Billed

Trade receivables - Billed (unsecured) consist of the following:

(₹ in lakhs)

Trade receivables - Billed - Non Current	As at March 31, 2025	As at March 31, 2024
Trade receivables - Billed	**41.76**	**41.76**
Less: Allowance for doubtful trade receivables - Billed	**(41.76)**	**(41.76)**
Considered good	**-**	**-**
Trade receivables - Billed	**-**	**-**
Less: Allowance for doubtful trade receivables - Billed	**-**	**-**
Credit impaired	**-**	**-**
	-	**-**

Above balances of trade receivables include balances with related parties (Refer note 21).

Notes forming part of the financial statements

Ageing for trade receivables - non-current outstanding as at March 31, 2025 is as follow:

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 years	1 - 2 years	2 - 3 years	More than 3 years	
Trade receivables - billed	-	-	-	-	-	41.76	41.76
Undisputed trade receivables – considered good	-	-	-	-	-	-	-
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
	-	-	-	-	-	41.76	41.76
Less: Allowance for doubtful trade receivables - Billed							(41.76)
							-

Ageing for trade receivables - non-current outstanding as at March 31, 2024 is as follow:

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 years	1 - 2 years	2 - 3 years	More than 3 years	
Trade receivables - billed	-	-	-	-	-	41.76	41.76
Undisputed trade receivables – considered good	-	-	-	-	-	-	-
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
	-	-	-	-	-	41.76	41.76
Less: Allowance for doubtful trade receivables - Billed							(41.76)
							-

Notes forming part of the financial statements

(₹ in lakhs)

Trade receivables - Billed - Current	As at March 31, 2025	As at March 31, 2024
Trade receivables - Billed	**3,208.77**	**3208.77**
Less: Allowance for doubtful trade receivables - Billed	**-**	**-**
Considered good	**3,208.77**	3,208.77

Above balances of trade receivables include balances with related parties (Refer note 21).

Ageing for trade receivables - current outstanding as at March 31, 2025 is as follow:

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 years	1 - 2 years	2 - 3 years	More than 3 years	
Trade receivables - billed							
Undisputed trade receivables – considered good	**-**	**-**	**-**	**150.04**	**264.84**	**2,793.89**	**3,208.77**
Undisputed trade receivables – which have significant increase in credit risk	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Undisputed trade receivables – credit impaired	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Disputed trade receivables – considered good	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Disputed trade receivables – which have significant increase in credit risk	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Disputed trade receivables – credit impaired	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	-	**-**	**-**	**150.04**	**264.84**	**2,793.89**	**3,208.77**
Less: Allowance for doubtful trade receivables - Billed							**-**
							3,208.77

Notes forming part of the financial statements

Ageing for trade receivables - current outstanding as at March 31, 2024 is as follow:

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 years	1 - 2 years	2 - 3 years	More than 3 years	
Trade receivables - billed							
Undisputed trade receivables – considered good	-	26.46	123.58	264.84	481.42	2,312.47	3,208.77
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
	-	26.46	123.58	264.84	481.42	2,312.47	3,208.77
Less: Allowance for doubtful trade receivables - Billed							-
							3,208.77

c) Cash and cash equivalents

Cash and cash equivalents consist of the following:

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Balances with banks		
In current accounts	**621.43**	652.87
	621.43	652.87

d) Other balances with banks

Other balances with banks consist of the following:

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Earmarked balances with banks*	**3.54**	3.40
Short-term bank deposits	**1,795.38**	1,695.33
	1,798.92	1,698.73

*Earmarked balances includes balances held as margin money against guarantees.

Notes forming part of the financial statements

e) Other Financial Assets

Other financial assets consist of the following:

Other financial assets - Non-current

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Security deposits	**6.00**	6.00
	6.00	6.00

Other financial assets - Current

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Interest receivable	**30.89**	30.50
	30.89	30.50

f) Trade payables

Ageing for trade payables outstanding as at March 31, 2025 is as follows:

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
MSME *	-	-	-	-	-	-
Others	-	0.01	0.02	13.06	1,022.20	1,035.29
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
	-	0.01	0.02	13.06	1,022.20	1,035.29
Accrued Expenses						56.10
						1,091.39

* MSME as per the Micro, Small and Medium Enterprises Development Act, 2006.

Ageing for trade payables outstanding as at March 31, 2024 is as follows:

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
MSME *	-	-	-	-	-	-
Others	-	0.08	13.07	1.59	1,018.23	1,032.97
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
	-	0.08	13.07	1.59	1,018.23	1,032.97
Accrued Expenses						54.81
						1,087.78

* MSME asper the Micro, Small and Medium Enterprises Development Act, 2006.

Above balances of trade payables include balances with related parties (Refer note 21).

Back to content

Notes forming part of the financial statements

g) Other Financial Liabilities

Other financial liabilities consist of the following:

Other financial liabilities - Current

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Amounts collected on behalf of customers *	**4,360.72**	4,360.72
Security deposits	**290.62**	290.62
	4,651.34	4,651.34

* Amount collected on behalf of customers includes collection of government services fees

h) Financial instruments by category

The carrying value of financial instruments by categories as of March 31, 2025 is as follows:

(₹ in lakhs)

	Fair value through profit or loss	Amortised cost	Total carrying value
Financial assets:			
Cash and cash equivalents	**-**	**621.43**	**621.43**
Bank deposits	**-**	**1,795.38**	**1,795.38**
Earmarked balances with banks	**-**	**3.54**	**3.54**
Investments	**8,225.36**	**-**	**8,225.36**
Trade receivables	**-**	**3,208.77**	**3,208.77**
Other financial assets	**-**	**36.89**	**36.89**
Total	**8,225.36**	**5,666.01**	**13,891.37**
Financial liabilities:			
Trade payables	**-**	**1,091.40**	**1,091.40**
Other financial liabilities	**-**	**4,651.34**	**4,651.34**
Total	**-**	**5,742.74**	**5,742.74**

Notes forming part of the financial statements

The carrying value of financial instruments by categories as of March 31, 2024 is as follows:

(₹ in lakhs)

	Fair value through profit or loss	Amortised cost	Total carrying value
Financial assets:			
Cash and cash equivalents	-	652.87	652.87
Bank deposits	-	1,695.33	1,695.33
Earmarked balances with banks	-	3.40	3.40
Investments	8,401.22	-	8,401.22
Trade receivables	-	3,208.77	3,208.77
Other financial assets	-	36.50	36.50
Total	8,401.22	5,596.87	13,998.09
Financial liabilities:			
Trade and other payables	-	1,087.79	1,087.79
Other financial liabilities	-	4,651.34	4,651.34
Total	-	5,739.13	5,739.13

Carrying amounts of cash and cash equivalents, trade receivables, and trade payables as at March 31, 2025 and March 31, 2024 approximate the fair value. Carrying amounts of bank deposits, other balances with banks, other financial assets and other financial liabilities which are subsequently measured at amortised cost also approximate the fair value due to their nature in each of the periods presented.

i) 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 consist 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.

The following table summarises financial assets measured at fair value on a recurring basis.

(₹ in lakhs)

As of March 31, 2025:	Level 1	Level 2	Level 3	Total
Financial assets:				
Investments in Mutual fund units	**8,225.36**	**-**	**-**	**8,225.36**
Total	**8,225.36**	**-**	**-**	**8,225.36**

(₹ in lakhs)

As of March 31, 2024:	Level 1	Level 2	Level 3	Total
Financial assets:				
Investments in Mutual fund units	**8,401.22**	**-**	**-**	**8,401.22**
Total	**8,401.22**	**-**	**-**	**8,401.22**

Notes forming part of the financial statements

j) Financial risk management:

The Company is exposed primarily to credit, liquidity and interest rate risk which may adversely impact the fair value of its financial instruments. The Company's focus is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on its financial performance.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such change in financial instruments may result from changes in the credit rating and other market changes. The Company's exposure to the market risk is primarily on account of fluctuation in market rates of NAV of mutual funds.

Interest rate risk

The fixed deposits and intercorporate deposits made by the Company bears a fixed rate of interest. Hence the Company is not significantly expose to interest rate risk.

Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

- **Exposure to credit risk**

  The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 13,891.37 lakhs and ₹ 13,998.09 lakhs as of March 31, 2025 and 2024, respectively, being the total of the carrying amount of balances with banks, bank deposits, trade receivables, investments and other financial assets.

  Of the trade receivables balance as at March 31, 2025, ₹ 2,372.08 lakhs and ₹ 674.52 lakhs (March 31, 2024: ₹ 2,372.06 lakhs and ₹ 674.52 lakhs) are due from Maharashtra Information Technology Corporation Ltd and Rural Development Department respectively, the Company's largest customers. There are no other customers who represent more than 10% of the total trade receivables.

- **Geographic concentration of credit risk**

  The Company has a geographic concentration of trade receivables and net of allowances in India.

  The allowance for lifetime expected credit loss on trade receivables for the year ended March 31, 2025 and 2024 was ₹ Nil lakhs and ₹ Nil lakhs respectively. The reconciliation of allowance for doubtful trade receivables is as follows:

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Balance at the beginning of the year	**41.77**	41.77
Change during the year	**-**	-
Balance at the end of the year	**41.77**	41.77

Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company consistently generated sufficient cash flows from operations to meet its financial obligations including lease liabilities as and when they fall due.

Notes forming part of the financial statements

The tables below provide details regarding the contractual maturities of significant financial liabilities as of:

(₹ in lakhs)

March 31, 2025	Due in 1st Year	Due in 2nd Year	Due in 3rd Year	Due in 4th Year	Due in 5th Year	Total
Trade payables	**1,091.40**	**-**	**-**	**-**	**-**	**1,091.40**
Other financial liabilities	**4,651.34**	**-**	**-**	**-**	**-**	**4,651.34**
Total	**5,742.74**	**-**	**-**	**-**	**-**	**5,742.74**

(₹ in lakhs)

March 31, 202L4	Due in 1st Year	Due in 2nd Year	Due in 3rd Year	Due in 4th Year	Due in 5th Year	Total
Trade payables	1,087.79	-	-	-	-	1,087.79
Other financial liabilities	4,651.34	-	-	-	-	4,651.34
Total	5,739.13	-	-	-	-	5,739.13

k) Equity instruments

The authorised, issued, subscribed and fully paid-up share capital comprises of the following :

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Authorised :		
25,000,000 equity shares of ₹ 10 each	**2,500.00**	2,500.00
(March 31, 2024 : 25,000,000 equity shares of ₹ 10 each)		
	2,500.00	2,500.00
Issued, Subscribed and Fully paid-up:		
2,552,705 equity shares of ₹ 10 each	**255.27**	255.27
(March 31, 2024 : 2,552,705 equity shares of ₹ 10 each)		
	255.27	255.27

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. The Company is not subject to any externally imposed capital requirements.

(a) Reconciliation of number of shares

(₹ in lakhs)

	As at March 31, 2025		As at March 31, 2024	
	No. of Equity shares	Amount (₹ lakhs)	No. of Equity shares	Amount (₹ lakhs)
Opening balance	**2,552,705**	**255.27**	2,552,705	255.27
Issued during the year	**-**	**-**	-	-
Closing balance	**2,552,705**	**255.27**	2,552,705	255.27

Notes forming part of the financial statements

(b) Rights, preferences and restrictions attached to shares

The Company has one class of equity shares having a par value of ₹ 10 each. Each shareholder is eligible for one vote per share held and carry right to dividend. The dividend, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion of their shareholding.

c) Shares held by holding company and subsidiaries of holding company

(₹ in lakhs)

	Number of shares	
	As at March 31, 2025	As at March 31, 2024
Equity shares		
Holding Company		
1,889,005 equity shares (March 31, 2024: 1,889,005) are held by Tata Consultancy Services Limited	**1,889,005**	1,889,005
	18,89,005	18,89,005

(d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

(₹ in lakhs)

Equity Shares	As at March 31, 2025		As at March 31, 2024	
	No. of shares	Holding	No. of shares	Holding
Tata Consultancy Services Limited (Holding company)	**1,889,005**	**74%**	1,889,005	74%
Governor, Government of Maharashtra	**6,63,700**	**26%**	6,63,700	26%
	2,552,705	**100%**	2,552,705	100%

(e) Disclosure of Shareholding of Promoters

Disclosure of shareholding of promoters as at March 31, 2025 is as follows :

(₹ in lakhs)

Shares held by promoters at the end of the year				% Change during the year
Sr. no.	Promoter name	No. of shares*	% of total shares	
1	Tata Consultancy Services Limited	**18,89,005**	**74**	-
2	Governor, Government of Maharashtra	**6,63,700**	**26**	-
	Total	**25,52,705**	**100**	-

Disclosure of shareholding of promoters as at March 31, 2024 is as follows :

(₹ in lakhs)

Shares held by promoters at the end of the year				% Change during the year
Sr. no.	Promoter name	No. of shares*	% of total shares	
1	Tata Consultancy Services Limited	18,89,005	74	-
2	Governor, Government of Maharashtra	6,63,700	26	-
	Total	25,52,705	100	-

Back to content

Notes forming part of the financial statements

7. LEASES

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight- line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

Notes forming part of the financial statements

The details of the right-of-use asset held by the Company is as follows:

(₹ in lakhs)

	Addition for the year ended March 31, 2025	Net carrying amount as at March 31, 2025
Building	-	-
	-	-

(₹ in lakhs)

	Addition for the year ended March 31, 2024	Net carrying amount as at March 31, 2024
Building	-	-
	-	-

Depreciation on right-of-use assets is as follows:

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation		
Building	-	3.11
	-	3.11

Interest on lease liabilities is ₹ Nil lakhs for the year ended March 31, 2025 (March 31, 2024: ₹ 1.67 lakhs)

The Company incurred ₹ Nil for the year ended March 31, 2025 (March 31, 2024: ₹ Nil lakhs) towards expenses relating to short-term leases and leases of low-value assets.The total cash outflow for leases is ₹ Nil for the year ended March 31, 2025 (March 31, 2024: ₹ Nil lakhs), including cash outflow for short term and low value leases.

Lease contracts entered by the Company pertains for buildings taken on lease to conduct its business in the ordinary course. The Company does not have any lease restrictions and commitment towards variable rent as per the contract.

During December 2020, leased property has been sub-let by the Company. The lease and sub-lease expired in October 2023. The lease income is equal to lease payments. The Company classifies the sub-lease as a finance lease because it is for the whole of the remaining term.

(₹ in lakhs)

Sublease movement	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the period	-	119.08
Additions during the period	-	-
Interest income accrued during the period	-	1.67
Lease receipts	-	(120.75)
Balance at the end of the period	-	-

Notes forming part of the financial statements

8. NON-FINANCIAL ASSETS AND NON-FINANCIAL LIABILITIES

a) Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment loss, if any.

Cost of an item of property, plant and equipment comprises of its purchases price including non refundable taxes, after deducting trade discount and any directly attributable cost of bringing the item to its working condition for its intended use.

Depreciation is provided for property, plant and equipment on straight line method so as to expense the cost less residual value over their estimated useful lives based on technical evaluation. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The estimated useful lives are as mentioned below:

Type of asset	Method	Useful life
Computer equipment	Straight line	4 years
Office equipment	Straight line	5 years
Electrical installation	Straight line	5 years
Furniture and fixtures	Straight line	5 years
Leasehold improvements	Straight line	Lease term

Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

Property, plant and equipment with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

Property, plant and equipment consist of the following:

(₹ in lakhs)

	Leasehold improvements	Computer equipment	Furniture and fixtures	Office equipment	Electrical installations	Total
Cost as at April 1, 2024	-	1.89	-	-	-	1.89
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Cost as at March 31, 2025	-	1.89	-	-	-	1.89
Accumulated depreciation as at April 1, 2024	-	(1.89)	-	-	-	(1.89)
Depreciation for the year	-	-	-	-	-	-
On disposals	-	-	-	-	-	-
Accumulated depreciation as at March 31, 2025	-	(1.89)	-	-	-	(1.89)
Net carrying amount as at March 31, 2025	-	-	-	-	-	-

Notes forming part of the financial statements

(₹ in lakhs)

	Leasehold improvements	Computer equipment	Furniture and fixtures	Office equipment	Electrical installations	Total
Cost as at April 1, 2023	10.74	188.79	69.34	55.87	64.92	389.66
Additions	-	-	-	-	-	-
Disposals	(10.74)	(186.90)	(69.34)	(55.87)	(64.92)	(387.77)
Cost as at March 31, 2024	0.00	1.89	0.00	0.00	0.00	1.89
Accumulated depreciation as at April 1, 2023	(10.74)	(188.76)	(69.34)	(55.51)	(64.92)	(389.27)
Depreciation for the year	-	(0.03)	-	(0.20)	-	(0.22)
On disposals	10.74	186.90	69.34	55.71	64.92	387.61
Accumulated depreciation as at March 31, 2024	-	(1.89)	-	-	-	(1.89)
Net carrying amount as at March 31, 2024	-	-	-	-	-	-

b) Intangible assets

Intangible assets purchased including acquired in business combination, are measured at cost as at the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

Intangible assets are amortised on a straight line basis.

Intangible assets consist of software licenses.

(₹ in lakhs)

Description	Softwares licenses
Cost as at April 1, 2024	-
Additions	-
Disposals / Derecognised	-
Cost as of March 31, 2025	-
Accumulated depreciation as of April 1, 2024	-
Amortisation	-
Disposals / Derecognised	-
Accumulated depreciation as of March 31, 2025	-
Net carrying amount as of March 31, 2025	-

(₹ in lakhs)

Description	Softwares licenses
Cost as at April 1, 2023	30.33
Additions	-
Disposals / Derecognised	(30.33)
Cost as of March 31, 2024	-
Accumulated depreciation as at April 1, 2023	(30.33)
Amortisation	-
Disposals / Derecognised	30.33
Accumulated depreciation as at March 31, 2024	-
Net carrying amount as at March 31, 2024	-

Notes forming part of the financial statements

c) Other assets

Other assets consist of the following:

(₹ in lakhs)

Other assets - Current	As at March 31, 2025	As at March 31, 2024
Considered good		
Indirect taxes recoverable	**50.12**	61.96
Others	**3.90**	4.88
	54.02	66.84

d) Other liabilities

Other liabilities consist of the following:

(₹ in lakhs)

Other liabilities - Current	As at March 31, 2025	As at March 31, 2024
Advance received from collection agencies	**109.77**	109.77
Indirect taxes payable and other statutory liabilities	**3.90**	1.11
	113.67	110.88

9. OTHER EQUITY

Other equity consist of the following:

(₹ in lakhs)

	Reserves and surplus	
	Retained earnings	Total Equity
Balance as at April 1, 2024	**8,229.84**	8,229.84
Profit for the year	**425.81**	425.81
Other comprehensive income	**(1.16)**	(1.16)
Total comprehensive income	**424.65**	424.65
Dividend	**642.77**	642.77
Balance as at March 31, 2025	**8,011.72**	8,011.72
Balance as at April 1, 2023	**8,288.49**	8,288.49
Profit for the year	**642.97**	642.97
Other comprehensive income	**(1.41)**	(1.41)
Total comprehensive income	**641.56**	641.56
Dividend	**700.21**	700.21
Balance as at March 31, 2024	**8,229.84**	8,229.84

Notes forming part of the financial statements

10. REVENUE RECOGNITION

The Company earns revenue primarily from providing IT and IT enabled services in the State of Maharashtra.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.
- Revenue is measured based on the transaction price, which is the consideration as specified in the contract with the customer. Revenue excludes taxes collected from customers.
- Support service income is accounted on accrual basis in accordance with the terms of the contract entered into between the Company and the counterparty. It is calculated based on agreed mark-up on costs incurred.
- Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.
- Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

In accordance with Ind AS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Company disaggregates revenue from contracts with customers by nature of services.

Revenue disaggregation by nature is as follows:

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Transaction revenue	-	-
Support services	**0.32**	11.87
	0.32	11.87

The Company generates revenues from providing services in the state of Maharashtra in India. For the current year, the revenue recognised in the statement of profit and loss equals to the contracted price.

Information about major customers:

For the year ended March 31, 2025 there is only one customer who contribute more than 10% each to the total revenue. Atomic Energy Department ₹ 0.32 lakhs constituting 100 % of the total revenue.

Notes forming part of the financial statements

Changes in miscellaneous income as under :

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Balance at the beginning of the year	**-**	47.16
Transfer to sundry balances written off	**-**	(47.16)
Balance at the end of the year	**-**	-

11. Other income

Dividend income is recorded when the right to receive payment is established. Interest income is recognised using effective interest method.

Other income consists of the following:

(₹ in lakhs)

	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest income	**149.15**	172.58
Net gain on investments carried at fair value through profit and loss including realised profit	**594.15**	510.67
Net gain on disposal of property, plant and equipment	**-**	0.78
Sundry balances written off	**-**	304.28
	743.30	988.31
Interest income comprises :		
Interest on bank deposits	**147.37**	89.30
Interest on income-tax refund	**1.78**	-
Interest on inter-corporate deposits	**-**	78.34
Other interest	**-**	4.94
	149.15	172.58

12. EMPLOYEE BENEFITS

Defined benefit plans

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in full in the other comprehensive income for the period in which they occur. Past service cost both vested and unvested is recognised as an expense at the earlier of (a) when the plan amendment or curtailment occurs; and (b) when the entity recognises related restructuring costs or termination benefits.

The retirement benefit obligations recognised in the balance sheet represents the present value of the defined benefit obligations reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

Defined contribution plans

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits.

Notes forming part of the financial statements

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, etc. and the expected cost of ex-gratia are recognized in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the obligation at the balance sheet date.

Employee Benefit Expenses

Employee benefit expenses consist of the following:

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, incentives and allowances	**49.45**	40.05
Contribution to provident fund and other funds	**2.83**	2.34
Staff welfare expenses	**-**	0.01
	52.28	42.40

Employee benefit obligations consist of the following:

Employee benefit obligations - Non-current

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Compensated absences	**2.34**	1.28
Gratuity liability	**8.76**	4.48
	11.10	5.76

Employee benefit obligations - Current

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Compensated absences	**1.31**	1.83
Gratuity liability	**1.51**	3.29
	2.82	5.12

Employee benefit plans consist of the following:

Gratuity

In accordance with Indian law, the Company operates a scheme of gratuity which is a defined benefit plan. The unfunded gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five continuous years of service.

Notes forming part of the financial statements

The following table sets out the details of the defined benefit retirement plans and the amounts recognised in the financial statements:

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Change in benefit obligations:		
Benefit obligation at the beginning of the year	**7.77**	5.28
Interest cost	**0.54**	0.38
Service cost	**0.39**	0.23
Benefits paid	**-**	-
Remeasurement of net defined benefit liability / (assets)	**1.56**	1.88
Present value of benefit obligation at the end of the year	**10.26**	7.77

Remeasurement of the net defined benefit liability/(asset):

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Actuarial (gains) and losses arising from changes in demographic assumptions	**0.78**	(0.09)
Actuarial (gains) and losses arising from changes in financial assumptions	**0.23**	0.56
Actuarial (gains) and losses arising from changes in experience adjustments	**0.55**	1.41
Remeasurement of the net defined benefit liability	**1.56**	1.88
Net actuarial loss	**1.56**	1.88

Assumptions used in accounting for gratuity plan:

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Discount rate		
Salary escalation rate	**6.50%**	7.00%
Attrition rate	**10.00%**	10.00%
i) If Services < 5 years	**33.33%**	62.96%
ii) If Services > 5 years	**16.67%**	43.65%
Mortality Rate During Employment	**Indian Assured Lives Mortality (2012-14)**	Indian Assured Lives Mortality (2012-14)

The significant actuarial assumptions for the determination of the defined benefit obligations are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Notes forming part of the financial statements

If the discount rate increases / decreases by 0.50%, the defined benefit obligations would (decrease)/ increase as follows:

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Increase of 0.50%	**(0.23)**	(0.05)
Decrease of 0.50%	**0.24**	0.05

If the expected salary growth increases / decreases by 0.50%, the defined benefit obligations would increase / (decrease) as follows:

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Increase of 0.50%	**0.18**	0.05
Decrease of 0.50%	**(0.18)**	(0.05)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumption may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligations has been calculated using the Projected Unit Credit Method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Amount recognised in the Statement of Profit and Loss:		
Current service cost	**0.39**	0.23
Net interest expenses	**0.54**	0.38
Component of defined benefit cost recognised in profit or loss	**0.93**	0.61
Remeasurement of the net defined benefit liability/(asset):	**1.56**	1.88
Components of defined benefits cost recongnised in other comprehensive income	**1.56**	1.88
Total	**2.49**	2.49

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Amount recognised in the Balance Sheet:		
Present value of benefit obligation at the end of the year	**(10.26)**	(7.77)
Net (Liability) recognised In the Balance Sheet	**(10.26)**	(7.77)

Notes forming part of the financial statements

The defined benefit obligations shall mature after year ended March 31, 2025 as follows:

(₹ in lakhs)

Year ending March 31,	Defined benefit obligations
2026	1.51
2027	1.39
2028	1.27
2029	1.16
2030	1.06
2030 to 2035	4.07

Provident fund

In accordance with Indian law, the employees are entitled to receive benefits under the provident fund plan in which both the employee and employer (at a determined rate) contribute monthly.

These are plans in which the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. The Company offers its employees defined contribution plan in the form of provident fund and family pension fund. Provident fund and family pension fund covers substantially all regular employees. While both, the employee and the Company pay predetermined contributions into the provident fund, contribution into the family pension fund are made by only the Company. The contribution is based on certain proportion of employee's salary. Contributions to Provident Fund are made to The Regional Provident Fund Commissioner for qualifying employees. The Company contributed ₹ 1.89 lakhs (March 31, 2024: ₹ 1.73 lakhs) for provident fund during the year ended March, 31 2025.

13. COST RECOGNITION

Costs and expenses are recognised when incurred and have been classified according to their primary nature.

The costs of the Company are broadly categorised in employee benefit expenses, depreciation and other expenses. Employee benefit expenses include employee compensation, allowances paid and contribution to various funds. Other expenses majorly include fees to external consultants, travel expenses, communication costs and other expenses. Other expenses is an aggregation of costs which are individually not material.

a) Other expenses

Other expenses includes the following:

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Fees to external consultants	**37.96**	43.65
Equipment and software licenses	**-**	0.06
Communication expenses	**0.03**	7.05
Facility running expenses	**-**	30.12
Repairs and maintenance	**-**	4.22
Payment to auditors (refer note 17)	**1.73**	1.73
Project expenses	**-**	0.25
Other expenses	**47.19**	22.81
	86.91	109.89

b) Expenditure on Corporate Social Responsibility Activities

With the omission of Rule 3(2) of the CSR Rules, since in the previous financial year none of the three criteria exceeds the threshold, the Company is not required to make any CSR spending for the FY 24-25.

Notes forming part of the financial statements

14. FINANCE COSTS

Finance cost includes the following:

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Interest on delayed payment of TDS	-	0.01
Interest on lease liabilities	-	1.68
	-	1.69

15. INCOME TAXES

Income-tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current income taxes

The current income tax expense includes income taxes payable by the Company.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision.

Deferred income taxes

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the 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 or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax liabilities are recognised for all taxable temporary differences.

Income-tax expense consists of the following:

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Current tax		
Current tax expense for current year	**52.32**	103.08
	52.32	103.08
Deferred tax		
Deferred tax expense	**126.30**	96.82
Total income-tax expense recognised in current year	**178.62**	199.90

Notes forming part of the financial statements

The reconciliation of estimated income-tax expenses at Indian statutory income-tax rate to income-tax expenses reported in statement of profit and loss is as follows:

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Profit before taxes	**604.43**	842.87
Indian statutory income-tax rate	**25.168%**	25.168%
Expected income-tax expense	**152.12**	212.13
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense		
Tax pertaining to prior year	**(7.04)**	(11.49)
Others (net)	**33.54**	(0.74)
Total income-tax expense	**178.62**	199.90

Significant components of net deferred tax assets and liabilities for the year ended March 31, 2025 are as follows:

(₹ in lakhs)

	Opening balance	Recognised / reversed through profit or loss	Recognised in other comprehensive income	Recognised in/ reclassified from retained earning	Closing balance
Deferred tax assets / (liabilities) in relation to:					
Property, plant and equipment and intangible assets	**18.59**	**(18.59)**	**-**	**-**	**-**
Provision for employee benefits	**4.02**	**0.81**	**0.40**	**-**	**5.23**
Provision for doubtful debts	**10.39**	**-**	**-**	**-**	**10.39**
Unrealised gain on mutual fund	**(220.45)**	**(108.51)**	**-**	**-**	**(328.96)**
Net deferred tax assets / (liabilities)	**(187.45)**	**(126.29)**	**0.40**	**-**	**(313.34)**

Gross deferred tax assets and liabilities are as follows:

(₹ in lakhs)

As at March 31, 2025	Assets	Liabilities	Net
Deferred tax assets / (liabilities) in relation to			
Provision for employee benefits	**5.23**	**-**	**5.23**
Provision for doubtful debts	**10.39**	**-**	**10.39**
Unrealised gain on mutual fund	**-**	**(328.96)**	**(328.96)**
Total deferred tax assets / (liabilities)	**15.62**	**(328.96)**	**(313.34)**

Notes forming part of the financial statements

Significant components of net deferred tax assets and liabilities for the year ended March 31, 2024 are as follows:

(₹ in lakhs)

	Opening balance	Recognised / reversed through profit or loss	Recognised in other comprehensive income	Recognised in/ reclassified from retained earning	Closing balance
Deferred tax assets / (liabilities) in relation to:					
Property, plant and equipment and intangible assets	20.90	(2.31)	-	-	18.59
Provision for employee benefits	2.86	0.69	0.47	-	4.02
Provision for doubtful debts	10.39	-	-	-	10.39
Unrealised gain on mutual fund	(125.25)	(95.20)	-	-	(220.45)
Net deferred tax assets / (liabilities)	(91.10)	(96.82)	0.47	-	(187.45)

Gross deferred tax assets and liabilities are as follows:

(₹ in lakhs)

As at March 31, 2024	Assets	Liabilities	Net
Deferred tax assets / (liabilities) in relation to			
Property, plant and equipment and intangible assets	18.59	-	18.59
Provision for employee benefits	4.02	-	4.02
Provision for doubtful debts	10.39	-	10.39
Unrealised gain on mutual fund	-	(220.45)	(220.45)
Total deferred tax assets / (liabilities)	33.00	(220.45)	(187.45)

16. EARNINGS PER SHARE

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Profit for the year(₹)	**425.81**	642.97
Weighted average number of equity shares	**25,52,705**	25,52,705
Earnings per share basic and diluted (₹)	**16.68**	25.19
Face value per equity share (₹)	**10**	10

17. AUDITOR'S REMUNERATION

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Statutory Audit	**1.50**	1.50
For other services	**0.15**	0.15
Out of pocket	**0.08**	0.08
	1.73	1.73

Notes forming part of the financial statements

18. SEGMENT REPORTING

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker for assessing the Company's performance and allocating the resources based on an analysis of various performance indicators by business segments and geographic segments.The Company is mainly engaged in the business of providing IT enabled services to various departments of Government of Maharashtra which constitute a single business segment. These activities are conducted only in one geographic segment viz India. Therefore, the disclosure requirements of the Ind AS 108 "Segment Reporting" are not applicable.

19. COMMITMENTS AND CONTINGENCIES

Capital commitments

There are no contractual commitment for purchase of property plant and equipment as at March 31, 2025 and 2024.

Contingencies

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Income-tax demands	**13.70**	13.70
Other claims not acknowledged as debts *	**3,640.91**	-
	3,654.61	13.70

* Claims aggregating ₹ 3,640.91 lakhs as at March 31, 2025 against the Company have not been acknowledged as debts.

In April 2011, Rural Development Department (RDD) had awarded ePRI project to the Company, which in April 2012, the Company in terms of a Business Associate Agreement sub-contracted to Aksentt Tech Services Ltd (Unity Telecom Infrastructure Ltd). In Aug 2017, Aksentt Tech filed arbitration against the Company for ₹ 5,000. lakhs. On July 2024, the arbitrator partially allowed the claim and awarded against the Company for ₹ 2,527.79 lakhs principal amount, and 8% interest per annum with effect from 14th November 2019 and ₹ 25 lakhs for legal expenses.

The Company, based on external opinion and legal assessment, believes that it has a strong case and is defending its position vigorously. The Company is pursuing legal remedies to overturn the adverse judgement of the arbitration and has filed commercial arbitration petition.

20. The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020. The Company will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Notes forming part of the financial statements

21. RELATED PARTY DISCLOSURES

A Related Parties and their relationship

I. (A) Ultimate Holding Company

Tata Sons Private Limited

II. (B) Holding Company

Tata Consultancy Services Limited

III. Investing Party

Governor, Government of Maharashtra

IV. Fellow Subsidiaries with whom the Company has transactions

Tata Teleservices (Maharashtra) Ltd.

The TATA Power Company Limited

V. Key Managerial Personnel

Mrs. Shanti Nair, Chief Operating Officer

Note: Related parties have been identified by the Management.

B Transactions during the year ended and Balances as at March 31, 2025

Transactions with Related Parties

(₹ in lakhs)

	Year ended March 31, 2025			
	Holding Company	Investing Party	Fellow Subsidiary Companies	Key Management Personnel
Revenue from operations	-	0.32	-	-
Purchases of goods and services (including reimbursements) (Refer note below) *	38.40	-	-	-
Dividend paid	-	-	-	-

Note: * The key manangement personnel of the Company is on deputation and have drawn remuneration of ₹ 38.40 lakhs from Tata Consultancy Services Limited during the year ended March 31, 2025. Services charges are payable by the Company to Tata Consultancy Services Limited.

Transactions with Related Parties

(₹ in lakhs)

	Year ended March 31, 2024			
	Holding Company	Investing Party	Fellow Subsidiary Companies	Key Management Personnel
Revenue from operations	-	5.47	-	-
Purchases of goods and services (including reimbursements) (Refer note below) *	38.52	-	17.94	-
Dividend paid	518.15	182.05	-	-

Note: * The key manangement personnel of the Company is on deputation and have drawn remuneration of ₹ 38.52 lakhs from Tata Consultancy Services Limited during the year ended March 31, 2024. Services charges are payable by the

Notes forming part of the financial statements

Company to Tata Consultancy Services Limited.

Balances with Related Parties

(₹ in lakhs)

	As at March 31, 2025			
	Holding Company	Investing Party	Fellow Subsidiary Companies	Key Management Personnel
Trade Receivables	**16.72**	**861.73**	**-**	**-**
Trade Payables	**19.14**	**3.65**	**2.37**	**-**
Guarantees given	**-**	**5.00**	**1.00**	**-**
Security deposit	**-**	**2.00**	**-**	**-**

Balances with Related Parties

(₹ in lakhs)

	As at March 31, 2024			
	Holding Company	Investing Party	Fellow Subsidiary Companies	Key Management Personnel
Trade Receivables	16.72	861.73	-	-
Trade Payables	7.97	3.65	2.37	-
Guarantees given	-	5.00	1.00	-
Security deposit	-	2.00	-	-

22. ADDITIONAL REGULATORY INFORMATION

Ratio	Numerator	Denominator	Current Year	Previous Year	% Variance	Reason for Variance
Current Ratio (in times)	Total Current Assets excluding earmarked deposits	Total Current Liabilities	2.39	2.39	0.00%	
Return on Equity (in %)	Profit for the year less preferance dividend (if any)	Average total equity	5.08%	7.55%	(32.68%)	Variance is due to reduction in other income by ₹ 245 lakhs.
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables - billed	0.10%	0.38%	(97.37%)	Variance is due to reduction in revenue from operations by ₹ 12 lakhs.
Trade payables turnover ratio (in times)	Cost of equipment and software licenses + Other expenses	Average trade payables	8%	10%	(17.84%)	Variance is due to reduction in other expenses and increased in payables.

Notes forming part of the financial statements

Ratio	Numerator	Denominator	Current Year	Previous Year	% Variance	Reason for Variance
Net capital turnover ratio (in times)	Revenue from operations	Average working capital (ie. Total current assets less Total current liabilities)	0.00%	0.15%	(97.30%)	Variance is due to reduction in revenue as compared to working capital.
Net profit ratio (in %)	Profit for the year	Total Income	57.26%	64.29%	(10.93%)	Variance is due to reduction in income.
Return on capital employed (in %)	Profit before tax and finance cost	Capital employed = Tangible net worth + Total debt + Deferred tax liabilities	7.31%	9.97%	(26.67%)	Variance is due to decreased in profit as compared to capital employed.
Return on investment (in %)	Income generated from invested funds	Average invested funds	7.37%	7.80%	(5.57%)	

23. On 1st April 2020, the Company had transferred its projects to Maharashtra Information Technology Corporation Limited (MahaIT) and continued to assist Maha IT in fulfilling its service responsibilities till 9th Nov 2023 and ceased operations thereafter. As on 31st March 2025, the Company has a positive net worth comprising primarily of cash and cash equivalents of ₹ 621.43 lakhs and trade receivables of ₹ 3,208.77 lakhs. The Company has not identified events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern. Consequently, going concern assumption continues to be appropriate basis of preparation of the financial statements.

24. 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 lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

25. DIVIDENDS

Dividends paid during the year ended March 31, 2025 include an amount of ₹ 25.18 per equity share for the year ended March 31, 2024. Dividends paid during the year ended March 31, 2024 include an amount of ₹ 27.43 per equity share towards dividend for the year ended March 31, 2023.

The dividends declared by the Company are based on the profits available for distribution as reported in the financial statements of the Company. Subsequent to March 31, 2025, the Board of Directors of the Company have proposed a final dividend of ₹ XXXX per share in respect of the year ending March 31, 2025. The proposal is subject to the approval of shareholders at the Annual General Meeting, and if approved, would result in a cash outflow of approximately ₹ XXXX lakhs.

Note:

Previous Years Figures have been reclassed wherever necessary.

As per our report of even date attached

For KBJ & Associates
Chartered Accountants
Firm's registration no: 114934W

Kaushik B. Joshi
Proprietor
Membership No: 48889
Mumbai

For and on behalf of the Board
CIN: U72900MH2010PLC206026

Lakshminarayanan G S
Director
Din No: 07982712

Shanti Nair
Chief Operating Officer

Tej Paul Bhatla
Director
Din No: 08491426

TCS e-Serve International Limited

FINANCIAL STATEMENTS

For the year ended

March 31, 2025

FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

CONTENTS **PAGE**

Independent Auditor's Report	5.2
Balance sheet	5.12
Statement of Profit and Loss	5.13
Statement of Changes in Equity	5.14
Statement of Cash Flows	5.15
Notes forming part of Financial Statements	5.17

Back to main content

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TCS E-SERVE INTERNATIONAL LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of TCS e-Serve International Limited (the "Company") which comprise the balance sheet as at 31 March 2025, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year ended, and notes to the financial statements, including 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 financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date..

Basis for the Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's directors' report, but does not include the financial statements and auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matter stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   c. The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid 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 01 April 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act.

f. The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a. The Company has disclosed the impact of pending litigations as at 31 March 2025 on its financial position in its financial statements - Refer income tax liabilities disclosed in the balance sheet along with Note 15 to the financial statements.

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 24 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign 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.

(ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 24 to the financial statements, 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 Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures 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 (i) and (ii) above, contain any material misstatement.

e. The Company has neither declared nor paid any dividend during the year.

f. Based on our examination which included test checks, except for the instances mentioned below, the Company has used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software:

i. In case of an accounting software used for maintaining general ledger, the feature of recording audit trail (edit log) facility was not enabled for a part of the year for certain fields/tables at the application layer since it was enabled in a phased manner from 17 April 2024 to 17 July 2024.

ii. In case of an accounting software used for maintaining books of account relating to payroll, the feature of recording audit trail (edit log) facility was not enabled for a part of the year for certain master data since it was enabled in a phased manner from 21 May 2024 to 29 March 2025 and was not enabled for direct changes to data when using certain privilege access.

Further, for the periods where audit trail (edit log) facility was enabled and operated for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the Company has not paid any remuneration to its directors during the year. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Rekha Shenoy
Partner
Membership No.: 124219
ICAI UDIN:25124219BMOOWG6944

Place: Mumbai
Date: 23 May 2025

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF TCS E-SERVE INTERNATIONAL LIMITED FOR THE YEAR ENDED 31 MARCH 2025

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and Right of Use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.

(c) The Company does not have any immovable property (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company is a service company, primarily rendering business process outsourcing services. Accordingly, it does not hold any physical inventories. Accordingly, clause 3(ii)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records, the Company has made investments in other parties and granted unsecured loans to other parties (employees) during the year, in respect of which the requisite information is as below. The Company has not made any investment or granted any unsecured loans to companies, firms or limited liability partnerships during the year. The Company has not provided any guarantee or security or granted any secured loans or granted any secured or unsecured advances in the nature of loans to companies, firms, limited liability partnerships or other parties during the year.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided unsecured loans to any other entity as below:

Particulars	Guarantees
Aggregate amount during the year	
Subsidiaries*	
Joint ventures*	-
Associates*	-
Others	-
	11
Balance outstanding as at balance sheet date	
Subsidiaries*	
Joint ventures*	-
Associates*	-
Others*	-
	11

*As per the Companies Act, 2013

Back to content

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the investment made and terms and conditions of the loans given during the year are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of interest free loans given, the repayment of principal has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advances in the nature of loans to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties. Further, the Company has not given any advances in the nature of loans to any party during the year.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment. Further, the Company has not given any advances in the nature of loans to any party during the year.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2025 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues of Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess or other statutory dues which have not been deposited by the Company on account of any dispute except for the following:

Name of the statute	Nature of the dues	Amount (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income-tax Act, 1961	Demand received u/s 147 of the Income-tax Act, 1961	85	AY 2016-2017, AY 2011- 2012	Commissioner of Income-tax (Appeals)	

Note: Net of amount paid under protest for AY 2011-2012 is INR 7.82 Lakhs

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2025. Accordingly, clause 3(ix)(e) is not applicable.

(f) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2025. Accordingly, clause 3(ix)(f) is not applicable.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) Based on the information and explanations provided to us, the Company does not have a vigil mechanism and is not required to have a vigil mechanism as per the Act or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(xii) Accordingto the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) Pursuant to circular dated July 05, 2017 notified by Ministry of Corporate Affairs (MCA), the Company is exempted from the requirements of constitution of audit committee, accordingly the requirements as stipulated by the provisions of Section 177 of the Act are not applicable to the Company. In our opinion and according to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with the related parties are in compliance with Section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has more than one CIC as part of the Group. The Group has five CICs which are registered with the Reserve Bank of India and one CIC which is not required to be registered with the Reserve Bank of India.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to 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) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Rekha Shenoy
Partner
Membership No.: 124219
ICAI UDIN:25124219BMOOWG6944

Place: Mumbai
Date: 23 May 2025

Annexure B to the Independent Auditor's Report on the financial statements of TCS e-Serve International Limited for the year ended 31 March 2025

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of TCS e-Serve International Limited ("the Company") as of 31 March 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to 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 (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in 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 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 financial statements based on our audit. We conducted our audit in accordance with the Guidance Note 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 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 financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Rekha Shenoy
Partner
Membership No.: 124219
ICAI UDIN:25124219BMOOWG6944

Place: Mumbai
Date: 23 May 2025

Balance Sheet

(₹ in lakhs)

	Note	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
(a) Property, plant and equipment	8(a)	1,533	2,099
(b) Capital work-in-progress	8(a)	238	528
(c) Right-of-use assets	7	6,647	7,424
(d) Intangible assets	8(b)	10	257
(e) Financial assets			
(i) Investments	6(a)	-	8
(ii) Other financial assets	6(f)	1,048	1,052
(f) Income tax assets (net)		1,339	2,152
(g) Deferred tax assets (net)	15	2,694	1,848
(h) Other assets	8(c)	3,025	2,457
Total non-current assets		**16,534**	**17,825**
Current assets			
(a) Financial assets			
(i) Investments	6(a)	15,005	26,807
(ii) Trade receivables			
Billed	6(b)	28,537	27,739
Unbilled		4,384	9,490
(iii) Cash and cash equivalents	6(c)	10,663	5,619
(iv) Other balances with banks	6(d)	9,000	-
(v) Loans	6(e)	103	451
(vi) Other financial assets	6(f)	729	21
(b) Other assets	8(c)	4,652	3,534
Total current assets		**73,073**	**73,661**
TOTAL ASSETS		**89,607**	**91,486**
EQUITY AND LIABILITIES			
Equity			
(a) Share capital	6(m)	1,000	1,000
(b) Other equity	9	62,070	46,258
Total equity		**63,070**	**47,258**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities		5,872	6,449
(b) Employee benefit obligations	12	330	248
Total non-current liabilities		**6,202**	**6,697**
Current liabilities			
(a) Financial liabilities			
(i) Lease liabilities		1,902	2,263
(ii) Trade payables		-	-
1. Dues of small enterprises and micro enterprises	6(g)	137	77
2. Dues of creditors other than small enterprises and micro enterprises	6(g)	10,418	23,221
(iii) Other financial liabilities	6(h)	2,500	3,937
(b) Unearned and deferred revenue	10	62	585
(c) Other liabilities	8(d)	1,998	1,055
(d) Employee benefit obligations	12	3,033	3,641
(e) Income tax liabilities (net)		285	2,752
Total current liabilities		**20,335**	**37,531**
TOTAL EQUITY AND LIABILITIES		**89,607**	**91,486**
NOTES FORMING PART OF THE FINANCIAL STATEMENTS			

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration no. 101248W/W-100022

Rekha Shenoy
Partner
Membership number : 124219
Mumbai, May 23, 2025

For and on behalf of the Board

Ramakrishna Mohan Veeturi
CEO
Place : United States of America
May 23, 2025

R Vivekanand
Chairman and Director
Place : India
May 23, 2025

Krishnaswamy M Gopikumar
CFO and Company Secretary
Place : United Sates of America
May 23, 2025

Back to content

Statement of Profit and Loss

(₹ in lakhs)

		Note	For the year ended March 31, 2025	For the year ended March 31, 2024
I.	Revenue from operations	10	130,753	185,844
II.	Other income (net)	11	3,869	2,366
III.	**TOTAL INCOME**		**134,622**	**188,210**
IV.	**Expenses:**			
	(a) Employee benefit expenses	12	75,118	123,684
	(b) Finance costs	14	554	754
	(c) Depreciation and amortisation expense	7 & 8(a),(b)	3,259	4,716
	(d) Other expenses	13(a)	33,987	28,464
	TOTAL EXPENSES		**112,918**	**157,618**
V.	**PROFIT BEFORE TAX (III-IV)**		21,704	30,592
VI.	**Tax expense:**			
	(a) Current tax	15	6,568	7,470
	(b) Deferred tax	15	(800)	404
	TOTAL TAX EXPENSE		**5,768**	**7,874**
VII.	**PROFIT FOR THE YEAR**		**15,936**	**22,718**
VIII.	**OTHER COMPREHENSIVE INCOME / (LOSS)**			
	(i) Items that will not be reclassified subsequently to profit or loss			
	Remeasurement of defined employee benefit plans		(170)	(64)
	(ii) Income-tax on items that will not be reclassified subsequently to profit or loss		46	16
	(iii) Items that will be reclassified subsequently to profit or loss			
	Net change in fair values of investments other than equity shares carried at fair value through OCI *		-	-
	(iv) Income tax on items that will be reclassified subsequently to profit or loss *		-	-
	TOTAL OTHER COMPREHENSIVE INCOME / (LOSS)		**(124)**	**(48)**
IX.	**TOTAL COMPREHENSIVE INCOME FOR THE YEAR**		**15,812**	**22,670**
	* value is less than ₹50,000.			
X.	**Earnings per equity share :- Basic and diluted (₹)**	16	1,594	2,272
	Weighted average number of equity shares		1,000,000	1,000,000
NOTES FORMING PART OF THE FINANCIAL STATEMENTS				

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's registration no. 101248W/W-100022

Rekha Shenoy
Partner
Membership number : 124219
Mumbai, May 23, 2025

For and on behalf of the Board

Ramakrishna Mohan Veeturi
CEO
Place : United States of America
May 23, 2025

R Vivekanand
Chairman and Director
Place : India
May 23, 2025

Krishnaswamy M Gopikumar
CFO and Company Secretary
Place : United Sates of America
May 23, 2025

Back to content

Statement of Changes in Equity

A. EQUITY SHARE CAPITAL

(₹ in lakhs)

Balance as at April 1, 2024	Changes in equity share capital due to prior period errors	Restated balance as at April 1, 2024	Change in Equity share capital during the year	Balance as at March 31, 2025
1,000	-	1,000	-	1,000

(₹ in lakhs)

Balance as at April 1, 2023	Changes in equity share capital due to prior period errors	Restated balance as at April 1, 2023	Change in Equity share capital during the year	Balance as at March 31, 2024
1,000	-	1,000	-	1,000

B. OTHER EQUITY

(₹ in lakhs)

	Total other equity
	Retained earnings
Balance as at April 1, 2024	**46,258**
Profit for the year	**15,936**
Other comprehensive Loss	**(124)**
Total comprehensive Income	**15,812**
Balance as at March 31, 2025	**62,070**
Balance as at April 1, 2023	23,588
Profit for the year	22,718
Other comprehensive Loss	(48)
Total comprehensive Income	22,670
Balance as at March 31, 2024	46,258

Loss of ₹ 124 lakhs and ₹ 48 lakhs on remeasurement of defined employee benefit plans (net of tax) is recognised as a part of retained earnings for the years ended March 31, 2025 and 2024, respectively.

Nature and purpose of reserves

(a) Retained earnings

This reserve represents undistributed accumulated earnings of the Company as on the balance sheet date.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's registration no. 101248W/W-100022

Rekha Shenoy
Partner
Membership number : 124219
Mumbai, May 23, 2025

For and on behalf of the Board
Ramakrishna Mohan Veeturi
CEO
Place : United States of America
May 23, 2025

R Vivekanand
Chairman and Director
Place : India
May 23, 2025

Krishnaswamy M Gopikumar
CFO and Company Secretary
Place : United Sates of America
May 23, 2025

Back to content

Statement of Cash Flows

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit for the year	**15,935**	22,717
Adjustments for:		
Depreciation and amortisation expense	**3,259**	4,715
Tax expense	**5,768**	7,875
Net gain on investment carried at fair value through profit or loss	**(2,287)**	(896)
Interest income	**(649)**	(406)
Net loss/(gain) on disposal of property, plant and equipment	**38**	(8)
Finance costs	**554**	754
Bad debts and advances written off, provision for advances (net)	**1,843**	21
Unrealised foreign exchange loss	**17**	9
Unrealised loss/ (Gain) on investments carried at fair value through profit or loss	**477**	(689)
(Gain)/ Loss on lease modification	**(179)**	-
Operating profit before working capital changes	**24,776**	34,092
Net change in:		
Trade receivables		
Billed	**(799)**	26,840
UnBilled	**5,106**	(94)
Other financial assets	**(372)**	218
Other assets	**(1,684)**	677
Loans	**(1,495)**	(400)
Trade payables	**(12,743)**	(26,083)
Other financial liabilities	**(1,407)**	(14,364)
Unearned and deferred revenues	**(524)**	579
Employee benefit obligations	**(695)**	(1,940)
Other liabilities and provisions	**942**	(407)
Cash generated from operations	**11,105**	19,118
Taxes paid (net of refunds)	**(8,221)**	(4,380)
Net cash generated from operating activities	**2,884**	14,738
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payment for purchase of property, plant and equipment	**(364)**	(620)
Proceeds from disposal of property, plant and equipment	**1**	10
Purchase of investments	**(42,281)**	(34,732)
Proceeds from disposal / redemption of investments	**55,900**	25,047
Fixed deposits placed with banks	**(9,000)**	-
Payment including advances for acquiring right of use asset	**(10)**	(22)
Interest received	**319**	406
Net cash generated from/(used in) investing activities	**4,565**	(9,911)

Statement of Cash Flows (continued)

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of lease liabilities[1]	**(1,851)**	(1,872)
Interest paid	**(554)**	(754)
Net cash used in financing activities	**(2,405)**	(2,626)
Net change in cash and cash equivalents	**5,044**	2,201
Cash and cash equivalents, as at the beginning of the year	**5,619**	3,418
Cash and cash equivalents, as at the end of the year	**10,663**	5,619
Components of cash and cash equivalents		
Balances with banks		
-In current accounts	**10,043**	5,229
-In deposit accounts	**620**	390
	10,663	5,619

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

[1]Changes in lease liabilities including both changes arising from cash flows and non-cash changes are given in note 7.

Refer note 13(b) for amount spent during the years ended March 31, 2025 and 2024 relating to CSR activities.

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's registration no. 101248W/W-100022

Rekha Shenoy
Partner
Membership number : 124219
Mumbai, May 23, 2025

For and on behalf of the Board

Ramakrishna Mohan Veeturi
CEO
Place : United States of America
May 23, 2025

R Vivekanand
Chairman and Director
Place : India
May 23, 2025

Krishnaswamy M Gopikumar
CFO and Company Secretary
Place : United Sates of America
May 23, 2025

Notes forming part of the financial statements

1 CORPORATE INFORMATION

TCS e-Serve International Limited (herein referred to as "the Company") is primarily engaged in the business of providing Business Process Outsourcing Services for its customers in banking, financial services and insurance domain. The Company's operations include delivering core business processing services, and support services for both data and voice processes.

The Company is incorporated and domiciled in India. The address of its registered Office is 9th Floor, Nirmal Building, Nariman Point, Mumbai 400021. Tata Consultancy Services Limited ("TCS Limited") and Tata Sons Private Limited are the holding company and the ultimate holding company, respectively.

The financial statements for the year ended March 31, 2025 were approved by the Board of Directors and authorised for issue on May 23, 2025.

2 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

3 BASIS OF PREPARATION

These financial statements have been prepared on historical cost basis, except for certain financial instruments and defined benefit plans which are measured at fair value or amortised cost at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for 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. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

The statement of cash flows have been prepared under indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value to be cash equivalents.

These financial statements have been prepared in Indian Rupee (₹), rounded off to nearest lakh, which is the functional currency of the Company. Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are retranslated at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

The material accounting policy information related to preparation of the financial statements have been discussed in the respective notes.

4 USE OF ESTIMATES AND JUDGEMENTS

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively in the period in which the estimates are revised and future periods are affected.

Notes forming part of the financial statements

The Company uses the following critical accounting judgements,estimates and assumptions in preparation of its financial statements:

a. Revenue Recognition

Revenue for fixed-price contracts is recognised using percentage-of-completion method. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine degree of the completion of the performance obligation.

The Company exercises judgement for identification of performance obligations, determination of transaction price, ascribing the transaction price to each distinct performance obligation and in determining whether the performance obligation is satisfied at a point in time or over a period of time. These judgements have been explained in detail under the revenue note (Refer note 10).

b. Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods (Refer note 8(a)).

c. Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

d. Provision for income tax and deferred tax assets

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

e. Provisions and contingent liabilities

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Company uses significant judgements to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

f. Employee benefits

The accounting of employee benefit plans in the nature of defined benefit requires the Company to use assumptions. These assumptions have been explained under employee benefits note (Refer note 12).

g. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise

Notes forming part of the financial statements

the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

h. Allowance for doubtful trade receivable (Refer note 6).

5 RECENT PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

6 FINANCIAL ASSETS, FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

The Company derecognises a financial asset only 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 entity. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

Cash and cash equivalents

The Company considers all highly liquid investments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

Investment in subsidiaries

Investment in subsidiaries are measured at cost less impairment loss, if any.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Notes forming part of the financial statements

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments recognised by the Company are recognised at the proceeds received net of direct issue cost.

Derivative accounting

- **Instruments in hedging relationship**

  The Company designates certain foreign exchange forward, currency options and futures contracts as hedge instruments in respect of foreign exchange risks. These hedges are accounted for as cash flow hedges.

  The Company uses hedging instruments that are governed by the policies of the Company which are approved by the Board of Directors. The policies provide written principles on the use of such financial derivatives consistent with the risk management strategy of the Company. While determining the appropriate hedge ratio, the Company takes into consideration the prevailing macro-economic conditions, the availability and liquidity of the hedging instruments, tolerance levels for hedge ineffectiveness and the costs of hedging.

  The hedge instruments are designated and documented as hedges at the inception of the contract. The Company determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at inception and on an ongoing basis. If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified in net foreign exchange gains in the statement of profit and loss.

  The effective portion of change in the fair value of the designated hedging instrument is recognised in the other comprehensive income and accumulated under the heading cash flow hedging reserve.

  The Company separates the intrinsic value and time value of an option and designates as hedging instruments only the change in intrinsic value of the option. The change in fair value of the intrinsic value and time value of an option is recognised in the other comprehensive income and accounted as a separate component of equity. Such amounts are reclassified into the statement of profit and loss when the related hedged items affect profit and loss.

  Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity till that time remains and is recognised in the statement of profit and loss when the forecasted transaction ultimately affects profit and loss. Any gain or loss is recognised immediately in the statement of profit and loss when the hedge becomes ineffective.

- **Instruments not in hedging relationship**

  The Company enters into contracts that are effective as hedges from an economic perspective, but they do not qualify for hedge accounting. The change in the fair value of such instrument is recognised in the statement of profit and loss.

Impairment of financial assets (other than at fair value)

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. In determining the allowances for expected credit losses, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Notes forming part of the financial statements

(a) Investments

Investments consist of the following:

Investments- non-current

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Investments carried at fair value through OCI		
Government bonds and securities (quoted)	-	8
	-	8

Investments - current

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Investments carried at fair value through profit or Loss		
Mutual fund units (quoted)	14,966	26,807
Investments carried at fair value through OCI		
Government bonds and securities (quoted)	39	-
	15,005	26,807

Aggregate value of quoted investments is as follows:

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Aggregate value of quoted investments	15,005	26,815
Aggregate market value of quoted investments	15,005	26,815

(b) Trade receivables - Billed

Trade receivables - Billed (unsecured) consist of the following:

Trade receivables - Billed - Current

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Trade receivables - Billed	30,417	27,739
Less: Allowance for expected credit losses	(1,880)	-
	28,537	27,739

Note : Above balances of trade receivables - billed include balances with related parties (Refer note 21).

Notes forming part of the financial statements

Ageing for trade receivables - billed - current outstanding as at March 31, 2025 is as follows:

(₹ in lakhs)

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	
Trade receivables - billed							
(i) Undisputed trade receivables - considered good	11,910	3,972	10,311	4,224	-	-	30,417
(ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed trade receivables - considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
	11,910	**3,972**	**10,311**	**4,224**	**-**	**-**	**30,417**
Less: Allowance for expected credit losses							**(1,880)**
							28,537
Trade receivables - unbilled							**4,384**
							32,921

Ageing for trade receivables - billed - current outstanding as at March 31, 2024 is as follows:

(₹ in lakhs)

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	
Trade receivables - billed							
(i) Undisputed trade receivables - considered good	18,502	8,638	599	-	-	-	27,739
(ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed trade receivables - considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
	18,502	**8,638**	**599**	**-**	**-**	**-**	**27,739**
Less: Allowance for expected credit losses							**-**
							27,739
Trade receivables - unbilled							**9,490**
							37,229

Notes forming part of the financial statements

(c) Cash and cash equivalents

Cash and cash equivalents consist of the following:

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Balances with banks		
- In current accounts	10,043	5,229
- In deposit accounts	620	390
	10,663	**5,619**

TCS e-Serve International Limited has unsecured working capital facilities agreement with Citibank N.A. aggregating to USD 22,000,000 (March 31, 2024 : USD 22,000,000) for fund and non fund base facility. During the year, the company has not utilized this facility.

(d) Other balances with banks

Other balances with banks consist of the following:

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Short-term bank deposits	9,000	-
	9,000	**-**

(e) Loans

Loans (unsecured) consist of the following:

Loans - Current

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Considered good		
Loans and advances to employees	103	451
Credit impaired		
Loans and advances to employees	50	46
Less: Allowance on loans and advances to employees	(50)	(46)
	103	**451**

(f) Other financial assets

Other financial assets consist of the following:

Other financial assets - Non-current

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Considered good - Unsecured		
Security deposits - Premises	112	107
Security deposits with related party	327	337
Security deposits with others	609	608
	1,048	**1,052**

Notes forming part of the financial statements

Other financial assets - Current

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Considered good - Unsecured		
Accured Interest	331	-
Fair value of foreign exchange derivative assets	306	-
Other current financial assets	92	21
	729	**21**

(g) Trade payables

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Dues of creditors other than small enterprises and micro enterprises*	10,418	23,221
Dues to small enterprises and micro enterprises	137	77
	10,555	**23,298**

* Above balances of trade payables include balances with related parties (Refer note 21).

1. Dues of small enterprises and micro enterprises

The disclosure pursuant to the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act) for dues to micro enterprises and small enterprises as at March 31, 2025 and March 31, 2024 is as under:

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Dues remaining unpaid to any supplier		
Principal	137	77
Interest on the above	-	-
Amount of interest paid in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	5	-
Amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
Amount of interest accrued and remaining unpaid	-	-
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 MSMED Act, 2006*	-	-

* value is less than ₹ 50,000.

Notes forming part of the financial statements

2. Trade payables

Ageing for trade payables outstanding as at March 31, 2025 is as follows:

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Trade payables						
(i) MSME*	135	2	-	-	-	137
(ii) Others	2,058	6,543	128	64	175	8,968
(iii) Disputed dues - MSME*	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
	2,193	**6,545**	**128**	**64**	**175**	**9,105**
Accrued expenses						**1,450**
						10,555

*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006.

Ageing for trade payables outstanding as at March 31, 2024 is as follows:

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Trade payables						
(i) MSME*	77	-	-	-	-	77
(ii) Others	2,187	14,064	4,412	57	215	20,935
(iii) Disputed dues - MSME*	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
	2,265	**14,064**	**4,412**	**57**	**215**	**21,012**
Accrued expenses						**2,286**
						23,298

*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006.

(h) Other financial liabilities

Other financial liabilities consist of the following:

Other financial liabilities - Current

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Capital creditors	193	223
Liabilities towards customer contracts	-	34
Accrued payroll	2,256	3,577
Fair value of foreign exchange derivative liabilities	-	102
Others	51	1
	2,500	**3,937**

Notes forming part of the financial statements

(i) Financial instruments by category

The carrying value of financial instruments by categories as of March 31, 2025 is as follows:

(₹ in lakhs)

	Fair value through profit or loss	Fair value through Other Comprehensive Income	Amortised cost	Derivative instruments not in hedging relationship	Total carrying value
Financial assets:					
Cash and cash equivalents	-	-	10,663	-	10,663
Bank deposits	-	-	9,000	-	9,000
Investments (other than in subsidiary)	14,966	39	-	-	15,005
Trade receivables					
Billed	-	-	28,537	-	28,537
Unbilled	-	-	4,384	-	4,384
Loans	-	-	103	-	103
Other financial assets	-	-	1,471	306	1,777
Total	**14,966**	**39**	**54,158**	**306**	**69,469**
Financial liabilities:					
Trade payables	-	-	10,555	-	10,555
Lease liabilities	-	-	7,774	-	7,774
Other financial liabilities	-	-	2,500	-	2,500
Total	**-**	**-**	**20,829**	**-**	**20,829**

The carrying value of financial instruments by categories as of March 31, 2024 is as follows:

(₹ in lakhs)

	Fair value through profit or loss	Fair value through Other Comprehensive Income	Amortised cost	Derivative instruments not in hedging relationship	Total carrying value
Financial assets:					
Cash and cash equivalents	-	-	5,619	-	5,619
Investments (other than in subsidiary)	26,807	8	-	-	26,815
Trade receivables					
Billed	-	-	27,739	-	27,739
Unbilled	-	-	9,490	-	9,490
Loans*	-	-	451	-	451
Other financial assets	-	-	1,073	-	1,073
Total	**26,807**	**8**	**44,372**	**-**	**71,187**
Financial liabilities:					
Trade and other payables	-	-	23,298	-	23,298
Lease liabilities	-	-	8,712	-	8,712
Other financial liabilities	-	-	3,835	102	3,937
Total	**-**	**-**	**35,845**	**102**	**35,947**

Notes forming part of the financial statements

Carrying amounts of cash and cash equivalents, trade receivables, loans and trade payables as at March 31, 2025 and 2024, approximate the fair value due to their nature. Carrying amounts of bank deposit, other financial assets and other financial liabilities which are subsequently measured at amortised cost also approximate the fair value due to their nature in each of the years presented. Fair value measurement of lease liabilities is not required.

(j) 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 consist 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.

The cost of unquoted investments included in Level 3 of fair value hierarchy approximate their fair value because there is a wide range of possible fair value measurements and the cost represents estimate of fair value within that range.

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosures are required):

(₹ in lakhs)

As of March 31, 2025:	Level 1	Level 2	Level 3	Total
Financial assets:				
Mutual fund units	14,966	-	-	14,966
Government bonds and securities	39	-	-	39
Fair value of foreign exchange derivative assets	-	306	-	306
	15,005	**306**	**-**	**15,311**
Financial liability:				
Fair value of foreign exchange derivative liabilities	-	-	-	-
Total	**-**	**-**	**-**	**-**

(₹ in lakhs)

As of March 31, 2024:	Level 1	Level 2	Level 3	Total
Financial assets:				
Mutual fund units	26,807	-	-	26,807
Government bonds and securities	8	-	-	8
	26,815	**-**	**-**	**26,815**
Financial liability:				
Fair value of foreign exchange derivative liabilities	-	102	-	102
Total	**-**	**102**	**-**	**102**

(k) Derivative financial instruments and hedging activity

The Company's revenue is denominated in foreign currency predominantly US Dollar. Given the nature of the business, a large portion of the costs are denominated in Indian Rupee. This exposes the Company to currency fluctuations.

Notes forming part of the financial statements

The Company has entered into derivative instruments not in hedging relationship by way of foreign exchange forward. As at March 31, 2025 and 2024, the notional amount of outstanding contracts aggregated to ₹ 61,514 lakhs and ₹ 29,184 lakhs, respectively and the respective fair value of these contracts have a net gain of ₹ 306 lakhs and net loss of ₹ 102 lakhs respectively.

Exchange loss of ₹ 217 lakhs and ₹ 689 lakhs on foreign exchange forward contracts that do not qualify for hedge accounting have been recognised in the statement of profit and loss for the years ended March 31, 2025 and 2024, respectively.

(l) Financial risk management:

The Company is exposed primarily to fluctuations in foreign currency exchange rates, credit, liquidity and interest rate risks, which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which covers risks associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

- **Foreign currency exchange rate risk**

  The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit and loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the Company. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries.

  The Company, as per its risk management policy, uses derivative instruments primarily to hedge foreign exchange. Further, any movement in the functional currency of the various operations of the Company against major foreign currencies may impact the Company's revenue in international business.

  The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. It hedges a part of these risks by using derivative financial instruments in line with its risk management policies.

  The foreign exchange rate sensitivity is calculated by aggregation of the net foreign exchange rate exposure and a simultaneous parallel foreign exchange rates shift of all the currencies by 10% against the functional currency of the Company.

  The following analysis has been worked out based on the net exposures of the Company as of the date of balance sheet which could affect the statements of profit and loss and other comprehensive income and equity. Further the exposure as indicated below is mitigated by some of the derivative contracts entered into by the Company as disclosed in note 6(k).

  The following table sets forth information relating to unhedged foreign currency exposure as of March 31, 2025.

(₹ in lakhs)

	PHP	MXN	USD	AUD
Net financial assets	938	519	-	31
Net financial liabilities	(541)	(896)	(6,798)	(5)

10% appreciation / depreciation of the functional currency of the Company with respect to various foreign currencies would result in increase / decrease in the Company's profit before taxes by approximately ₹ 675 lakhs for the year ended March 31, 2025. Hedging is on foreign currency exposure are on gross financial assets.

Notes forming part of the financial statements

The following table sets forth information relating to unhedged foreign currency exposure as of March 31, 2024.

(₹ in lakhs)

	PHP	MXN	USD	AUD
Net financial assets	388	382	12,250	1
Net financial liabilities	(289)	(654)	(21,561)	-

10% appreciation / depreciation of the functional currency of the Company with respect to various foreign currencies would result in increase / decrease in the Company's profit before taxes by approximately ₹ 948 lakhs for the year ended March 31, 2024.

- **Interest rate risk**

  The Company's investments are primarily in fixed rate interest bearing investments. Hence the Company is not significantly exposed to interest rate risk.

Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, loans, investments, cash and cash equivalents, derivative financial instruments and other financial assets. Bank deposit include an amount of ₹ 9,000 lakhs held with Bank as at March 31, 2025 having high credit rating. None of the other financial instruments of the company result in material concentration of credit risk.

None of the other financial instruments of the Company result in material concentration of credit risk.

- **Exposure to credit risk**

  The carrying amount of financial assets and contract assests represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 69,643 lakhs and ₹ 71,237 lakhs as of March 31,2025 and March 31,2024 respectively being the total of the carrying amount of balances with banks, Bank deposit, trade receivables, contract assests, other financial assets and investments excluding equity.

  Single customer contributing to more than 10% of outstanding trade receivable as of March 31, 2025 and March 31,2024 is as follows.

(₹ in lakhs)

	As at March 31, 2025		As at March 31, 2024	
	Trade receivables	Percentage	Trade receivables	Percentage
Customer A	10,680	32%	15,231	41%
Customer C	8,703	26%	7,033	19%

- **Geographic concentration of credit risk**

  The Company also has a geographic concentration of trade receivables (Gross and net of allowances) and contract assets as given below:

  Geographical concentration of credit risk is allocated based on the location of the customers.

Geography	As at March 31, 2025		As at March 31, 2024	
	Gross%	Net%	Gross%	Net%
Americas	97%	97%	100%	100%
India	1%	1%	-	-
Europe	2%	2%	-	-

The allowance for lifetime expected credit loss on trade receivables is ₹1880 lakhs and Nil for the year ended March 31, 2025 and 2024 respectively.

Notes forming part of the financial statements

Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company consistently generated sufficient cash flows from operations to meet its financial obligations including lease liabilities as and when they fall due.

The tables below provide details regarding the contractual maturities of significant financial liabilities as of:

(₹ in lakhs)

March 31, 2025	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5 years	Total
Non-derivative financial liabilities:					
Trade payables	10,555	-	-	-	10,555
Lease liabilities	2,099	2,017	2,588	2,811	9,515
Other financial liabilities	2,500	-	-	-	2,500
	15,153	**2,017**	**2,588**	**2,811**	**22,569**
Derivative financial liabilities	-	-	-	-	-
Total	**15,153**	**2,017**	**2,588**	**2,811**	**22,569**

(₹ in lakhs)

March 31, 2024	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5 years	Total
Non-derivative financial liabilities:					
Trade payables	23,298	-	-	-	23,298
Lease liabilities	2,533	1,983	3,317	2,760	10,593
Other financial liabilities	3,835	-	-	-	3,835
	29,666	**1,983**	**3,317**	**2,760**	**37,726**
Derivative financial liabilities:	102	-	-	-	102
Total	**29,768**	**1,983**	**3,317**	**2,760**	**37,828**

(m) Equity instruments:

The authorised, issued, subscribed and fully paid-up share capital comprises of the following:

(₹ in lakhs)

	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Amount	Number of shares	Amount
Authorised :				
Equity share capital 2,500,000 equity shares of ₹ 100 each (March 31, 2025 : 2,500,000 equity shares of ₹ 100 each)	2,500,000	2,500	2,500,000	2,500
	2,500,000	**2,500**	**2,500,000**	**2,500**
Issued, subscribed and paid up:				
Equity share capital 1,000,000 equity shares of ₹ 100 each (March 31, 2024 : 1,000,000 equity shares of ₹ 100 each)	1,000,000	1,000	1,000,000	1,000
	1,000,000	**1,000**	**1,000,000**	**1,000**

Notes forming part of the financial statements

Note:

- 1,000,000 (March 31, 2024 : 1,000,000) equity shares of ₹ 100/- each are held by Tata Consultancy Services Limited, the holding company and its nominees. Tata Sons Private Limited is the ultimate holding company.

  The Company does not have an employee stock option plan and no shares are reserved for issue under any such plan or for any contractual commitments.

  The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. The Company is not subject to any externally imposed capital requirements.

i. Reconciliation of number of shares

	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Amount (₹ in lakhs)	Number of shares	Amount (₹ in lakhs)
Opening balance	1,000,000	1,000	1,000,000	1,000
Changes during the year	-	-	-	-
Closing balance	**1,000,000**	**1,000**	**1,000,000**	**1,000**

ii. Rights, preferences and restrictions attached to

The Company has one class of equity shares having a par value of ₹ 100 each. Each shareholder is eligible for one vote per share held and carry a right to dividend. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

iii. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at March 31, 2025	As at March 31, 2024
Equity shares		
Tata Consultancy Services Limited, the holding company	1,000,000	1,000,000
% of shareholding	100%	100%

iv. Disclosure of shareholding of promoters

Disclosure of shareholding of promoters as at March 31, 2025 is as follows:

Shares held by promoters at the end of the year			% Change during the year
Promoter name	No. of shares	% of total shares	
Tata Consultancy Services Limited	9,99,994	99.9994.%	No change
Tata Consultancy Services Limited jointly with its nominees	6	0.0006.%	No change
Total	**10,00,000**	**100,%**	

Disclosure of shareholding of promoters as at March 31, 2024 is as follows:

Shares held by promoters at the end of the year			% Change during the year
Promoter name	No. of shares	% of total shares	
Tata Consultancy Services Limited	9,99,994	99.9994.%	No change
Tata Consultancy Services Limited jointly with its nominees	6	0.0006.%	No change
Total	**10,00,000**	**100**	

Back to content

Notes forming part of the financial statements

7 LEASES

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative standalone price of the lease component and the aggregate standalone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in the statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

The details of the right-of-use asset held by the Company is as follows:

(₹ in lakhs)

	Additions for the year ended March 31, 2025	Net carrying amount as at March 31, 2025	Additions for the year ended March 31, 2024	Net carrying amount as at March 31, 2024
Leasehold buildings	2,034	6,647	83	7,424
	2,034	**6,647**	**83**	**7,424**

Notes forming part of the financial statements

Depreciation on right-of-use assets is as follows:

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Leasehold buildings	1,861	2,049
	1,861	**2,049**

Interest on lease liabilities is ₹ 545 lakhs and ₹ 726 lakhs for the years ended March 31, 2025 and 2024, respectively.

The Company incurred ₹ 454 lakhs and ₹ 403 lakhs for the years ended March 31, 2025 and 2024, respectively towards expenses relating to short-term leases and leases of low-value assets.

The total cash outflow for leases is ₹ 2850 lakhs and ₹ 3,001 lakhs for the years ended March 31, 2025 and 2024, respectively including cash outflow for short term and low value leases.

The Company does not have lease term extension options that are not reflected in the measurement of lease liabilities.

Lease contracts entered by the Company majorly pertains for buildings taken on lease to conduct its business in the ordinary course. The Company does not have any lease restrictions and commitment towards variable rent as per the contract.

8 NON-FINANCIAL ASSETS AND NON-FINANCIAL LIABILITIES

(a) Property, plant and equipment

The Company recognizes the cost of an item of property, plant and equipment as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can measured reliably.

Property, plant and equipment are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use, less accumulated depreciation (other than freehold land) and impairment loss, if any.

Depreciation is provided for property, plant and equipment on a straight-line basis so as to expense the cost less residual value over their estimated useful lives as prescribed in Schedule II of the Companies Act, 2013 except in respect of certain categories of assets, where the useful life of the assets has been assessed based on a technical evaluation. The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

The estimated useful lives are as mentioned below:

Type of asset	Useful lives
Leasehold improvements	Lease term
Computer equipment	4 years*
Furniture and fixtures	5 years*
Office equipment	2-5 years*
Electrical installations	4-10 years*

* The Company believes that the technically evaluated useful lives, different from Schedule II of the Companies Act, 2013, best represent the period over which these assets are expected to be used.

Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

Property, plant and equipment with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

Notes forming part of the financial statements

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

The carrying amount of an item of property, plant and equipment shall be derecognised on disposal or when no future economic benefits are expected from its use or disposal.

Property, plant and equipment consist of the following:

(₹ in lakhs)

Description	Leasehold improvements	Computer equipment	Office equipment	Electrical installations	Furniture and fixtures	Total
Cost as at April 1, 2024	727	9,124	931	85	102	10,969
Additions	-	520	102	-	2	624
Disposals / adjustments	-	(809)	(161)	-	-	(970)
Cost as at March 31, 2025	**727**	**8,835**	**872**	**85**	**104**	**10,623**
Accumulated depreciation as at April 1, 2024	(393)	(7,566)	(770)	(42)	(99)	(8,870)
Depreciation for the year	(86)	(914)	(140)	(7)	(4)	(1,151)
Eliminated on disposals of assets	-	774	157	-	-	931
Accumulated depreciation as at March 31, 2025	**(479)**	**(7,706)**	**(753)**	**(49)**	**(103)**	**(9,090)**
Net carrying amount as at March 31, 2025	**248**	**1,129**	**119**	**36**	**1**	**1,533**
Capital work-in-progress						**238**
						1,771

(₹ in lakhs)

Description	Leasehold improvements	Computer equipment	Office equipment	Electrical installations	Furniture and fixtures	Total
Cost as at April 1, 2023	727	8,850	906	87	102	10,672
Additions	-	372	25	-	-	397
Disposals / adjustments	-	(98)	-	(2)	-	(100)
Cost as at March 31, 2024	**727**	**9,124**	**931**	**85**	**102**	**10,969**
Accumulated depreciation as at April 1, 2023	(308)	(6,015)	(593)	(36)	(78)	(7,030)
Depreciation for the year	(85)	(1,647)	(177)	(8)	(21)	(1,938)
Eliminated on disposals of assets	-	96	-	2	-	98
Accumulated depreciation as at March 31, 2024	**(393)**	**(7,566)**	**(770)**	**(42)**	**(99)**	**(8,870)**
Net carrying amount as at March 31, 2024	**334**	**1,558**	**161**	**43**	**3**	**2,099**
Capital work-in-progress						**528**
						2,627

Notes forming part of the financial statements

Capital work-in-progress

Changes in capital work in progress are as follows:

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Balance at the beginning of the year	528	182
Addition during the period	**334**	743
capitalised during the period	**(624)**	(397)
Balance at the end of the period	**238**	**528**

- **Capital work-in-progress ageing**

  Ageing for capital work-in-progress as at March 31, 2025 is as follows:

(₹ in lakhs)

Capital work-in-progress	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	238	-	-	-	238
	238	**-**	**-**	**-**	**238**

Ageing for capital work-in-progress as at March 31, 2024 is as follows:

(₹ in lakhs)

Capital work-in-progress	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	528	-	-	-	528
	528	**-**	**-**	**-**	**528**

(b) Intangible assets

Intangible assets purchased are measured at cost as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

Intangible assets consist of rights under licensing agreement and software licences which are amortised over license period which equates the useful life ranging between 2-5 years on a straight line basis over the period of its economic useful life.

Intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

Notes forming part of the financial statements

Intangible assets consist of the following:

(₹ in lakhs)

Description	Rights under licencing agreement and software licences	Total
Cost as at April 1, 2024	3,015	3,015
Additions	-	-
Disposals	-	-
Cost as at March 31, 2025	**3,015**	**3,015**
Accumulated amortisation as at April 1, 2024	(2,758)	(2,758)
Amortisation for the year	(247)	(247)
Eliminated on disposals of assets	-	-
Accumulated amortisation as at March 31, 2025	**(3,005)**	**(3,005)**
Net carrying amount as at March 31, 2025	**10**	**10**

(₹ in lakhs)

Description	Rights under licencing agreement and software licences	Total
Cost as at April 1, 2023	3,015	3,015
Additions	-	-
Disposals	-	-
Cost as at March 31, 2024	**3,015**	**3,015**
Accumulated amortisation as at April 1, 2023	(2,029)	(2,029)
Amortisation for the year	(729)	(729)
Eliminated on disposals of assets	-	-
Accumulated amortisation as at March 31, 2024	**(2,758)**	**(2,758)**
Net carrying amount as at March 31, 2024	**257**	**257**

The estimated amortisation for the years subsequent to Mar 31,2025 is as follows:

(₹ in lakhs)

Year ending March 31,	Amortisation expense
2026	10
2027	-
	10

(c) Other assets

Other assets consist of the following:

Other non-current assets

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Considered good - Unsecured		
Indirect tax recoverable	3,021	2,350
Contract fulfillment costs	4	107
	3,025	**2,457**

Notes forming part of the financial statements

Other current assets

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Considered good - Unsecured		
Prepaid expenses	494	107
Indirect tax recoverable	1,454	1,605
Advance to suppliers	1,098	126
Contract fulfillment costs	1,349	1,645
Contract assets	174	51
Others	83	-
	4,652	**3,534**

Contract fulfillment costs is ₹ 1,353 and ₹ 1,820 lakhs for the years ended March 31, 2025 and 2024, respectively, have been amortised in the statement of profit and loss. Refer note 10 for the changes in contract asset.

(d) Other liabilities

Other liabilities consist of the following:

Other current liabilities

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Indirect tax payable and other statutory liabilities	1,979	1,027
Operating lease liabilities	-	24
Others	19	4
	1,998	**1,055**

9 OTHER EQUITY

Other equity consist of the following:

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Retained earnings		
Opening balance	46,258	23,588
Profit for the year	15,936	22,718
Remeasurement of defined employee benefit plans	(124)	(48)
	62,070	**46,258**
	62,070	**46,258**

Notes forming part of the financial statements

10 REVENUE RECOGNITION

The Company earns revenue primarily from providing Business Process Outsourcing Services for its customers in banking, financial services and insurance domain.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.
- In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract costs incurred determining the degree of completion of the performance obligation. The contract costs used in computing the revenues include cost of fulfilling warranty obligations.
- Revenue from the sale of distinct internally developed software and manufactured systems and third party software is recognised upfront at the point in time when the system/software is delivered to the customer. In cases where implementation and/or customisation services rendered significantly modifies or customises the software, these services and software are accounted for as a single performance obligation and revenue is recognised over time on a POC method.
- Revenue from the sale of distinct third party hardware is recognised at the point in time when control is transferred to the customer.
- The solutions offered by the Company may include supply of third-party equipment or software. In such cases, revenue for supply of such third party products are recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent of the customer. The Company recognises revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue excludes taxes collected from customers.

The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract and to ascribe the transaction price to each distinct performance obligation. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Revenue from intercompany is recognised based on transaction price which is at arm's length.

Notes forming part of the financial statements

Contract fulfilment costs are generally expensed as incurred except for certain software licence costs which meet the criteria for capitalisation. Such costs are amortised over the contractual period or useful life of licence, whichever is less. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

The billing schedules agreed with customers could include periodic performance based payments and/or milestone based progress payments. Invoices are payable within contractually agreed credit period.

In accordance with Ind AS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Company disaggregates revenue from contracts with customers by industry verticals, geography and nature of services.

Revenue disaggregation by nature of services is as follows :

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Consultancy services	130,753	185,844
Total	**130,753**	**185,844**

For details of disaggregation of revenues from contracts with customers by industry verticals and geography refer Note(18).

Revenue disaggregation by industry vertical is as follows :

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Industry Vertical		
Banking, Financial Services and Insurance	121,137	177,351
Life Sciences and Healthcare	1,333	1,221
Manufacturing	2,142	1,465
Communication, Media and Technology	1,805	1,578
Retail and Consumer Business	2,786	1,238
Others	1,550	2,991
	130,753	**185,844**

Notes forming part of the financial statements

Revenue disaggregation by Geography is as follows :

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Geography		
Americas	121,819	178,925
Europe[1]	4,340	2,962
Asia Pacific	3,370	3,000
India	1,053	829
Others	171	128
	130,753	**185,844**

[1] includes revenue in United Kingdom of 2840 lakhs and 1685 lakhs for the year ended March 31,2025 and 2024, respectively.

Geographical revenue is allocated based on the locations of the customers.

While disclosing the aggregate amount of transaction price yet to be recognised as revenue towards unsatisfied (or partially) satisfied performance obligations, along with the broad time band for the expected time to recognise those revenues, the Company has applied the practical expedient in Ind AS 115. Accordingly, the Company has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognised corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts.

Unsatisfied (or partially satisfied) performance obligations are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc). The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is ₹ 13,734 lakhs out of which 57.60% is expected to be recognized as revenue within the next one year and the balance thereafter. No consideration from contracts with customers is excluded from the amount mentioned above.

Changes in contract assets are as follows:

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Balance at the beginning of the year	51	162
Invoices raised that were included in the contract assets balance at the beginning of the year	(51)	(162)
Increase due to revenue recognised during the year, excluding amounts billed during the year	177	51
Translation exchange difference*	(3)	-
Balance at the end of the year	**174**	**51**

* value is less than ₹50,000.

Notes forming part of the financial statements

Changes in unearned and deferred revenue are as follows:

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Balance at the beginning of the year	585	6
Revenue recognised that was included in the contract liability balance at the beginning of the year.	(198)	(6)
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	(329)	597
Translation exchange difference	3	(12)
Balance at the end of the year	**61**	**585**

Reconciliation of revenue recognised with the contracted price is as follows :

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Revenue as per Contract price	134,924	192,597
(-) Volume / Cash Discount	4,133	5,582
(-) Service Credit	38	1,171
Revenue recognised	**130,753**	**185,844**

The reduction towards variable consideration comprises of volume discount, service level credits, etc.

11 OTHER INCOME

Dividend income is recorded when the right to receive payment is established. Interest income is recognised using the effective interest method.

Other income consist of the following:

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Interest income	649	405
Net gain on investment carried at fair value through profit and loss	2,287	896
Unrealised gain on investments carried at fair value through profit and loss	-	689
Net gain on disposal of property, plant and equipment	-	8
Net foreign exchange gain	933	368
	3,869	**2,366**
Interest income consist of the following:		
Interest income on bank deposits	541	300
Interest on income tax refund	100	99
Interest income on financial assets at amortised cost	8	6

Notes forming part of the financial statements

12 EMPLOYEE BENEFITS

The Company has both defined contribution and defined benefit plans. The plans are financed by the Company and in case of some defined contribution plans, by the Company along with its employees.

(i) Defined benefit plans

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date by an independent actuary. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Past service cost both, vested and unvested is recognised as an expense at the earlier of (a) when the plan amendment or curtailment occurs; and (b) when the entity recognises related restructuring costs or termination benefits.

The retirement benefit obligations recognised in the balance sheet represents the present value of the defined benefit obligations reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme. The Company provides benefits such as gratuity and pension to its employees which are treated as defined benefit plans.

(ii) Defined contribution plans

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits. The Company provides benefits such as provident fund and foreign defined contribution plans to its employees which are treated as defined contribution plans.

(iii) Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(iv) Compensated absences

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as undiscounted liability at the balance sheet date. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date using the Projected Unit Credit Method.

Employee benefit expenses consist of the following:

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, incentives and allowances	65,640	101,968
Contributions to provident and other funds	6,179	9,460
Staff welfare expenses	3,299	12,256
	75,118	**123,684**

Employee benefit obligations - Non-current

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Gratuity liability	330	248
	330	**248**

Notes forming part of the financial statements

Employee benefit obligations - Current

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Compensated absences	2,182	2,816
Foreign retirement benefits	167	99
Gratuity liability	684	726
	3,033	**3,641**

Defined Benefit Plan

Gratuity

In accordance with Indian law, the Company operates a scheme of gratuity which is a defined benefit plan. The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days' salary payable for each completed year of service. Vesting occurs upon completion of five continuous years of service. The Company manages the plan through a trust. Trustees administer contributions made to the trust. Certain overseas branches of the Company also provide for retirement benefit pension plans in accordance with the local laws.

The retirement benefit obligations recognised in the balance sheet represents the present value of the defined benefit obligations.

The following table sets out the details of the defined benefit retirement plans and the amounts recognized in the financial statements:

Defined benefit retirement plan :

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2025	Total	As at March 31, 2024	As at March 31, 2024	Total
	Domestic Plan Funded	Foreign Plan Unfunded		Domestic Plan Funded	Foreign Plan Unfunded	
Change in benefit obligations:						
Benefit obligations, beginning of the year	2,211	99	2,310	1,902	50	1,952
Service cost	345	49	394	374	32	406
Interest cost	159	6	165	141	4	145
Liability Transferred In/ Acquisitions	101	-	101	23	-	23
(Liability Transferred Out/ Divestments)	(111)	-	(111)	(85)	-	(85)
Remeasurement of the net defined benefit liability	110	32	142	21	12	33
Benefits paid	(226)	(3)	(229)	(165)	(4)	(169)
Translation exchange difference	-	(16)	(16)	-	5	5
Benefit obligations end of the year	**2,589**	**167**	**2,756**	**2,211**	**99**	**2,310**

Notes forming part of the financial statements

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2025	Total	As at March 31, 2024	As at March 31, 2024	Total
	Domestic Plan Funded	Foreign Plan Unfunded		Domestic Plan Funded	Foreign Plan Unfunded	
Change in plan assets:						
Fair value of plan assets, beginning of the year	1,237	-	1,237	997	-	997
Interest Income	89	-	89	74	-	74
Employer's contribution	512	-	512	425	-	425
Assets Transferred In/Acquisitions	101	-	101	-	-	-
(Assets Transferred Out/ Divestments)	(111)	-	(111)	(62)	-	(62)
Benefits paid	(226)	-	(226)	(165)	-	(165)
Remeasurement - Return on plan assets excluding amount included in Interest income	(28)	-	(28)	(32)	-	(32)
Fair value of plan assets, end of the year	**1,574**	**-**	**1,574**	**1,237**	**-**	**1,237**

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2025	Total	As at March 31, 2024	As at March 31, 2024	Total
	Domestic Plan Funded	Foreign Plan Unfunded		Domestic Plan Funded	Foreign Plan Unfunded	
Funded status						
Deficit of plan assets over obligations	(1,015)	(167)	(1,182)	(974)	(99)	(1,073)
	(1,015)	**(167)**	**(1,182)**	**(974)**	**(99)**	**(1,073)**

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2025	Total	As at March 31, 2024	As at March 31, 2024	Total
	Domestic Plan Funded	Foreign Plan Unfunded		Domestic Plan Funded	Foreign Plan Unfunded	
Category of assets						
Bank balances	85	-	85	1,237	-	1,237
Insurer managed funds	1,457	-	1,457	-	-	-
Others	32	-	32	-	-	-
	1,574	**-**	**1,574**	**1,237**	**-**	**1,237**

Notes forming part of the financial statements

Net periodic gratuity cost, included in employee costs cosists of following:

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2025	Total	As at March 31, 2024	As at March 31, 2024	Total
	Domestic Plan Funded	Foreign Plan Unfunded		Domestic Plan Funded	Foreign Plan Unfunded	
Service cost	345	49	394	374	32	406
Net interest on net defined benefit liability	70	6	76	67	4	71
Net periodic gratuity / pension cost	**415**	**55**	**470**	**441**	**36**	**477**
Actual return on plan assets	61	-	61	42	-	42

Remeasurement of net defined benefit (asset) / liability:

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Actuarial gains arising from changes in demographic assumptions	(18)	(1)
Actuarial losses and (gains) arising from changes in financial assumptions	113	40
Actuarial (gains) and losses arising from changes in experience adjustments	47	(7)
Remeasurement of the net defined benefit liability	**142**	**32**
Remeasurement - return on plan assets excluding amount included in interest income	(28)	(32)
	114	**-**

The assumptions used in accounting for the defined benefit plan are set out below:

	As at March 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2024
	Domestic Funded	Foreign Unfunded	Domestic Funded	Foreign Unfunded
Discount rate	6.50%	6.16%-9.40%	7.19%	6.26%-9.40%
Rate of increase in compensation levels of covered employees	6.00%	4.64%-5.00%	6.00%	4.64%-5.00%
Rate of return on plan assets	6.50%	6.26%-9.40%	7.19%	6.26%-9.40%
Weighted average duration of defined benefit obligations	8 years	18 - 23 years	9 years	18 years

Future mortality assumptions are taken based on the published statistics by the Insurance Regulatory and Development Authority of India.

The expected benefits are based on the same assumptions as are used to measure the Company's defined benefit plan obligations as of March 31, 2025. The Company is expected to contribute ₹ 684 lakhs to defined benefit plan obligations funds for the year ending March 31, 2026.

The significant actuarial assumptions for the determination of the defined benefit obligations are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Notes forming part of the financial statements

If the discount rate increases / decreases by 0.50%, the defined benefit obligations would increase / (decrease) as follows:

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Increase of 0.50%	(93)	(87)
Decrease of 0.50%	100	94

If the expected salary growth increases / decreases by 0.50%, the defined benefit obligations would increase / (decrease) as follows:

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Increase of 0.50%	100	93
Decrease of 0.50%	(94)	(87)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumption may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligations has been calculated using the Projected Unit Credit Method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet.

The defined benefit obligations shall mature after year ended March 31, 2025 as follows:

(₹ in lakhs)

Year ending March 31,	Domestic Plan Funded	Foreign Plan Funded
2026	316	4
2027	260	5
2028	270	5
2029	248	5
2030	234	16
2031 to 2035	1,016	210

Defined contribution plans

Provident fund

Contribution towards provident fund is made to regulatory authorities and the Company does not have any legal or informal obligation to pay additional funds.

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits.

The Company contributed ₹ 1,136 lakhs and ₹ 1202 lakhs to the provident fund for the year ended March 31, 2025 and March 31, 2024, respectively.

Foreign defined contribution plan

The Company contributed ₹ 669 lakhs and ₹ 1,328 lakhs for the years ended March 31, 2025 and 2024, respectively, towards foreign defined contribution plans.

Notes forming part of the financial statements

13 COST RECOGNITION

Costs and expenses are recognised when incurred and have been classified according to their primary nature.

The costs of the Company are broadly categorised in employee benefit expenses, depreciation and amortisation and other operating expenses. Employee benefit expenses include employee compensation, allowances paid, contribution to various funds and staff welfare expenses. Other operating expenses majorly include fees to external consultants, cost of running its facilities, travel expenses, cost of equipment and software licenses, communication costs, allowances for expected credit losses and doubtful advances(net) and other expenses. Other expenses is an aggregation of costs which are individually not material such as Printing and Stationary, recruitment and training, etc.

(a) Other expenses

Other operating expenses consist of the following:

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Fees to external consultants	19,440	17,990
Project expenses	4,339	2,021
Facility running expenses	3,687	3,613
Cost of equipment and software licences	-	3
Corporate expenses	507	1,027
Travel expenses	1,685	1,514
Communication expenses	941	1,258
Bad debts and advances written off, provision for advances (net)	1,843	21
Net loss on disposal of property, plant and equipment	38	-
Unrealised gain on investments carried at fair value through profit and loss	477	-
Miscellaneous expenses	1,030	1,017
	33,987	**28,464**

(b) Corporate Social Responsibility (CSR) expenditure

(₹ in lakhs)

		Year ended March 31, 2025	Year ended March 31, 2024
1	Amount required to be spent by the Company during the year	323	188
2	Amount approved by the Board	325	198
3	Amount of expenditure incurred on:		
	(i) Construction/acquisition of any asset	-	-
	(ii) On purposes other than (i) above	325	198
4	Shortfall at the end of the year	-	-
5	Total of previous years shortfall	-	-
6	Reason for shortfall	Not Applicable	Not Applicable
7	Nature of CSR activities	Disaster Relief, Education, Skilling, Employment, Entrepreneurship, Health, Wellness and Water, Sanitation and Hygiene, Heritage, Meals to needy.	
8	Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard:		
	Contribution to TCS Foundation in relation to CSR expenditure	-	-

Notes forming part of the financial statements

14 FINANCE COSTS

Finance costs consist of the following:

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Interest on lease liabilities	545	726
Interest expenses on delayed payment of statutory dues	9	28
	554	**754**

15 INCOME-TAXES

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current income taxes

Current income tax expense comprises taxes on income from operations in India and overseas. Income tax payable in India is determined in accordance with the provisions of the Income tax Act, 1961.

Current income tax payable by overseas branches of the Company is computed in accordance with the tax laws applicable in the jurisdiction in which the respective branch operates. The taxes paid are generally available for set off against the Indian income tax liability of the Company's worldwide income.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction, provided the Company has a legally enforceable right to set off the recognised amounts and intends to settle the asset and liability on a net basis.

Deferred income taxes

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the 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 or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Notes forming part of the financial statements

The Income-tax expense consist of the following:

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Current tax expense		
Current tax expense for current year	6,222	7,486
Current tax (benefit)/expense pertaining to prior years	346	(16)
	6,568	**7,470**
Deferred tax expense		
Deferred tax (benefit)/expense for current year	(658)	404
Deferred tax (benefit)/expense pertaining to prior years	(142)	-
	(800)	**404**
	5,768	**7,874**

The reconciliation of estimated income-tax expense at Indian statutory income tax rate to the income tax expense reported in the statement of profit and loss is as follows:

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Profit before income taxes	21,704	30,592
India statutory Income tax rate	25.17%	25.17%
Expected Income tax expense	5,462	7,700
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Tax pertaining to prior years	204	(16)
Permanent disallowance	83	50
Overseas Federal Tax	75	6
Others	(56)	134
	5,768	**7,874**

Deferred tax assets and liabilities are as follows:

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Deferred tax assets (net)	2,694	1,848
	2,694	**1,848**

Notes forming part of the financial statements

Significant components of net deferrred tax assests and liabilities for the year ended March 31, 2025 consist of following:

(₹ in lakhs)

Deferred tax assets (net)	Opening balance	Recognised/ reversed through P&L	Recognised in/ reclassified from comprehensive income	Closing balance
Property, plant and equipment and intangible assets	846	272	-	1,118
Provision for employee benefits	954	(25)	46	975
Lease liability and ROU asset	324	(41)	-	283
Unrealised gain on securities carried at fair value through profit and loss	(274)	120	-	(154)
Others	(2)	474	-	472
	1,848	**800**	**46**	**2,694**

Gross deferred tax assets and liabilities are as follows:

(₹ in lakhs)

As at March 31, 2025	Assets	Liabilities	Net
Deferred tax assets / (liabilities) in relation to			
Property, plant and equipment and intangible assets	1,118	-	1,118
Provision for employee benefits	975	-	975
DTA on Lease liability	1,956	-	1,956
DTL on ROU asset	-	1,673	(1,673)
Unrealised gain on securities carried at fair value through profit and loss	-	154	(154)
Others	472	-	472
Total deferred tax assets / (liabilities)	**4,521**	**1,827**	**2,694**

Significant components of net deferrred tax assests and liabilities for the year ended March 31, 2024 consist of following:

(₹ in lakhs)

Deferred tax assets (net)	Opening balance	Recognised/ reversed through P&L	Recognised in/ reclassified from comprehensive income	Closing balance
Property, plant and equipment and intangible assets	601	245	-	846
Provision for employee benefits	1,449	(511)	16	954
Lease liabilties & ROU asset	283	41	-	324
Unrealised gain on securities carried at fair value through profit and loss	(101)	(173)	-	(274)
Others	4	(6)	-	(2)
	2,236	**(404)**	**16**	**1,848**

Notes forming part of the financial statements

Gross deferred tax assets and liabilities are as follows:

(₹ in lakhs)

As at March 31, 2024	Assets	Liabilities	Net
Deferred tax assets / (liabilities) in relation to			
Property, plant and equipment and intangible assets	846	-	846
Provision for employee benefits	954	-	954
DTA on Lease liability	(1,868)	-	(1,868)
DTL on ROU asset	2,193	-	2,193
Unrealised gain on securities carried at fair value through profit and loss	-	274	(274)
Others	(2)	-	(2)
Total deferred tax assets / (liabilities)	**2,122**	**274**	**1,848**

Contingent liabilities on direct tax matters

The Company has ongoing disputes with income tax authorities in India. The disputes relate to tax treatment of certain expenses claimed as deduction, computation or eligibility of tax incentives and allowances and characterisation of fees for services received. The Company has recognised contingent liability in respect of tax demands received from direct tax authorities in India of ₹ 243 lakhs and ₹ 319 lakhs as at March 31, 2025 and 2024, respectively. These demand orders are being contested by the Company based on the management evaluation and advise of tax consultants.

16 EARNINGS PER SHARE

Basic earnings per share are computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The Company did not have any potentially dilutive securities in any of the periods presented.

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Profit for the year (₹ lakhs)	15,936	22,718
Amount available for shareholder (₹ lakhs)	15,936	22,718
Weighted average number of shares	1,000,000	1,000,000
Earning per share basic and diluted (₹)	1,594	2,272
Face value per equity share (₹)	100	100

17 AUDITOR'S REMUNERATION

Auditor's remuneration consists of the following:

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
For services as statutory auditor	10	10
For tax audit	4	4
Re-imbursement of out-of-pocket expense	3	3
	17	**17**

Notes forming part of the financial statements

18 SEGMENT INFORMATION

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. The Group's chief operating decision maker is the Chief Executive Officer and Managing Director.

The Company has identified business segments (industry practice) as reportable segments. The business segments comprise: 1) Banking, Financial Services and Insurance 2) Others such as Retail and Consumer Business, Manufacturing, Telecom, Media and entertainment, Hi-tech.

Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment have been allocated on the basis of associated revenue of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses.

The assets and liabilities of the Company are used interchangeably amongst segments. Allocation of such assets and liabilities is not practicable and any forced allocation would not result in any meaningful segregation. Hence assets and liabilities have not been identified to any of the reportable segments.

Summarised segment information for the year ended March 31, 2025 is as follows:

Year ended March 31, 2025

(₹ in lakhs)

Particulars	Business segments		
	Banking, Financial Services and Insurance	Others	Total
Revenue	121,137	9,616	130,753
Segment result	20,331	763	21,094
Total Unallocable expenses			3,259
Operating profit			**17,835**
Other income (net)			3,869
Profit before taxes			**21,704**
Tax expense			5,768
Profit for the year			**15,935**
Depreciation and amortisation expense (unallocable)			(3,259)

Summarised segment information for the year ended March 31, 2024 is as follows:

Year ended March 31, 2024

(₹ in lakhs)

Particulars	Business segments		
	Banking, Financial Services and Insurance	Others	Total
Revenue	177,351	8,493	185,844
Segment result	32,042	900	32,942
Total Unallocable expenses			4,716
Operating profit			**28,226**
Other income (net)			2,366
Profit before taxes			**30,592**
Tax expense			7,874
Profit for the year			**22,718**
Depreciation and amortisation expense (unallocable)			(4,716)

Notes forming part of the financial statements

Geographical non-current assets (property, plant and equipment, Right-of-use assets, intangible assets, advance income tax and other non-current assets) are allocated based on the location of the assets.

(₹ in lakhs)

	As at March 31, 2025	As at March 31, 2024
Geography		
India	10,221	11,544
Americas		
North Americas	1,461	2,287
Latin America	362	791
Asia_Pacific	544	433
Total	**12,588**	**15,055**

Geographical revenue is allocated based on the locations of the customers.

Revenue disaggregation by Geography is as follows :

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Geography		
Americas		
North Americas	121,819	178,925
Others	8,934	6,919
Total	**130,753**	**185,844**

Information about major customers

Customers contributing 10% or more of Company's total revenue are as follows:

(₹ in lakhs)

	Year ended March 31, 2025	Percentage	Year ended March 31, 2024	Percentage
Customer A	22,584	17%	79,445	43%
Customer B*	17,360	13%	-	-
Customer C	14,346	11%	20,839	11%
Customer D*	13,469	10%	-	-
Customer E*	**13,892**	**11%**	**-**	**-**

* Amount was less than 10%, hence not disclosed for the year ended March 31, 2024.

19 COMMITMENTS AND CONTINGENCIES

Capital commitments

The Company has contractually committed (net of advances) ₹ 309 lakhs and ₹ 28 lakhs as at March 31, 2025 and March 31, 2024, respectively, for purchase of property, plant and equipment.

Contingencies

- **Direct tax matters**

  Refer note 15.

Notes forming part of the financial statements

20 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020. The Company and its Indian subsidiaries will assess the impact and its evaluation once the subject rules are notified. The Company and its Indian subsidiaries will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

21 RELATED PARTY TRANSACTIONS

Names of related parties and nature of relationship:

Enterprises that directly, or indirectly through one or more intermediaries, control or are under common control with the Company:

(a) Ultimate holding company

Name of the Enterprise

Tata Sons Private Limited

(b) Holding Company

Name of the Enterprise

Tata Consultancy Services Limited (TCS)

(c) Trust

Name of the Enterprise

TCS e-Serve International Ltd Employee Welfare Benefit Trust

(d) Subsidiaries and associates of ultimate holding company with whom company has transaction

Name of the Enterprise

Tata Teleservices (Maharashtra) Limited

Tata Teleservices Limited

Tata Communications Limited

Tata Communications (America) Inc.

Novamesh Limited

Supermarket Grocery Supplies Private Limited

Innovative Retail Concepts Private Limited

Indusface Private Limited

(e) Fellow Subsidiaries with whom the Company has transactions

Name of the Enterprise

Tata America International Corporation

Tata Consultancy Services de Mexico S.A. De C.V.

Tata Consultancy Services (Philippines) Inc.

TCS Switzerland Ltd.

(f) Key managerial personnel -

Mr. Ramakrishna Mohan Veeturi (Chief Executive Officer and Managing Director till 14th October 2024.)

Mr. Krishnaswamy M Gopikumar (Chief Financial Officer and Company Secretary)

Notes forming part of the financial statements

The key management personnel of the Company are on deputation from and draw remuneration (excluding living allowance) from TCS. Service charges are payable by the Company to TCS.

Transactions with related parties are as follows:

(₹ in lakhs)

Nature of transactions	Name of Related Party	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from operations	**Tata Consultancy Services Limited**	41,288	52,912
	Subsidiaries of Tata Consultancy Services Limited	307	300
	TCS Switzerland Ltd.	307	300
Reimbursement under contract	**Tata Consultancy Services Limited**	-	26,249
Purchases of goods and services (including reimbursements)	**Subsidiaries and associates of Tata Sons Private Limited**	459	515
	Tata Teleservices (Maharashtra) Limited	2	3
	Tata Teleservices Limited	4	4
	Tata Communications Limited	363	485
	Tata Communications (America) Inc.	10	23
	Novamesh Limited	78	-
	Supermarket Grocery Supplies Private Limited	2	-
	Innovative Retail Concepts Private Limited*	-	-
	Indusface Private Limited*	-	-
	Tata Consultancy Services Limited	18,337	20,096
	Subsidiary of Tata Consultancy Services Limited	432	185
	Tata America International Corporation	432	168
	Tata Consultancy Services (Philippines) Inc.	-	17
Brand equity contribution	**Tata Sons Private Limited**	233	269
	Tata Sons Private Limited	233	269
Facility expenses	**Tata Consultancy Services Limited**	2,160	2,292
	Subsidiary of Tata Consultancy Services Limited	143	45
	Tata Consultancy Services de Mexico S.A. De C.V.	65	-
	Tata Consultancy Services (Philippines) Inc.	78	45
Lease rental	**Tata Consultancy Services Limited**	1,698	1,946
	Subsidiary of Tata Consultancy Services Limited	514	509
	Tata America International Corporation	301	326
	Tata Consultancy Services (Philippines) Inc.	75	37
	Tata Consultancy Services de Mexico S.A. De C.V.	138	146
Security deposits - Premises(recovered)	**Tata Consultancy Services Limited**	10	-

Notes forming part of the financial statements

(₹ in lakhs)

Nature of transactions	Name of Related Party	Year ended March 31, 2025	Year ended March 31, 2024
Purchase of property, plant and equipment	**Tata Consultancy Services Limited**	27	138
Settlement of liabilities of the entity by related party	**Tata Consultancy Services Limited**	2,425	2,667
Transfer in of employee benefit obligations	**Tata Consultancy Services Limited**	168	38
Transfer out of employee benefit obligations	**Tata Consultancy Services Limited**	170	121

(₹ in lakhs)

Balances receivable with related parties	Name of Related Party	As at March 31, 2025	As at March 31, 2024
Trade receivables and contract assets	**Tata Consultancy Services Limited**	9,715	7,894
	Subsidiaries of Tata Consultancy Services Limited	29	16
	Tata America International Corporation	13	-
	TCS Switzerland Ltd.	26	26
	Tata Consultancy Services (Philippines) Inc.	(10)	(10)
Loans, other financial assets and other assets	**Tata Consultancy Services Limited**	336	347
	Subsidiaries of Tata Consultancy Services Limited	12	15
	Tata Consultancy Services de Mexico S.A. De C.V.	12	15
	Subsidiaries and associates of Tata Sons Private Limited		
	Tata Communications Limited	9	4
Trade payables, unearned and deferred revenue, other financial liabilities and other liabilities	**Tata Sons Private Limited, its subsidiaries and associates**	299	323
	Tata Sons Private Limited	233	269
	Tata Teleservices (Maharashtra) Limited *	-	1
	Tata Teleservices Limited	1	1
	Tata Communications Limited	56	50
	Tata Communications (America) Inc.*	-	2
	Novamesh Limited	9	-
	Supermarket Grocery Supplies Private Limited *	-	-
	Innovative Retail Concepts Private Limited *	-	
	Tata Consultancy Services Limited	7,899	18,424
	Subsidiary of Tata Consultancy Services Limited	371	573
	Tata America International Corporation	315	214
	Tata Consultancy Services de Mexico S.A. De C.V.	56	249
	Tata Consultancy Services (Philippines) Inc.	-	110
Lease liability	**Tata Consultancy Services Limited**	6,320	6,769
	Subsidiary of Tata Consultancy Services Limited	170	198
	Tata America International Corporation	-	44
	Tata Consultancy Services (Philippines) Inc.	170	154

* value is less than ₹50,000.

Notes forming part of the financial statements

Compensation to key managerial personnel *

(₹ in lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Short term benefits	46	46
	46	**46**

* The Chief Executive Officer and Chief Financial Officer, Director and Company Secretary of the Company are on deputation and draw remuneration from Tata Consultancy Services Limited. Service charges are payable by the Company to Tata Consultancy Services Limited which has been disclosed above.

22 The sitting fees and commission paid to non-executive directors is ₹ Nil and ₹ Nil lakhs as at March 31, 2025 and 2024, respectively.

23 ADDITIONAL REGULATORY INFORMATION

- **Ratios**

Ratio	Numerator	Denominator	Current Year	Previous Year	% Variance	Reason For Variance
Current ratio (in times)	Total current assets	Total current liabilities	**3.63**	1.96	83%	Ratio has improved as overall current liabilities have reduced on account of payment of trade payables.
Debt-Equity ratio (in times)	Debt consists of borrowings and lease liabilities	Total equity	**0.12**	0.18	-33%	Ratio has improved as the total equity has improved on account of profits recorded.
Debt service coverage ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non-cash operatonal expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	**8.17**	10.14	-19%	Ratio has declined/ reduced on account of decline/reduction in profits for the year in comparision to previous year.
Return on equity ratio (in %)	Profit for the year less Preference dividend (if any)	Average total equity	**28.89%**	63.24%	-54%	There is a variation in ROE as the profit for the current year has improved as compared to average total equity.
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	**3.73**	3.67	2%	NA
Trade payables turnover ratio (in times)	Cost of equipment and software licences + Other expenses	Average trade payables	**2.01**	0.78	156%	The variation in ratio is due to reduction in trade payable as compared to previous year.
Net capital turnover ratio (in times)	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	**2.94**	8.12	-64%	Ratio has improved on account of improvement in current ratio.

Notes forming part of the financial statements

Ratio	Numerator	Denominator	Current Year	Previous Year	% Variance	Reason For Variance
Net profit ratio (in %)	Profit for the year	Revenue from operations	**12.19%**	12.22%	0%	NA
Return on capital employed (in %)	Profit before tax and finance costs	Capital employed = Net worth + Lease liabilities + Deferred tax liabilities	**31.42%**	56.01%	-44%	There is a variation in ROCE as the profit for the current year has improved as compared to the increase in capital employed.
Return on investment (in %)	Income generated from invested funds	Average invested funds in treasury investments	**8.45%**	4.68%	81%	Ratio has improved as the funds invested have improved on account of higher receipts from cutomers.

24 No funds have been advanced / loaned / invested (from borrowed funds or from share premium or from any other sources / kind of funds) by the Company to any other person(s) or entity(ies), including foreign entities (Intermediaries), with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

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 (i) directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

25 SUBSEQUENT EVENTS:

The dividends declared by the Company are based on the profits available for distribution as reported in the financial statements of the Company. Subsequent to March 31, 2025, the Board of Directors of the Company have not proposed any dividend.

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's registration no. 101248W/W-100022

Rekha Shenoy
Partner
Membership number : 124219
Mumbai, May 23, 2025

For and on behalf of the Board
Ramakrishna Mohan Veeturi
CEO
Place : United States of America
May 23, 2025

R Vivekanand
Chairman and Director
Place : India
May 23, 2025

Krishnaswamy M Gopikumar
CFO and Company Secretary
Place : United Sates of America
May 23, 2025

TRIL Bengaluru
Real Estate Five Limited

FINANCIAL STATEMENTS

For the year ended
March 31, 2025

FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2025

CONTENTS **PAGE**

Independent Auditor's Report	6.2
Balance Sheet	6.10
Statement of Profit and Loss	6.11
Statement of Changes in Equity	6.12
Statement of Cash Flows	6.14
Notes forming part of Financial Statements	6.16

Back to main content

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TRIL BENGALURU REAL ESTATE FIVE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of TRIL Bengaluru Real Estate Five Limited (the "Company") which comprise the balance sheet as at 31 March 2025, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including 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 financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its loss and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Management's and Board of Directors'/Board of Trustees' Responsibilities for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matter stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   c. The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.

   d. In our opinion, the aforesaid 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 1 April 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act.

   f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(A)(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

   B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   a. The Company does not have any pending litigations which would impact its financial position.

   b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 16 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign 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.

(ii) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 16 to the financial statements, 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 Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures 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 (i) and (ii) above, contain any material misstatement.

e. The Company has neither declared nor paid any dividend during the year.

f. Based on our examination which included test checks, except for the instances mentioned below, the Company has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software:

i. The feature of recording audit trail (edit log) facility was not enabled at the database level for accounting software used for maintaining the books of account to log any direct data changes for the period from 01 April 2024 to 11 August 2024.

ii. The feature of recording audit trail (edit log) facility was not enabled at the application layer for certain fields/ tables of the accounting software used for maintaining the books of accounts for: revenue from property rental, treasury, investment property and general ledger for the period from 01 April 2024 to 14 August 2024.

Further, for the periods where audit trail (edit log) facility was enabled and operated for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

A. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the Company has not paid any remuneration to its directors during the year. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Abhinav Agrawal
Partner
Membership No.: 148481
ICAI UDIN: 25148481BMOONX8171

Place: Mumbai
Date: May 26, 2025

Annexure A to the Independent Auditor's Report on the Financial Statements of TRIL Bengaluru Real Estate Five Limited for the year ended 31 March 2025

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Investment property. The Company does not hold any Property, Plant and Equipment.

(B) The Company does not hold any intangible assets and accordingly reporting under clause (i)(a)(B) of the order is not applicable.

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Investment property by which all investment property are verified every year. In accordance with this programme, all investment property were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties disclosed in the financial statements are held in the name of the Company.

(d) The Company does not hold any Property, Plant and Equipment (including Right of Use assets) or intangible assets. Accordingly, clause 3(i)(d) of the Order is not applicable to the Company.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company is engaged in the business of development of real estate and infrastructure facilities. Accordingly, it does not hold any physical inventories. Accordingly, clause 3(ii)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the the activities undertaken by the company. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the undisputed statutory dues including Goods and Service Tax, Income-Tax or Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Income-Tax or Cess or other statutory dues were in arrears as at 31 March 2025 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Goods and Service Tax, Income-Tax or Cess or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest there on to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2025. Accordingly, clauses 3(ix)(e) and 3(ix)(f) of the Order are not applicable.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) Pursuant to circular dated July 05, 2017 notified by Ministry of Corporate Affairs (MCA), the Company is exempted from the requirements of constitution of audit committee, accordingly the requirements as stipulated by the provisions of Section 177 of the Act are not applicable to the Company. In our opinion and according to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with the related parties are in compliance with Section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) In our opinion and based on the information and explanations provided to us, the Company does not have an Internal Audit system and is not required to have an internal audit system as per Section 138 of the Act.

(b) In our opinion and based on the information and explanations provided to us, the Company does not have an internal audit system and is not required to have an internal audit system as per Section 138 of the Act. Accordingly, clause 3(xiv)(b) of the Order is not applicable.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has more than one CIC as part of the Group. The Group has five CICs which are registered with the Reserve Bank of India and one CIC which is not required to be registered with the Reserve Bank of India.

(xvii) The Company has incurred cash losses of Rs 9.93 lakhs in the current financial year and Rs 12.85 lakhs in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to 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 requirements as stipulated by the provisions of Section 135 are not applicable to the Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Abhinav Agrawal
Partner
Membership No.: 148481
ICAI UDIN: 25148481BMOONX8171

Place: Mumbai
Date: May 26, 2025

Annexure B to the Independent Auditor's Report on the Financial Statements of TRIL Bengaluru Real Estate Five Limited for the year ended 31 March 2025

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of TRIL Bengaluru Real Estate Five Limited ("the Company") as of 31 March 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to 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 (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in 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 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 financial statements based on our audit. We conducted our audit in accordance with the Guidance Note 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 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 financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Abhinav Agrawal
Partner
Membership No.: 148481
ICAI UDIN: 25148481BMOONX8171

Place: Mumbai
Date: May 26, 2025

Balance Sheet

(₹ lakh)

	Note	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
Investment property	7(a)	16,740.85	-
Investment property under construction	7(a)	400.58	16,833.99
Income tax assets (net)		-	0.08
Total non-current assets		**17,141.43**	**16,834.07**
Current assets			
Financial assets			
Cash and cash equivalents	6(a)	398.39	14.98
Other assets	7(b)	1.20	-
Total current assets		**399.59**	**14.98**
TOTAL ASSETS		**17,541.02**	**16,849.05**
EQUITY AND LIABILITIES			
Equity			
Share capital	6(h)	175.65	175.65
Instruments entirely equity in nature	6(i)	16,489.08	16,489.08
Other equity	8	(22.78)	(12.85)
Total equity		**16,641.95**	**16,651.88**
Liabilities			
Current liabilities			
Financial liabilities			
Borrowings	6(c)	505.55	5.35
Trade payables			
Dues of small enterprises and micro enterprises	6(d)	-	-
Dues of creditors other than small enterprises and micro enterprises	6(d)	9.84	7.62
Other financial liabilities	6(e)	383.23	184.20
Other liabilities	7(c)	0.45	-
Total current liabilities		**899.07**	**197.17**
TOTAL EQUITY AND LIABILITIES		**17,541.02**	**16,849.05**

NOTES FORMING PART OF FINANCIAL STATEMENTS

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration no: 101248W/W-100022

Abhinav Agrawal
Partner
Membership No: 148481

Mumbai, May 26, 2025

For and on behalf of the Board

Lakshminarayanan GS
Director
DIN: 07982712

Mumbai, May 26, 2025

Sridhar Venkataraman
Director
DIN: 10912093

Statement of Profit and Loss

(₹ lakh)

	Note	Year ended March 31, 2025	For the period from June 30, 2023 to March 31, 2024
Revenue from operations		-	-
Other income	9	-	0.84
TOTAL INCOME		**-**	**0.84**
Expenses			
Other expenses	10	9.93	13.69
TOTAL EXPENSES		**9.93**	**13.69**
PROFIT / (LOSS) BEFORE TAX		**(9.93)**	**(12.85)**
Tax expense			
Current tax		-	-
Deferred tax		-	-
TOTAL TAX EXPENSE		**-**	**-**
PROFIT / (LOSS) FOR THE PERIOD		**(9.93)**	**(12.85)**
TOTAL OTHER COMPREHENSIVE INCOME / (LOSSES)		**-**	**-**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**(9.93)**	**(12.85)**
Basic earnings per share (₹)	12	(0.57)	(0.97)
Diluted earnings per share (₹)	12	(0.57)	(0.97)

NOTES FORMING PART OF FINANCIAL STATEMENTS

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration no: 101248W/W-100022

Abhinav Agrawal
Partner
Membership No: 148481

Mumbai, May 26, 2025

For and on behalf of the Board

Lakshminarayanan GS
Director
DIN: 07982712

Mumbai, May 26, 2025

Sridhar Venkataraman
Director
DIN: 10912093

Statement of Changes in Equity

A. EQUITY SHARE CAPITAL

(₹ lakh)

Balance as at April 1, 2024	Changes in equity share capital due to prior period errors	Restated balance as at April 1, 2024	Changes in equity share capital during the year	Balance as at March 31, 2025
175.65	-	175.65	-	**175.65**

(₹ lakh)

Balance as at June 30, 2023	Changes in equity share capital due to prior period errors	Restated balance as at June 30, 2023	Changes in equity share capital during the period	Balance as at March 31, 2024
-	-	-	175.65	**175.65**

B. INSTRUMENTS ENTIRELY EQUITY IN NATURE

Optionally redeemable convertible debentures

(₹ lakh)

Balance as at April 1, 2024	Changes in equity share capital due to prior period errors	Restated balance as at April 1, 2024	Changes in equity share capital during the year	Balance as at March 31, 2025
16,489.08	-	16,489.08	-	**16,489.08**

(₹ lakh)

Balance as at June 30, 2023	Changes in equity share capital due to prior period errors	Restated balance as at June 30, 2023	Changes in equity share capital during the period	Balance as at March 31, 2024
-	-	-	16,489.08	**16,489.08**

C. OTHER EQUITY

(₹ lakh)

	Retained earnings	Total equity
Balance as at April 1, 2024	**(12.85)**	**(12.85)**
Profit for the year	(9.93)	(9.93)
Other comprehensive income / (losses)	-	-
Total comprehensive income	**(9.93)**	**(9.93)**
Balance as at March 31, 2025	**(22.78)**	**(22.78)**
Balance as at June 30, 2023	**-**	**-**
Profit for the period	(12.85)	(12.85)
Other comprehensive income / (losses)	-	-
Total comprehensive income	**(12.85)**	**(12.85)**
Balance as at March 31, 2024	**(12.85)**	**(12.85)**

Back to content

Nature and purpose of reserves

Retained earnings

This reserve represents undistributed accumulated earnings of the Company as on the balance sheet date.

NOTES FORMING PART OF FINANCIAL STATEMENTS

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's registration no: 101248W/W-100022

Abhinav Agrawal
Partner
Membership No: 148481

Mumbai, May 26, 2025

For and on behalf of the Board

Lakshminarayanan GS
Director
DIN: 07982712

Mumbai, May 26, 2025

Sridhar Venkataraman
Director
DIN: 10912093

Statement of Cash Flows

(₹ lakh)

	Year ended March 31, 2025	For the period from June 30, 2023 to March 31, 2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (Loss) for the period	(9.93)	(12.85)
Adjustments for:		
Interest income	-	(0.84)
Operating profit before working capital changes	**(9.93)**	**(13.69)**
Net change in		
Other assets	(1.20)	-
Trade payables	1.57	7.62
Other liabilities	(0.19)	-
Cash flows generated from operations	**(9.75)**	**(6.07)**
Taxes paid (net of refunds)	0.08	(0.08)
Net cash flows used in operating activities	**(9.67)**	**(6.15)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for investment property under construction	(101.74)	(16,649.44)
Interest received	-	0.84
Net cash flows used in investing activities	**(101.74)**	**(16,648.60)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of short-term borrowings	615.00	5.00
Repayment of short-term borrowings	(120.18)	-
Issue of shares	-	175.65
Issue of optionally redeemable convertible debentures	-	16,489.08
Net cash flows generated from financing activities	**494.82**	**16,669.73**
Net change in cash and cash equivalents	**383.41**	**14.98**
Cash and cash equivalents at the beginning of the period	14.98	-
Cash and cash equivalents at the end of the period	**398.39**	**14.98**
Components of cash and cash equivalents		
Balances with banks		
In current accounts	398.39	14.98
	398.39	**14.98**

Reconciliation of changes in liabilities arising from financing activities:

(₹ lakh)

Particulars	Balance as at April 1, 2024	Financing cash flows	Non-cash changes	Balance as at March 31, 2025
Borrowings	**5.35**	494.82	5.38	**505.55**

(₹ lakh)

Particulars	Balance as at June 30, 2023	Financing cash flows	Non-cash changes	Balance as at March 31, 2024
Borrowings	**-**	5.00	0.35	**5.35**

NOTES FORMING PART OF FINANCIAL STATEMENTS

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's registration no: 101248W/W-100022

Abhinav Agrawal
Partner
Membership No: 148481

Mumbai, May 26, 2025

For and on behalf of the Board

Lakshminarayanan GS
Director
DIN: 07982712

Sridhar Venkataraman
Director
DIN: 10912093

Mumbai, May 26, 2025

Notes forming part of financial statements

1) Corporate information

TRIL Bengaluru Real Estate Five Limited (referred to as "the Company") carries on the business of development of real estate and infrastructure facilities.

The Company is a public limited company incorporated and domiciled in India and has its registered office at Bengaluru, Karnataka.

Pursuant to the share purchase and securities purchase agreement ('SSPA') executed on January 29, 2025 between Tata Consultancy Services Limited (TCS), Tata Realty and Infrastructure Limited (TRIL), TRIL Bengaluru Real Estate Five Limited (TBRF) and TRIL Bengaluru Real Estate Six Limited (TBRS), TCS has become the holding company. Prior to the execution of SSPA, i.e. upto January 29, 2025, TRIL was the holding company. TRIL and TCS are subsidiaries of Tata Sons Private Limited, the ultimate holding Company.

2) Statement of compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

3) Basis of preparation

These financial statements have been prepared on historical cost basis except for certain financial instruments which are measured at fair value or amortised cost at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for 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. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company's normal operating cycle is 12 months.

The statement of cash flows has been prepared under indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value to be cash equivalents.

These financial statements have been prepared in Indian Rupee (₹) which is the functional currency of the Company. Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are retranslated at the exchange rate prevailing on the balance sheet dates and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

The material accounting policy information related to preparation of the financial statements have been discussed in the respective notes.

4) Use of estimates and judgements

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management of the Company to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of financial statements and the reported amounts of income and expenses for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

5) Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions,

Notes forming part of financial statements

applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

6) Financial assets, financial liabilities and equity instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and 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 measured on initial recognition of financial asset or financial liability.

The Company derecognises a financial asset only 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 entity. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

Cash and cash equivalents

The Company considers all highly liquid investments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value, to be cash equivalents. Cash and cash equivalents consist of balances with banks and which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received net of direct issue cost.

(a) Cash and cash equivalents

Cash and cash equivalents consist of the following:

(₹ lakh)

	As at March 31, 2025	As at March 31, 2024
Balances with banks		
In current accounts	398.39	14.98
	398.39	**14.98**

Notes forming part of financial statements

(b) Dues of small enterprises and micro enterprises

The disclosure pursuant to the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act) for dues to micro enterprises and small enterprises as at March 31, 2025 and 2024 is as under:

(₹ lakh)

	As at March 31, 2025	As at March 31, 2024
Dues remaining unpaid to any supplier		
Principal	-	-
Interest on the above	-	-
Amount of interest paid in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting period	-	-
Amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
Amount of interest accrued and remaining unpaid	-	-
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 MSMED Act, 2006	-	-

(c) Borrowings

Borrowings consist of the following:

(₹ lakh)

	As at March 31, 2025	As at March 31, 2024
Inter-corporate deposits	505.55	5.35
	505.55	**5.35**

Inter-corporate deposits (repayable on demand) as at March 31, 2025 and 2024 comprise deposits received from the related parties carrying an interest rate of 8.50% p.a. and 10.00% p.a. respectively.

Notes forming part of financial statements

(d) Trade payables

Ageing for trade payables outstanding as at March 31, 2025 is as follows:

(₹ lakh)

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Trade payables						
MSME*	-	-	-	-	-	-
Others	-	-	-	-	-	-
Disputed dues - MSME*	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
	-	**-**	**-**	**-**	**-**	**-**
Accrued expenses						**9.84**
						9.84

*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006.

Ageing for trade payables outstanding as at March 31, 2024 is as follows:

(₹ lakh)

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Trade payables						
MSME*	-	-	-	-	-	-
Others	7.62	-	-	-	-	7.62
Disputed dues - MSME*	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
	7.62	**-**	**-**	**-**	**-**	**7.62**
Accrued expenses						**-**
						7.62

*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006.

(e) Other financial liabilities

Other financial liabilities consist of the following:

Other financial liabilities – Current

(₹ lakh)

	As at March 31, 2025	As at March 31, 2024
Capital creditors	383.23	184.20
	383.23	**184.20**

Notes forming part of financial statements

(f) Financial instruments by category

The carrying value of financial instruments by categories as at March 31, 2025 is as follows:

(₹ lakh)

	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total carrying value
Financial assets				
Cash and cash equivalents	-	-	398.39	398.39
Other financial assets	-	-	-	-
	-	-	**398.39**	**398.39**
Financial liabilities				
Borrowings	-	-	505.55	505.55
Trade payables	-	-	9.84	9.84
Other financial liabilities	-	-	383.23	383.23
	-	-	**898.62**	**898.62**

The carrying value of financial instruments by categories as at March 31, 2024 is as follows:

(₹ lakh)

	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total carrying value
Financial assets				
Cash and cash equivalents	-	-	14.98	14.98
Other financial assets	-	-	-	-
	-	-	**14.98**	**14.98**
Financial liabilities				
Borrowings	-	-	5.35	5.35
Trade payables	-	-	7.62	7.62
Other financial liabilities	-	-	184.20	184.20
	-	-	**197.17**	**197.17**

Carrying amounts of cash and cash equivalents and trade payables as at March 31, 2025 and 2024, approximate the fair value due to their nature. Carrying amounts of other financial assets and other financial liabilities which are subsequently measured at amortised cost also approximate the fair value due to their nature in each of the periods presented.

(g) Financial risk management

The Company may be exposed to fluctuations in foreign currency exchange rates, credit, liquidity and interest rate risks, which may adversely impact the fair value of its financial instruments.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company is not exposed to any significant market risk.

Notes forming part of financial statements

- **Foreign currency exchange rate risk**

  The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit and loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the Company. Foreign exchange exposure mainly arises from trade payables denominated in foreign currencies.

- **Interest rate risk**

  Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to any significant interest rate risk.

Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Currently the company does not have any customers, so there is no credit risk.

Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The tables below provide details regarding the contractual maturities of significant financial liabilities as at:

(₹ lakh)

March 31, 2025	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5th year	Total
Financial liabilities					
Borrowings	505.55	-	-	-	505.55
Trade payables	9.84	-	-	-	9.84
Other financial liabilities	383.23	-	-	-	383.23
	898.62	**-**	**-**	**-**	**898.62**

(₹ lakh)

March 31, 2024	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5th year	Total
Financial liabilities					
Borrowings	5.35	-	-	-	5.35
Trade payables	7.62	-	-	-	7.62
Other financial liabilities	184.20	-	-	-	184.20
	197.17	**-**	**-**	**-**	**197.17**

Notes forming part of financial statements

(h) Equity instruments

The authorised, issued, subscribed and fully paid up share capital consist of the following:

(₹ lakh)

	As at March 31, 2025	As at March 31, 2024
Authorised		
20,00,000 equity shares of ₹10 each	200.00	200.00
(March 31, 2024: 20,00,000 equity shares of ₹10 each)		
	200.00	**200.00**
Issued, Subscribed and Fully paid up		
17,56,500 equity shares of ₹10 each	175.65	175.65
(March 31, 2024: 17,56,500 equity shares of ₹10 each)		
	175.65	**175.65**

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans.

I. Reconciliation of number of shares

(₹ lakh)

	Year ended March 31, 2025		For the period from June 30, 2023 to March 31, 2024	
	Number of shares	Amount (₹ lakh)	Number of shares	Amount (₹ lakh)
Equity shares				
Opening balance	**17,56,500**	**175.65**	**-**	**-**
Issued during the period	-	-	17,56,500	175.65
Closing balance	**17,56,500**	**175.65**	**17,56,500**	**175.65**

II. Rights, preferences and restrictions attached to shares

The Company has one class of equity shares having a par value of ₹10 each. Each shareholder is eligible for one vote per share held and carry a right to dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

III. Shares held by Holding Company, its Subsidiaries and Associates

(₹ lakh)

	As at March 31, 2025	As at March 31, 2024
Equity shares		
11,41,725 equity shares (March 31, 2024: NIL equity shares) are held by Tata Consultancy Services Limited	114.17	-
6,14,775 equity shares (March 31, 2024: 17,56,500 equity shares) are held by Tata Realty and Infrastructure Limited*	61.48	175.65
	175.65	**175.65**

*Includes 6 shares of ₹10 each held jointly with certain nominees.

Notes forming part of financial statements

IV. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

(₹ lakh)

	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Holding	Number of shares	Holding
Equity shares				
Tata Consultancy Services Limited, the holding company	11,41,725	65.00%	-	0.00%
Tata Realty and Infrastructure Limited*	6,14,775	35.00%	17,56,500	100.00%

*Includes 6 shares of ₹10 each held jointly with certain nominees.

V. Equity shares movement during five years preceding March 31, 2025

The Company allotted 17,56,500 fully paid-up shares of face value ₹10 each during the year ended March 31, 2024 pursuant to the approval by the Board of Directors.

VI. Disclosure of shareholding of promoters

Disclosure of shareholding of promoters as at March 31, 2025 is as follows:

(₹ lakh)

Promoter name	Shares held by promoters				% Change during the year
	As at March 31, 2025		As at March 31, 2024		
	Number of shares	% of total shares	Number of shares	% of total shares	
Tata Consultancy Services Limited	11,41,725	65.00%	-	0.00%	65.00%
Tata Realty and Infrastructure Limited*	6,14,775	35.00%	17,56,500	100.00%	(65.00)%
Total	**17,56,500**	**100.00%**	**17,56,500**	**100.00%**	**-**

*Includes 6 shares of ₹10 each held jointly with certain nominees.

(i) Instruments entirely equity in nature

I. Reconciliation of number of optionally redeemable convertible debentures

(₹ lakh)

	Year ended March 31, 2025		For the period from June 30, 2023 to March 31, 2024	
	Number of optionally redeemable convertible debentures	Amount (₹ lakh)	Number of optionally redeemable convertible debentures	Amount (₹ lakh)
Optionally redeemable convertible debentures				
Opening balance	**16,48,90,800**	**16,489.08**	**-**	**-**
Issued during the period	-	-	16,48,90,800	16,489.08
Closing balance	**16,48,90,800**	**16,489.08**	**16,48,90,800**	**16,489.08**

Notes forming part of financial statements

Terms of conversion / redemption of issue of Series I: Optionally Redeemable Convertible Debentures

(i) March 31, 2025: 87,81,900 (March 31, 2024: 87,81,900) Unsecured, Unlisted, Transferable, Rupee-Denominated, Optionally Redeemable Convertible Debentures (ORCDs) are issued on private placement basis bearing a face value of ₹10 each. The duration of the ORCDs shall be for a period of 10 years from the date of allotment i.e. upto August 3, 2033 and the offer was made to Tata Realty and Infrastructure Limited, erstwhile Holding Company (Subscriber) which subscribed the issue. The rate of interest for the first 3 years shall be 0.01% p.a. on the face value and for years 4-5, the Issuer and the Subscriber shall mutually agree on the interest rate considering: (i) the financial position of the Issuer; and (ii) the appropriate spread over the fixed deposit interest rate with the State Bank of India for 36-month tenure. Interest shall accrue, due and payable subject to the availability of "Distributable Cashflows".

(ii) Voting Rights: The ORCD holders shall not be entitled to any voting rights except as set out under the Companies Act 2013 (if any).

(iii) Conversion terms: At any time from the date of issuance but before the maturity date, the Subscriber shall have a right to convert the ORCDs into equity shares converted at the conversion ratio. Conversion price shall mean the fair value of equity share of the Issuer at the time of issuance of the ORCD. The fair value of equity shares at the time of issuance is ₹10 per share. Therefore, the conversion ratio is 1 equity share for every 1 ORCD.

(iv) Interest accrued / due, if any would be paid before conversion of debentures.

Terms of conversion / redemption of issue of Series II: Optionally Redeemable Convertible Debentures

(i) March 31, 2025: 15,61,08,900 (March 31, 2024: 15,61,08,900) Unsecured, Unlisted, Transferable, Rupee-Denominated, Optionally Redeemable Convertible Debentures (ORCDs) are issued on private placement basis bearing a face value of ₹10 each. The duration of the ORCDs shall be for a period of 10 years from the date of allotment i.e. upto August 6, 2033 and the offer is made to Tata Realty and Infrastructure Limited, erstwhile Holding Company (Subscriber) which has subscribed the issue. The rate of interest for the first 3 years shall be 0.01% p.a. on the face value and for years 4-5, the Issuer and the Subscriber shall mutually agree on the interest rate considering: (i) the financial position of the Issuer; and (ii) the appropriate spread over the fixed deposit interest rate with the State Bank of India for 36-month tenure. Interest shall accrue, due and payable subject to the availability of "Distributable Cashflows".

(ii) Voting Rights: The ORCD holders shall not be entitled to any voting rights except as set out under the Companies Act 2013 (if any).

(iii) Coversion terms : At any time from the date of issuance but before the Maturity Date, the Subscriber shall have a right to convert the ORCDs into equity shares converted at the conversion ratio. Conversion price shall mean the fair value of equity share of the Issuer at the time of issuance of the ORCD. The fair value of equity shares at the time of issuance is ₹10 per share. Therefore, the conversion ratio is 1 equity share for every 1 ORCD.

(iv) Interest accrued / due, if any would be paid before conversion of debentures.

Pursuant to the Share Purchase and Securities Purchase Agreement (SSPA) executed between Tata Consultancy Services Limited (TCS), Tata Realty and Infrastructure Limited (TRIL), TRIL Bengaluru Real Estate Five Limited and TRIL Bengaluru Real Estate Six Limited, 65% of ORCDs held by TRIL have been transferred to TCS.

7) Non-financial assets and non-financial liabilities

(a) Investment property and investment property under construction

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any. Any gain or loss on disposal of an investment property is recognised in statement of profit and loss.

Notes forming part of financial statements

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment property

Investment property consists of the following:

(₹ lakh)

	Freehold land	Total
Cost as at April 1, 2024	**-**	**-**
Additions	16,740.85	16,740.85
Cost as at March 31, 2025	**16,740.85**	**16,740.85**
Accumulated depreciation as at April 1, 2024	**-**	**-**
Depreciation	-	-
Accumulated depreciation as at March 31, 2025	**-**	**-**
Net carrying amount as at March 31, 2025	**16,740.85**	**16,740.85**

(₹ lakh)

	Freehold land	Total
Cost as at June 30, 2023	**-**	**-**
Additions	-	-
Cost as at March 31, 2024	**-**	**-**
Accumulated depreciation as at June 30, 2023	**-**	**-**
Depreciation	-	-
Accumulated depreciation as at March 31, 2024	**-**	**-**
Net carrying amount as at March 31, 2024	**-**	**-**

During the year ended March 31, 2025, freehold land was transferred to investment property.

Investment property under construction

Property that is being constructed for future use as investment property is accounted for as investment property under construction until construction or development is complete. Direct expenses like site labour cost, material used in project construction, project management consultancy, costs for moving the plant and machinery to the site and general expenses incurred specifically for the respective project like salary costs, insurance, design and technical assistance, borrowing costs and construction overheads are taken as the cost of the project.

An item of investment property is derecognized upon disposal or when no future economic benefits are expected from its use. Profits and losses on disposals of items of investment property are determined by comparing the proceeds from their disposals with their respective carrying amounts, and are recognised in the statement of profit and loss.

Notes forming part of financial statements

Investment property under construction consists of the following:

(₹ lakh)

	Cost as at March 31, 2024	Movement during the year	Cost as at March 31, 2025
Freehold land	**16,641.20**	(16,641.20)	**-**
Rates and taxes	**2.28**	1.31	**3.59**
Professional and technical fees	**172.99**	166.12	**339.11**
Finance costs	**3.43**	27.66	**31.09**
Other operating expenses	**14.09**	12.70	**26.79**
Total	**16,833.99**	**(16,433.41)**	**400.58**

(₹ lakh)

	Cost as at June 30, 2023	Movement during the period	Cost as at March 31, 2024
Freehold land	**-**	16,641.20	**16,641.20**
Rates and taxes	**-**	2.28	**2.28**
Professional and technical fees	**-**	172.99	**172.99**
Finance costs	**-**	3.43	**3.43**
Other operating expenses	**-**	14.09	**14.09**
Total	**-**	**16,833.99**	**16,833.99**

- **Investment property under construction ageing**

Ageing for investment property under construction as at March 31, 2025 is as follows:

(₹ lakh)

Investment property under construction	Amount in investment property under construction for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	307.44	93.14	-	-	**400.58**

Ageing for investment property under construction as at March 31, 2024 is as follows:

(₹ lakh)

Investment property under construction	Amount in investment property under construction for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	16,833.99	-	-	-	**16,833.99**

Project execution plans are being modulated basis capacity requirement assessment.

- **Measurement of fair values**

Fair value hierarchy

As at March 31, 2025, the fair values of the investment property and investment property under construction is ₹ 25,723.75 lakh which has been arrived on the basis of a valuation carried out by an external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued and is a registered valuer as defined under Rule 2 of Companies (Registered Valuers & Valuation) Rules, 2017. The fair value measurement for all of the investment property has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

Back to content

Notes forming part of financial statements

The Company acquired the land from an independent third party during the year ended March 31, 2024 and therefore the fair value as at March 31, 2024 has been considered as amount spent by the Company.

Valuation technique

The Company follows discounted cash flows technique which considers the present value of net cash flows to be generated from the property taking into account the expected rental growth rate, vacant period, occupancy rate, lease incentive costs such as rent-free periods and other costs not paid by tenants. The expected net cash flows are discounted using risk-adjusted discount rates. Among other factors, the discount rate estimation considers the quality of a building and its location, tenant credit quality and lease terms.

Valuation assumptions and sensitivity analysis table

The Capitalisation method is used for real estate appraisals. Under this method, the value of the established commercial asset is based on the expected Net Operating Income (NOI) from steady lease rental income.

Significant unobservable inputs used in valuation	Inter-relationship
Estimated lease rent	Estimated fair value would increase (decrease) if expected lease rent were higher (lower)
Rent growth p.a.	Estimated fair value would increase (decrease) if expected lease escalation were higher (lower)
Occupancy	Estimated fair value would decrease if occupancy is lower
Capitalisation rate	Estimated fair value would increase (decrease) if expected capitalisation rate were lower (higher)
Discount rate	Estimated fair value

- **Reconciliation of fair value**

Reconciliation of fair value measurement of investment property and investment property under consideration is as follows:

(₹ lakh)

	Year ended March 31, 2025	For the period from June 30, 2023 to March 31, 2024
Balance at the beginning of the period	**16,833.99**	**-**
Additions during the period	307.44	16,833.99
Increase in fair value	8,582.32	-
Balance at the end of the period	**25,723.75**	**16,833.99**

(b) Other assets

Other assets consist of the following:

Other assets – Current

(₹ lakh)

	As at March 31, 2025	As at March 31, 2024
Considered good		
Indirect taxes recoverable	1.20	-
	1.20	**-**

Notes forming part of financial statements

(c) Other liabilities

Other liabilities consist of the following:

Other liabilities – Current

(₹ lakh)

	As at March 31, 2025	As at March 31, 2024
Indirect taxes payable and other statutory liabilities	0.45	-
	0.45	**-**

8) Other equity

Other equity consist of the following:

(₹ lakh)

	As at March 31, 2025	As at March 31, 2024
Retained earnings		
Opening balance	**(12.85)**	**-**
Profit / (Loss) for the period	(9.93)	(12.85)
	(22.78)	**(12.85)**

9) Other income

Other income consist of the following:

(₹ lakh)

	Year ended March 31, 2025	For the period from June 30, 2023 to March 31, 2024
Interest income	-	0.84
	-	**0.84**
Interest income comprise:		
Interest on bank balances and bank deposits	-	0.84

10) Cost recognition

Costs and expenses are recognised when incurred and have been classified according to their nature.

Other expenses

Other expenses consist of the following:

(₹ lakh)

	Year ended March 31, 2025	For the period from June 30, 2023 to March 31, 2024
Rates and taxes	-	3.80
Site expenses	-	2.00
Audit fees	8.62	6.90
Business promotion expenses	-	0.99
Legal and professional fees	0.92	-
Miscellaneous expenses	0.39	-
	9.93	**13.69**

Back to content

Notes forming part of financial statements

11) Income taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current income taxes

The current income tax expense includes income taxes payable by the Company in India.

The Company has recognised income tax expenses applying the provisions under section 115BAA of the Income-tax Act, 1961.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying unit intends to settle the asset and liability on a net basis.

Deferred income taxes

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination, affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

The Company is in development stage and does not generate any taxable profit and therefore deferred tax assets have not been recognised on tax losses.

Due to change in majority shareholding, tax loss incurred till the date of acquisition shall not be carried forward by the Company and therefore, deferred tax assets have not been recognised on tax losses.

12) Earnings per share

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares and optionally redeemable convertible debentures outstanding during the period.

Notes forming part of financial statements

(₹ lakh)

	Year ended March 31, 2025	For the period from June 30, 2023 to March 31, 2024
Profit / (Loss) for the period (₹ lakh)	(9.93)	(12.85)
Weighted average number of equity shares for basic earnings per share	17,56,500	13,23,390
Basic earnings per share (₹)	(0.57)	(0.97)
Weighted average number of equity shares and optionally redeemable convertible debentures for diluted earnings per share	16,66,47,300	10,89,13,407
Diluted earnings per share (₹)*	(0.57)	(0.97)
Face value per equity share (₹)	10	10

* Anti-dilutive - hence not considered

13) Auditor's remuneration

Auditor's remuneration consists of the following:

(₹ lakh)

	Year ended March 31, 2025	For the period from June 30, 2023 to March 31, 2024
Auditor	6.00	6.90
For other services	2.62	-

14) Segment information

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. The Board, being the chief operating decision maker for the Company, assesses the financial performance and position of the Company and makes strategic decisions. The Company is operating in the real estate and infrastructure industry. The Company has only one operating segment, which is development of real estate and infrastructure facilities. All assets of the Company are domiciled in India and the Company has no revenue.

15) Related party transactions

The Company's principal related parties consist of its ultimate holding company Tata Sons Private Limited, its holding company Tata Consultancy Services Limited and its subsidiaries, its own subsidiaries, affiliates and key managerial personnel. The Company's material related party transactions and outstanding balances are with related parties with whom the Company routinely enter into transactions in the ordinary course of business.

Notes forming part of financial statements

Transactions with related parties are as follows:

(₹ lakh)

	Year ended March 31, 2025	For the period from June 30, 2023 to March 31, 2024
Short-term borrowings taken		
Tata Consultancy Services Limited	500.00	-
Tata Realty and Infrastructure Limited	115.00	-
TRIL IT4 Private Limited	-	5.00
Issue of equity shares		
Tata Realty and Infrastructure Limited	-	175.65
Issue of optionally redeemable convertible debentures		
Tata Realty and Infrastructure Limited	-	16,489.08
Short-term borrowings repaid		
Tata Realty and Infrastructure Limited	115.18	-
TRIL IT4 Private Limited	5.00	-
Expense reimbursements		
TRIL Bengaluru Real Estate Six Limited	199.03	184.20
Legal and professional fees		
Tata Sons Private Limited	0.20	-
Finance costs (capitalised)		
Tata Consultancy Services Limited	6.17	-
Tata Realty and Infrastructure Limited	0.55	-
TRIL IT4 Private Limited	0.37	0.35

Balances with related parties are as follows:

(₹ lakh)

	As at March 31, 2025	As at March 31, 2024
Borrowings		
Tata Consultancy Services Limited	505.55	-
TRIL IT4 Private Limited	-	5.35
Trade payables		
Tata Sons Private Limited	0.10	-
Other financial liabilities		
TRIL Bengaluru Real Estate Six Limited	383.23	184.20

16) No funds have been advanced / loaned / invested (from borrowed funds or from share premium or from any other sources / kind of funds) by the Company to any other person(s) or entity(ies), including foreign entities (Intermediaries), with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

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 (i) directly or indirectly, lend

Notes forming part of financial statements

or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

17) Additional Regulatory Information

- **Ratios**

Ratio	Numerator	Denominator	Current period	Previous period	% variance	Reason for variance
Current ratio (in times)	Total current assets	Total current liabilities	0.44	0.08	456%	On account of inter-corporate deposits placed
Debt-Equity ratio (in times)	Debt consists of borrowings	Total equity	0.03	0.00	9355%	On account of inter-corporate deposits placed
Return on equity ratio (in %)	Profit for the period less Preference dividend (if any)	Average total equity	(0.06)%	(0.08)%	(23)%	-
Trade payables turnover ratio (in times)	Other expenses	Average trade payables	1.1	1.8	(37)%	On account of increase in trade payables
Return on capital employed (in %)	Profit before tax and finance costs	Capital employed = Net worth	(0.06)%	(0.08)%	(23)%	-

18) Comparative period

The financial statements for the previous period is for a period from June 30, 2023 to March 31, 2024 and hence not comparable with the current year.

19) Subsequent event

Pursuant to the Share Purchase and Securities Purchase Agreement (SSPA) executed between the TCS, TRIL, TBRF and TBRS, the transfer of remaining 35% of Securities held by TRIL to TCS in the second tranche has been completed on April 30, 2025.

NOTES FORMING PART OF FINANCIAL STATEMENTS

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration no: 101248W/W-100022

Abhinav Agrawal
Partner
Membership No: 148481

Mumbai, May 26, 2025

For and on behalf of the Board

Lakshminarayanan GS
Director
DIN: 07982712

Mumbai, May 26, 2025

Sridhar Venkataraman
Director
DIN: 10912093

TRIL Bengaluru
Real Estate Six Limited

FINANCIAL STATEMENTS

For the year ended
March 31, 2025

FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2025

CONTENTS **PAGE**

Independent Auditor's Report	7.2
Balance Sheet	7.10
Statement of Profit and Loss	7.11
Statement of Changes in Equity	7.12
Statement of Cash Flows	7.14
Notes forming part of Financial Statements	7.16

Back to main content

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF TRIL BENGALURU REAL ESTATE SIX LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of TRIL Bengaluru Real Estate Six Limited (the "Company") which comprise the balance sheet as at 31 March 2025, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including 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 financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its loss and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Management's and Board of Directors'/Board of Trustees' Responsibilities for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to

provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matter stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

c. The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid 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 1 April 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act.

f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(A)(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a. The Company does not have any pending litigations which would impact its financial position.

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 16 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign 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.

(ii) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 16 to the financial statements, 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 Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures 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 (i) and (ii) above, contain any material misstatement.

e. The Company [has/have] neither declared nor paid any dividend during the year.

f. Based on our examination which included test checks, except for the instances mentioned below, the Company has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software:

i. The feature of recording audit trail (edit log) facility was not enabled at the database level foraccounting software used for maintaining the books of account to log any direct data changes for the period from 01 April 2024 to 11 August 2024.

ii. The feature of recording audit trail (edit log) facility was not enabled at the application layer for certain fields/ tables of the accounting software used for maintaining the books of accounts for: revenue from property rental, treasury, investment property and general ledger for the period from 01 April 2024 to 14 August 2024.

Further, for the periods where audit trail (edit log) facility was enabled and operated for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

A. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the Company has not paid any remuneration to its directors during the year. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Abhinav Agrawal
Partner

Place:Mumbai
Date: May 26, 2025

Mumbai Membership No.: 148481
ICAI UDIN: 25148481BMOONW5462

Annexure A to the Independent Auditor's Report on the Financial Statements of TRIL Bengaluru Real Estate Six Limited for the year ended 31 March 2025

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Investment property. The Company does not hold any Property, Plant and Equipment.

(B) The Company does not hold any intangible assets and accordingly reporting under clause (i)(a)(B) of the order is not applicable.

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Investment property by which all investment property are verified every year. In accordance with this programme, all investment property were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties disclosed in the financial statements are held in the name of the Company.

(d) The Company does not hold any Property, Plant and Equipment (including Right of Use assets) or intangible assets. Accordingly, clause 3(i)(d) of the Order is not applicable to the Company.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company is engaged in the business of development of real estate and infrastructer facilities. Accordingly, it does not hold any physical inventories. Accordingly, clause 3(ii)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the products manufactured by it (and/or services provided by it). Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the undisputed statutory dues including Goods and Service Tax, Income-Tax or Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Income-Tax, or Cess or other statutory dues were in arrears as at 31 March 2025 for a period of more than six months from the date they became payable.

Back to content

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2025. Accordingly, clauses 3(ix)(e) and 3(ix)(f) of the Order are not applicable.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) Pursuant to circular dated July 05, 2017 notified by Ministry of Corporate Affairs (MCA), the Company is exempted from the requirements of constitution of audit committee, accordingly the requirements as stipulated by the provisions of Section 177 of the Act are not applicable to the Company. In our opinion and according to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with the related parties are in compliance with Section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) In our opinion and based on the information and explanations provided to us, the Company does not have an Internal Audit system and is not required to have an internal audit system as per Section 138 of the Act.

(b) In our opinion and based on the information and explanations provided to us, the Company does not have an internal audit system and is not required to have an internal audit system as per Section 138 of the Act. Accordingly, clause 3(xiv)(b) of the Order is not applicable.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has more than one CIC as part of the Group. The Group has five CICs which are registered with the Reserve Bank of India and one CIC which is not required to be registered with the Reserve Bank of India.

(xvii) The Company has incurred cash losses of ₹ 32.79 lakhs in the current financial year and ₹ 60.04 lakhs in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to 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 requirements as stipulated by the provisions of Section 135 are not applicable to the Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Abhinav Agrawal
Partner

Place:Mumbai
Date: May 26, 2025

Mumbai Membership No.: 148481
ICAI UDIN: 25148481BMOONW5462

Annexure B to the Independent Auditor's Report on the Financial Statements of TRIL Bengaluru Real Estate Six Limited for the year ended 31 March 2025

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of TRIL Bengaluru Real Estate Six Limited ("the Company") as of 31 March 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to 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 (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in 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 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 financial statements based on our audit. We conducted our audit in accordance with the Guidance Note 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 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 financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Abhinav Agrawal
Partner

Place:Mumbai
Date: May 26, 2025

Mumbai Membership No.: 148481
ICAI UDIN: 25148481BMOONW5462

Balance Sheet

(₹ lakh)

	Note	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
Investment property	7(a)	89,011.13	-
Investment property under construction	7(a)	2,100.93	89,475.40
Income tax assets (net)		-	0.68
Total non-current assets		**91,112.06**	**89,476.08**
Current assets			
Financial assets			
Cash and cash equivalents	6(a)	394.18	25.25
Other financial assets	6(b)	383.23	-
Other assets	7(b)	10.80	218.01
Total current assets		**788.21**	**243.26**
TOTAL ASSETS		**91,900.27**	**89,719.34**
EQUITY AND LIABILITIES			
Equity			
Share capital	6(i)	933.46	933.46
Instruments entirely equity in nature	6(j)	87,672.45	87,672.45
Other equity	8	(92.83)	(32.79)
Total equity		**88,513.08**	**88,573.12**
Liabilities			
Current liabilities			
Financial liabilities			
Borrowings	6(d)	3,134.44	1,068.41
Trade payables			
Dues of small enterprises and micro enterprises	6(e)	-	-
Dues of creditors other than small enterprises and micro enterprises	6(e)	9.19	6.93
Other financial liabilities	6(f)	241.22	39.85
Other liabilities	7(c)	2.34	31.03
Total current liabilities		**3,387.19**	**1,146.22**
TOTAL EQUITY AND LIABILITIES		**91,900.27**	**89,719.34**

NOTES FORMING PART OF FINANCIAL STATEMENTS

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration no: 101248W/W-100022

Abhinav Agrawal
Partner
Membership No: 148481

Mumbai, May 26, 2025

For and on behalf of the Board

Lakshminarayanan GS
Director
DIN: 07982712

Sridhar Venkataraman
Director
DIN: 10912093

Mumbai, May 26, 2025

Statement of Profit and Loss

(₹ lakh)

	Note	Year ended March 31, 2025	For the period from July 3, 2023 to March 31, 2024
Revenue from operations		-	-
Other income	9	0.02	6.52
TOTAL INCOME		**0.02**	**6.52**
Expenses			
Other expenses	10	60.06	39.31
TOTAL EXPENSES		**60.06**	39.31
PROFIT / (LOSS) BEFORE TAX		**(60.04)**	**(32.79)**
Tax expense		-	-
Current tax		-	-
Deferred tax		-	-
TOTAL TAX EXPENSE		**-**	**-**
PROFIT / (LOSS) FOR THE PERIOD		(60.04)	(32.79)
TOTAL OTHER COMPREHENSIVE INCOME / (LOSSES)		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**(60.04)**	**(32.79)**
Basic earnings per share (₹)	12	(0.64)	(0.52)
Diluted earnings per share (₹)	12	(0.64)	(0.52)

NOTES FORMING PART OF FINANCIAL STATEMENTS

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration no: 101248W/W-100022

Abhinav Agrawal
Partner
Membership No: 148481

Mumbai, May 26, 2025

For and on behalf of the Board

Lakshminarayanan GS
Director
DIN: 07982712

Mumbai, May 26, 2025

Sridhar Venkataraman
Director
DIN: 10912093

Back to content

Statement of Changes in Equity

A. EQUITY SHARE CAPITAL

(₹ lakh)

Balance as at April 1, 2024	Changes in equity share capital due to prior period errors	Restated balance as at April 1, 2024	Changes in equity share capital during the year	Balance as at March 31, 2025
933.46	-	933.46	-	**933.46**

(₹ lakh)

Balance as at July 3, 2023	Changes in equity share capital due to prior period errors	Restated balance as at July 3, 2023	Changes in equity share capital during the period	Balance as at March 31, 2024
-	-	-	933.46	**933.46**

B. INSTRUMENTS ENTIRELY EQUITY IN NATURE

Optionally redeemable convertible debentures

(₹ lakh)

Balance as at April 1, 2024	Changes in equity share capital due to prior period errors	Restated balance as at April 1, 2024	Changes in equity share capital during the year	Balance as at March 31, 2025
87,672.45	-	87,672.45	-	**87,672.45**

(₹ lakh)

Balance as at July 3, 2023	Changes in equity share capital due to prior period errors	Restated balance as at July 3, 2023	Changes in equity share capital during the period	Balance as at March 31, 2024
-	-	-	87,672.45	**87,672.45**

C. OTHER EQUITY

(₹ lakh)

	Retained earnings	Total equity
Balance as at April 1, 2024	**(32.79)**	**(32.79)**
Profit for the year	(60.04)	(60.04)
Other comprehensive income / (losses)	-	-
Total comprehensive income	**(60.04)**	**(60.04)**
Balance as at March 31, 2025	**(92.83)**	**(92.83)**
Balance as at July 3, 2023	**-**	**-**
Profit for the period	(32.79)	(32.79)
Other comprehensive income / (losses)	-	-
Total comprehensive income	**(32.79)**	**(32.79)**
Balance as at March 31, 2024	**(32.79)**	**(32.79)**

Nature and purpose of reserves

Retained earnings

This reserve represents undistributed accumulated earnings of the Company as on the balance sheet date.

NOTES FORMING PART OF FINANCIAL STATEMENTS

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration no: 101248W/W-100022

Abhinav Agrawal
Partner
Membership No: 148481

Mumbai, May 26, 2025

For and on behalf of the Board

Lakshminarayanan GS
Director
DIN: 07982712

Mumbai, May 26, 2025

Sridhar Venkataraman
Director
DIN: 10912093

Statement of Cash Flows

(₹ lakh)

	Year ended March 31, 2025	For the period from July 3, 2023 to March 31, 2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (Loss) for the period	(60.04)	(32.79)
Adjustments for:		
Interest income	-	(6.52)
Operating profit before working capital changes	**(60.04)**	**(39.31)**
Net change in		
Other financial assets	(383.23)	-
Other assets	207.21	(218.01)
Trade payables	2.26	6.93
Other financial liabilities	(0.16)	0.17
Other liabilities	(32.63)	31.03
Cash flows generated from operations	**(266.59)**	**(219.19)**
Taxes paid (net of refunds)	0.68	(0.68)
Net cash flows used in operating activities	**(265.91)**	**(219.87)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for investment property under construction	(1,410.84)	(89,417.31)
Interest received	-	6.52
Net cash flows used in investing activities	**(1,410.84)**	**(89,410.79)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of short-term borrowings	4,680.00	1,065.00
Repayment of short-term borrowings	(2,634.32)	(15.00)
Issue of shares	-	933.46
Issue of optionally redeemable convertible debentures	-	87,672.45
Net cash flows generated from financing activities	**2,045.68**	**89,655.91**
Net change in cash and cash equivalents	**368.93**	**25.25**
Cash and cash equivalents at the beginning of the period	25.25	-
Cash and cash equivalents at the end of the period	**394.18**	**25.25**
Components of cash and cash equivalents		
Balances with banks		
In current accounts	394.18	25.25
	394.18	**25.25**

Reconciliation of changes in liabilities arising from financing activities:

(₹ lakh)

Particulars	Balance as at April 1, 2024	Financing cash flows	Non-cash changes	Balance as at March 31, 2025
Borrowings	**1,068.41**	2,045.68	20.35	**3,134.44**

(₹ lakh)

Particulars	Balance as at July 3, 2023	Financing cash flows	Non-cash changes	Balance as at March 31, 2024
Borrowings	**-**	1,050.00	18.41	**1,068.41**

NOTES FORMING PART OF FINANCIAL STATEMENTS

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration no: 101248W/W-100022

Abhinav Agrawal
Partner
Membership No: 148481

Mumbai, May 26, 2025

For and on behalf of the Board

Lakshminarayanan GS
Director
DIN: 07982712

Sridhar Venkataraman
Director
DIN: 10912093

Mumbai, May 26, 2025

Notes forming part of financial statements

1) Corporate information

TRIL Bengaluru Real Estate Six Limited (referred to as "the Company") carries on the business of development of real estate and infrastructure facilities.

The Company is a public limited company incorporated and domiciled in India and has its registered office at Bengaluru, Karnataka.

Pursuant to the share purchase and securities purchase agreement ('SSPA') executed on January 29, 2025 between Tata Consultancy Services Limited (TCS), Tata Realty and Infrastructure Limited (TRIL), TRIL Bengaluru Real Estate Five Limited (TBRF) and TRIL Bengaluru Real Estate Six Limited (TBRS), TCS has become the holding company. Prior to the execution of SSPA, i.e. upto January 29, 2025, TRIL was the holding company. TRIL and TCS are subsidiaries of Tata Sons Private Limited, the ultimate holding Company.

2) Statement of compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

3) Basis of preparation

These financial statements have been prepared on historical cost basis except for certain financial instruments which are measured at fair value or amortised cost at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for 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. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company's normal operating cycle is 12 months.

The statement of cash flows has been prepared under indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value to be cash equivalents.

These financial statements have been prepared in Indian Rupee (₹) which is the functional currency of the Company. Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are retranslated at the exchange rate prevailing on the balance sheet dates and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

The material accounting policy information related to preparation of the financial statements have been discussed in the respective notes.

4) Use of estimates and judgements

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management of the Company to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of financial statements and the reported amounts of income and expenses for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

5) Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions,

Notes forming part of financial statements

applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

6) Financial assets, financial liabilities and equity instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and 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 measured on initial recognition of financial asset or financial liability.

The Company derecognises a financial asset only 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 entity. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

Cash and cash equivalents

The Company considers all highly liquid investments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value, to be cash equivalents. Cash and cash equivalents consist of balances with banks and which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows tha are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received net of direct issue cost.

(a) Cash and cash equivalents

Cash and cash equivalents consist of the following:

(₹ lakh)

	As at March 31, 2025	As at March 31, 2024
Balances with banks		
In current accounts	394.18	25.25
	394.18	**25.25**

Notes forming part of financial statements

(b) Other financial assets

Other financial assets consist of the following:

Other financial assets – Current

(₹ lakh)

	As at March 31, 2025	As at March 31, 2024
Others	383.23	-
	383.23	**-**

(c) Dues of small enterprises and micro enterprises

The disclosure pursuant to the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act) for dues to micro enterprises and small enterprises as at March 31, 2025 and 2024 is as under:

(₹ lakh)

	As at March 31, 2025	As at March 31, 2024
Dues remaining unpaid to any supplier		
Principal	-	-
Interest on the above	-	-
Amount of interest paid in terms of section 16 of with the amount of the payment made to the supplier beyond the appointed day during each accounting period	-	-
Amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
Amount of interest accrued and remaining unpaid	-	-
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 MSMED Act, 2006	-	-

(d) Borrowings

Borrowings consist of the following:

(₹ lakh)

	As at March 31, 2025	As at March 31, 2024
Inter-corporate deposits	3,134.44	1,068.41
	3,134.44	**1,068.41**

Inter-corporate deposits (repayable on demand) as at March 31, 2025 and 2024 comprise deposits received from the related parties carrying an interest rate of 8.50% p.a. and 10.00% p.a. respectively.

Notes forming part of financial statements

(e) Trade payables

Ageing for trade payables outstanding as at March 31, 2025 is as follows:

(₹ lakh)

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Trade payables						
MSME*	-	-	-	-	-	-
Others	-	-	-	-	-	-
Disputed dues - MSME*	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
	-	**-**	**-**	**-**	**-**	**-**
Accrued expenses						**9.19**
						9.19

*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006.

Ageing for trade payables outstanding as at March 31, 2024 is as follows:

(₹ lakh)

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Trade payables						
MSME*	-	-	-	-	-	-
Others	6.93	-	-	-	-	6.93
Disputed dues - MSME*	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
	6.93	**-**	**-**	**-**	**-**	**6.93**
Accrued expenses						**-**
						6.93

*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006.

(f) Other financial liabilities

Other financial liabilities consist of the following:

Other financial liabilities – Current

(₹ lakh)

	As at March 31, 2025	As at March 31, 2024
Capital creditors	241.22	39.68
Others	-	0.17
	241.22	**39.85**

Notes forming part of financial statements

(g) Financial instruments by category

The carrying value of financial instruments by categories as at March 31, 2025 is as follows:

(₹ lakh)

	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total carrying value
Financial assets				
Cash and cash equivalents	-	-	394.18	394.18
Other financial assets	-	-	383.23	383.23
	-	**-**	**777.41**	**777.41**
Financial liabilities				
Borrowings	-	-	3,134.44	3,134.44
Trade payables	-	-	9.19	9.19
	-	**-**	**3,143.63**	**3,143.63**

The carrying value of financial instruments by categories as at March 31, 2024 is as follows:

(₹ lakh)

	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total carrying value
Financial assets				
Cash and cash equivalents	-	-	25.25	25.25
	-	**-**	**25.25**	**25.25**
Financial liabilities				
Trade payables	-	-	1,068.41	1,068.41
Other financial liabilities	-	-	6.93	6.93
	-	**-**	**1,075.34**	**1,075.34**

Carrying amounts of cash and cash equivalents and trade payables as at March 31, 2025 and 2024, approximate the fair value due to their nature. Carrying amounts of other financial assets and other financial liabilities which are subsequently measured at amortised cost also approximate the fair value due to their nature in each of the periods presented.

(h) Financial risk management

The Company may be exposed to fluctuations in foreign currency exchange rates, credit, liquidity and interest rate risks, which may adversely impact the fair value of its financial instruments.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company is not exposed to any significant market risk.

- **Foreign currency exchange rate risk**

  The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit and loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the Company. Foreign exchange exposure mainly arises from trade payables denominated in foreign currencies.

Notes forming part of financial statements

- **Interest rate risk**

  Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to any significant interest rate risk.

Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Currently the company does not have any customers, so there is no credit risk.

Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The tables below provide details regarding the contractual maturities of significant financial liabilities as at:

(₹ lakh)

March 31, 2025	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5th year	Total
Financial liabilities					
Borrowings	3,134.44	-	-	-	3,134.44
Trade payables	9.19	-	-	-	9.19
Other financial liabilities	241.22	-	-	-	241.22
	3,384.85	**-**	**-**	**-**	**3,384.85**

(₹ lakh)

March 31, 2024	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5th year	Total
Financial liabilities					
Borrowings	1,068.41	-	-	-	1,068.41
Trade payables	6.93	-	-	-	6.93
Other financial liabilities	39.85	-	-	-	39.85
	1,115.19	**-**	**-**	**-**	**1,115.19**

(i) Equity instruments

The authorised, issued, subscribed and fully paid up share capital consist of the following:

(₹ lakh)

	As at March 31, 2025	As at March 31, 2024
Authorised		
1,00,00,000 equity shares of ₹10 each	1,000.00	1,000.00
(March 31, 2024: 1,00,00,000 equity shares of ₹10 each)		
	1,000.00	**1,000.00**
Issued, Subscribed and Fully paid up		
93,34,600 equity shares of ₹10 each	933.46	933.46
(March 31, 2024: 93,34,600 equity shares of ₹10 each)		
	933.46	**933.46**

Notes forming part of financial statements

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans.

I. Reconciliation of number of shares

	Year ended March 31, 2025		For the period from July 3, 2023 to March 31, 2024	
	Number of shares	Amount (₹ lakh)	Number of shares	Amount (₹ lakh)
Equity shares				
Opening balance	**93,34,600**	**933.46**	**-**	**-**
Issued during the period	-	-	93,34,600	933.46
Closing balance	**93,34,600**	**933.46**	**93,34,600**	**933.46**

II. Rights, preferences and restrictions attached to shares

The Company has one class of equity shares having a par value of ₹10 each. Each shareholder is eligible for one vote per share held and carry a right to dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

III. Shares held by Holding Company, its Subsidiaries and Associates

(₹ lakh)

	As at March 31, 2025	As at March 31, 2024
Equity shares		
60,67,490 equity shares (March 31, 2024: NIL equity shares) are held by Tata Consultancy Services Limited	606.75	-
32,67,110 equity shares (March 31, 2024: 93,34,600 equity shares) are held by Tata Realty and Infrastructure Limited*	326.71	933.46
	933.46	**933.46**

*Includes 6 shares of ₹10 each held jointly with certain nominees.

IV. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

(₹ lakh)

	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Holding	Number of shares	Holding
Equity shares				
Tata Consultancy Services Limited, the holding company	60,67,490	65.00%	-	0.00%
Tata Realty and Infrastructure Limited*	32,67,110	35.00%	93,34,600	100.00%

*Includes 6 shares of ₹10 each held jointly with certain nominees.

V. Equity shares movement during five years preceding March 31, 2025

The Company allotted 17,56,500 fully paid-up shares of face value ₹10 each during the year ended March 31, 2024 pursuant to the approval by the Board of Directors.

Notes forming part of financial statements

VI. Disclosure of shareholding of promoters

Disclosure of shareholding of promoters as at March 31, 2025 is as follows:

(₹ lakh)

Promoter name	Shares held by promoters				% Change during the year
	As at March 31, 2025		As at March 31, 2024		
	Number of shares	% of total shares	Number of shares	% of total shares	
Tata Consultancy Services Limited	60,67,490	65.00%	-	0.00%	65.00%
Tata Realty and Infrastructure Limited*	32,67,110	35.00%	93,34,600	100.00%	(65.00)%
Total	**93,34,600**	**100.00%**	**93,34,600**	**100.00%**	**-**

*Includes 6 shares of ₹10 each held jointly with certain nominees.

(i) Instruments entirely equity in nature

I. Reconciliation of number of optionally redeemable convertible debentures

(₹ lakh)

	Year ended March 31, 2025		For the period from July 3, 2023 to March 31, 2024	
	Number of optionally redeemable convertible debentures	Amount (₹ lakh)	Number of optionally redeemable convertible debentures	Amount (₹ lakh)
Optionally redeemable convertible debentures				
Opening balance	**87,67,24,500**	**87,672.45**	**-**	**-**
Issued during the period	-	-	87,67,24,500	87,672.45
Closing balance	**87,67,24,500**	**87,672.45**	**87,67,24,500**	**87,672.45**

Terms of conversion / redemption of issue of Series I: Optionally Redeemable Convertible Debentures

(i) March 31, 2025: 4,66,93,500 (March 31, 2024: 4,66,93,500) Unsecured, Unlisted, Transferable, Rupee-Denominated, Optionally Redeemable Convertible Debentures (ORCDs) are issued on private placement basis bearing a face value of ₹10 each. The duration of the ORCDs shall be for a period of 10 years from the date of allotment i.e. upto August 3, 2033 and the offer was made to Tata Realty and Infrastructure Limited, erstwhile Holding Company (Subscriber) which subscribed the issue. The rate of interest for the first 3 years shall be 0.01% p.a. on the face value and for years 4-5, the Issuer and the Subscriber shall mutually agree on the interest rate considering: (i) the financial position of the Issuer; and (ii) the appropriate spread over the fixed deposit interest rate with the State Bank of India for 36-month tenure. Interest shall accrue, due and payable subject to the availability of "Distributable Cashflows".

(ii) Voting Rights: The ORCD holders shall not be entitled to any voting rights except as set out under the Companies Act, 2013 (if any).

(iii) Conversion terms: At any time from the date of issuance but before the maturity date, the Subscriber shall have a right to convert the ORCDs into equity shares converted at the conversion ratio. Conversion price shall mean the fair value of equity share of the Issuer at the time of issuance of the ORCD. The fair value of equity shares at the time of issuance is ₹10 per share. Therefore, the conversion ratio is 1 equity share for every 1 ORCD.

(iv) Interest accrued / due, if any would be paid before conversion of debentures.

Back to content

Notes forming part of financial statements

Terms of conversion / redemption of issue of Series II: Optionally Redeemable Convertible Debentures

(i) March 31, 2025: 83,00,31,000 (March 31, 2024: 83,00,31,000) Unsecured, Unlisted, Transferable, Rupee-Denominated, Optionally Redeemable Convertible Debentures (ORCDs) are issued on private placement basis bearing a face value of ₹10 each. The duration of the ORCDs shall be for a period of 10 years from the date of allotment i.e. upto August 6, 2033 and the offer is made to Tata Realty and Infrastructure Limited, erstwhile Holding Company (Subscriber) which has subscribed the issue. The rate of interest for the first 3 years shall be 0.01% p.a. on the face value and for years 4-5, the Issuer and the Subscriber shall mutually agree on the interest rate considering: (i) the financial position of the Issuer; and (ii) the appropriate spread over the fixed deposit interest rate with the State Bank of India for 36-month tenure. Interest shall accrue, due and payable subject to the availability of "Distributable Cashflows".

(ii) Voting Rights: The ORCD holders shall not be entitled to any voting rights except as set out under the Companies Act 2013 (if any).

(iii) Coversion terms : At any time from the date of issuance but before the Maturity Date, the Subscriber shall have a right to convert the ORCDs into equity shares converted at the conversion ratio. Conversion price shall mean the fair value of equity share of the Issuer at the time of issuance of the ORCD. The fair value of equity shares at the time of issuance is ₹10 per share. Therefore, the conversion ratio is 1 equity share for every 1 ORCD.

(iv) Interest accrued / due, if any would be paid before conversion of debentures.

Pursuant to the Share Purchase and Securities Purchase Agreement (SSPA) executed between Tata Consultancy Services Limited (TCS), Tata Realty and Infrastructure Limited (TRIL), TRIL Bengaluru Real Estate Five Limited and TRIL Bengaluru Real Estate Six Limited, 65% of ORCDs held by TRIL have been transferred to TCS.

7) Non-financial assets and non-financial liabilities

(a) Investment property and investment property under construction

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any. Any gain or loss on disposal of an investment property is recognised in statement of profit and loss.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment property

Investment property consists of the following:

(₹ lakh)

	Freehold land	Total
Cost as at April 1, 2024	**-**	**-**
Additions	89,011.13	89,011.13
Disposals	-	-
Cost as at March 31, 2025	**89,011.13**	**89,011.13**
Accumulated depreciation as at April 1, 2024	**-**	**-**
Depreciation	-	-
Disposals	-	-
Accumulated depreciation as at March 31, 2025	**-**	**-**
Net carrying amount as at March 31, 2025	**89,011.13**	**89,011.13**

Notes forming part of financial statements

(₹ lakh)

	Freehold land	Total
Cost as at July 3, 2023	**-**	**-**
Additions	-	-
Disposals	-	-
Cost as at March 31, 2024	**-**	**-**
Accumulated depreciation as at July 3, 2023	**-**	**-**
Depreciation	-	-
Disposals	-	-
Accumulated depreciation as at March 31, 2024	**-**	**-**
Net carrying amount as at March 31, 2024	**-**	**-**

During the year ended March 31, 2025, freehold land was transferred to investment property.

Investment property under construction

Property that is being constructed for future use as investment property is accounted for as investment property under construction until construction or development is complete. Direct expenses like site labour cost, material used in project construction, project management consultancy, costs for moving the plant and machinery to the site and general expenses incurred specifically for the respective project like salary costs, insurance, design and technical assistance, borrowing costs and construction overheads are taken as the cost of the project.

An item of investment property is derecognized upon disposal or when no future economic benefits are expected from its use. Profits and losses on disposals of items of investment property are determined by comparing the proceeds from their disposals with their respective carrying amounts and are recognised in the statement of profit and loss.

Investment property under construction consists of the following:

(₹ lakh)

	Cost as at March 31, 2024	Movement during the year	Cost as at March 31, 2025
Freehold land	**88,481.31**	(88,481.31)	**-**
Rates and taxes	**12.11**	6.97	**19.08**
Professional and technical fees	**909.38**	883.27	**1,792.65**
Finance costs	**16.36**	152.48	**168.84**
Other operating expenses	**56.24**	64.12	**120.36**
Total	**89,475.40**	**(87,374.47)**	**2,100.93**

(₹ lakh)

	Cost as at July 3, 2023	Movement during the period	Cost as at March 31, 2024
Freehold land	**-**	88,481.31	**88,481.31**
Rates and taxes	**-**	12.11	**12.11**
Professional and technical fees	**-**	909.38	**909.38**
Finance costs	**-**	16.36	**16.36**
Other operating expenses	**-**	56.24	**56.24**
Total	**-**	**89,475.40**	**89,475.40**

Back to content

Notes forming part of financial statements

- **Investment property under construction ageing**

Ageing for investment property under construction as at March 31, 2025 is as follows:

(₹ lakh)

Investment property under construction	Amount in investment property under construction for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	1,636.66	464.27	-	-	**2,100.93**

Ageing for investment property under construction as at March 31, 2024 is as follows:

(₹ lakh)

Investment property under construction	Amount in investment property under construction for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	89,475.40	-	-	-	**89,475.40**

Project execution plans are being modulated basis capacity requirement assessment.

- **Measurement of fair values**

Fair value hierarchy

As at March 31, 2025, the fair values of the investment property and investment property under construction is ₹1,36,776.25 lakh which has been arrived on the basis of a valuation carried out by an external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued and is a registered valuer as defined under Rule 2 of Companies (Registered Valuers & Valuation) Rules, 2017. The fair value measurement for all of the investment property has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

The Company acquired the land from an independent third party during the year ended March 31, 2024 and therefore the fair value as at March 31, 2024 has been considered as amount spent by the Company.

Valuation technique

The Company follows discounted cash flows technique which considers the present value of net cash flows to be generated from the property taking into account the expected rental growth rate, vacant period, occupancy rate, lease incentive costs such as rent-free periods and other costs not paid by tenants. The expected net cash flows are discounted using risk-adjusted discount rates. Among other factors, the discount rate estimation considers the quality of a building and its location, tenant credit quality and lease terms.

Valuation assumptions and sensitivity analysis table

The Capitalisation method is used for real estate appraisals. Under this method, the value of the established commercial asset is based on the expected Net Operating Income (NOI) from steady lease rental income.

Significant unobservable inputs used in valuation	Inter-relationship
Estimated lease rent	Estimated fair value would increase (decrease) if expected lease rent were higher (lower)
Rent growth p.a.	Estimated fair value would increase (decrease) if expected lease escalation were higher (lower)
Occupancy	Estimated fair value would decrease if occupancy is lower
Capitalisation rate	Estimated fair value would increase (decrease) if expected capitalisation rate were lower (higher)
Discount rate	Estimated fair value

Notes forming part of financial statements

- **Reconciliation of fair value**

Reconciliation of fair value measurement of investment property and investment property under consideration is as follows:

(₹ lakh)

	Year ended March 31, 2025	For the period from July 3, 2023 to March 31, 2024
Balance at the beginning of the period	**89,475.40**	**-**
Additions during the period	1,636.66	89,475.40
Increase in fair value	45,664.19	-
Balance at the end of the period	**1,36,776.25**	**89,475.40**

(b) Other assets

Other assets consist of the following:

Other assets – Current

(₹ lakh)

	As at March 31, 2025	As at March 31, 2024
Considered good		
Indirect taxes recoverable	9.14	32.60
Prepaid expenses	1.66	-
Others	-	185.41
	10.80	**218.01**

(c) Other liabilities

Other liabilities consist of the following:

Other assets – Current

(₹ lakh)

	As at March 31, 2025	As at March 31, 2024
Indirect taxes payable and other statutory liabilities	2.34	31.03
	2.34	**31.03**

8) Other equity

Other equity consist of the following:

(₹ lakh)

	As at March 31, 2025	As at March 31, 2024
Retained earnings		
Opening balance	**(32.79)**	**-**
Profit / (Loss) for the period	(60.04)	(32.79)
	(92.83)	**(32.79)**

Notes forming part of financial statements

9) Other income

Other income consist of the following:

(₹ lakh)

	Year ended March 31, 2025	For the period from July 3, 2023 to March 31, 2024
Interest income	0.02	6.52
	0.02	**6.52**
Interest income comprise:		
Interest on bank balances and bank deposits	-	6.52
Interest on income tax refunds	0.02	-

10) Cost recognition

Costs and expenses are recognised when incurred and have been classified according to their nature.

Other expenses

Other expenses consist of the following:

(₹ lakh)

	Year ended March 31, 2025	For the period from July 3, 2023 to March 31, 2024
Rates and taxes	-	14.14
Site expenses	-	10.63
Audit fees	8.46	6.90
Business promotion expenses	19.51	6.89
Travelling and conveyance	1.70	-
Legal and professional fees	29.35	-
Miscellaneous expenses	1.04	0.75
	60.06	**39.31**

11) Income taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current income taxes

The current income tax expense includes income taxes payable by the Company in India.

The Company has recognised income tax expenses applying the provisions under section 115BAA of the Income-tax Act, 1961.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying unit intends to settle the asset and liability on a net basis.

Deferred income taxes

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in

Notes forming part of financial statements

a transaction that is not a business combination, affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

The Company is in development stage and does not generate any taxable profit and therefore deferred tax assets have not been recognised on tax losses.

Due to change in majority shareholding, tax loss incurred till the date of acquisition shall not be carried forward by the Company and therefore, deferred tax assets have not been recognised on tax losses.

12) Earnings per share

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares and optionally redeemable convertible debentures outstanding during the period.

(₹ lakh)

	Year ended March 31, 2025	For the period from July 3, 2023 to March 31, 2024
Profit / (Loss) for the period (₹ lakh)	(60.04)	(32.79)
Weighted average number of equity shares for basic earnings per share	93,34,600	62,91,265
Basic earnings per share (₹)	(0.64)	(0.52)
Weighted average number of equity shares and optionally redeemable convertible debentures for diluted earnings per share	88,60,59,100	57,83,47,461
Diluted earnings per share (₹)*	(0.64)	(0.52)
Face value per equity share (₹)	10	10

* Anti-dilutive - hence not considered

13) Auditor's remuneration

Auditor's remuneration consists of the following:

(₹ lakh)

	Year ended March 31, 2025	For the period from July 3, 2023 to March 31, 2024
Auditor	6.00	6.90
For other services	2.46	-

Notes forming part of financial statements

14) Segment information

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. The Board, being the chief operating decision maker for the Company, assesses the financial performance and position of the Company and makes strategic decisions. The Company is operating in the real estate and infrastructure industry. The Company has only one operating segment, which is development of real estate and infrastructure facilities. All assets of the Company are domiciled in India and the Company has no revenue.

15) Related party transactions

The Company's principal related parties consist of its ultimate holding company Tata Sons Private Limited, its holding company Tata Consultancy Services Limited and its subsidiaries, its own subsidiaries, affiliates and key managerial personnel. The Company's material related party transactions and outstanding balances are with related parties with whom the Company routinely enter into transactions in the ordinary course of business.

Transactions with related parties are as follows:

(₹ lakh)

	Year ended March 31, 2025	For the period from July 3, 2023 to March 31, 2024
Short-term borrowings taken		
Tata Consultancy Services Limited	3,100.00	-
Tata Realty and Infrastructure Limited	1,580.00	1,050.00
TRIL IT4 Private Limited	-	15.00
Issue of equity shares		
Tata Realty and Infrastructure Limited	-	933.46
Issue of optionally redeemable convertible debentures		
Tata Realty and Infrastructure Limited	-	87,672.45
Short-term borrowings repaid		
Tata Realty and Infrastructure Limited	2,634.32	-
TRIL IT4 Private Limited	-	15.00
Expense reimbursements		
TRIL Bengaluru Real Estate Five Limited	199.03	184.20
Legal and professional fees		
Tata Sons Private Limited	0.20	-
Finance costs (capitalised)		
Tata Consultancy Services Limited	38.26	-
Tata Realty and Infrastructure Limited	134.63	18.41
TRIL IT4 Private Limited	-	1.02

(₹ lakh)

	As at March 31, 2025	As at March 31, 2024
Other financial assets		
TRIL Bengaluru Real Estate Five Limited	383.23	184.20
Borrowings		
Tata Consultancy Services Limited	3,134.44	-
Tata Realty and Infrastructure Limited	-	1,068.41
Trade payables		
Tata Sons Private Limited	0.10	-

Notes forming part of financial statements

16) No funds have been advanced / loaned / invested (from borrowed funds or from share premium or from any other sources / kind of funds) by the Company to any other person(s) or entity(ies), including foreign entities (Intermediaries), with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

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 (i) directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

17) Additional Regulatory Information

- **Ratios**

Ratio	Numerator	Denominator	Current period	Previous period	% variance	Reason for
Current ratio (in times)	Total current assets	Total current liabilities	0.44	0.08	456%	On account of inter-corporate deposits placed
Debt-Equity ratio (in times)	Debt consists of borrowings	Total equity	0.03	0.00	9355%	On account of inter-corporate deposits placed.
Return on equity ratio (in %)	Profit for the period less Preference dividend (if any)	Average total equity	(0.06)%	(0.08)%	(23)%	-
Trade payables turnover ratio (in times)	Other expenses	Average trade payables	1.1	1.8	(37)%	On account of increase in trade payables
Return on capital employed (in %)	Profit before tax and finance costs	Capital employed = Net worth	(0.06)%	(0.08)%	(23)%	-

18) Comparative period

The financial statements for the previous period is for a period from July 3, 2023 to March 31, 2024 and hence not comparable with the current year.

19) Subsequent event

Pursuant to the Share Purchase and Securities Purchase Agreement (SSPA) executed between the TCS, TRIL, TBRF and TBRS, the transfer of remaining 35% of Securities held by TRIL to TCS in the second tranche has been completed on April 30, 2025.

NOTES FORMING PART OF FINANCIAL STATEMENTS

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration no: 101248W/W-100022

Abhinav Agrawal
Partner
Membership No: 148481

Mumbai, May 26, 2025

For and on behalf of the Board

Lakshminarayanan GS
Director
DIN: 07982712

Mumbai, May 26, 2025

Sridhar Venkataraman
Director
DIN: 10912093

TCS Foundation

FINANCIAL STATEMENTS

For the year ended
March 31, 2025

FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2025

CONTENTS **PAGE**

Independent Auditors' Report	8.2
Balance Sheet	8.7
Statements of Income and Expenditure	8.8
Statements of Changes in Equity	8.9
Statements of Cash Flows	8.10
Notes forming part of the Financial Statements	8.11

Back to main content

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TCS FOUNDATION

Report on the Audit of the Financial Statements

OPINION

We have audited the financial statements of TCS Foundation (hereinafter referred to as "the Company"), which comprise the balance sheet as at 31 March 2025, and the statement of income and expenditure, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including 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 financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its surplus of income over expenditure, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements section* of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, surplus/(deficit) of income over expenditure, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to

provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. This report does not include a statement on the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, since the Order is not applicable to the Company, being a company licensed to operate under Section 8 of the Companies Act, 2013, as specified in paragraph 1(2)(iii) of the said Order.

2. (A) As required by Section 143(3) of the Act, we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b) In our opinion, proper books of account as required by law have been kept so far as it appears from our examination of those except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

    c) The balance sheet, the statement of income and expenditure, the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.

    d) In our opinion, the aforesaid 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 01 April 2025 to 10 April 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act.

    f) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

    g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a) The Company does not have any pending litigations which would impact its financial position.

b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d) (i) The management has represented that, to the best of it's knowledge and belief, as disclosed in the note 32 of the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other person(s) or entity(ies) 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.

(ii) The management has represented, that, to the best of its knowledge and belief, as disclosed in the note 32 of the financial statements, 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 Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like or on behalf of the Ultimate Beneficiaries;

(iii) Based on the audit procedures 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 (i) and (ii) above, contain any material misstatement.

e) The Company has neither declared nor paid any dividend during the year.

f) Based on our examination which included test checks, except for the instances mentioned below, the Company has used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software:

i. In case of an accounting software used for maintaining general ledger, the feature of recording audit trail (edit log) facility was not enabled for a part of the year for certain fields/tables at the application layer since it was enabled in a phased manner from 17 April 2024 to 17 July 2024.

Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

(C) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the Company has not paid any remuneration to its directors during the year. Accordingly, the provisions of Section 197 of the Act are not applicable to the Company.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rajesh Shetty
Partner
Membership No: 130778
UDIN: : 25130778BMJKZA7406

Mumbai
26 May 2025

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF TCS FOUNDATION FOR THE YEAR ENDED 31 MARCH 2025

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

OPINION

We have audited the internal financial controls with reference to financial statements of TCS Foundation ("the Company") as of 31 March 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to 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 (the "Guidance Note").

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to 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 financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rajesh Shetty
Partner
Membership No: 130778
UDIN: : 25130778BMJKZA7406

Mumbai
26 May 2025

Balance Sheet

(₹ crore)

	Note	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
Property, plant and equipment	9	**-**	-
Right-of-use assets	17	**-**	-
Financial assets			
Other financial assets	11	**1,130.87**	1,557.13
Income tax assets (net)		**36.69**	19.26
Total non-current assets		**1,167.56**	1,576.39
Current assets			
Financial assets			
Investments	12	**45.14**	150.24
Cash and cash equivalents	13	**1.48**	0.40
Other balances with banks	14	**1,595.00**	517.00
Loans	10	**-**	110.00
Other financial assets	11	**176.17**	40.79
Other assets	15	**4.38**	6.45
Total current assets		**1,822.17**	824.88
TOTAL ASSETS		**2,989.73**	2,401.27
EQUITY AND LIABILITIES			
Equity			
Share capital	16	**1.00**	1.00
Other equity	18	**1,446.66**	1,305.58
Total Equity		**1,447.66**	1,306.58
Current liabilities			
Financial liabilities			
Trade payables			
Dues of small enterprises and micro enterprises	19	**0.25**	-
Dues of creditors other than small enterprises and micro enterprises	20	**16.74**	30.10
Other liabilities	21	**1,525.08**	1,064.59
Total current liabilities		**1,542.07**	1,094.69
TOTAL EQUITY AND LIABILITIES		**2,989.73**	2,401.27

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rajesh Shetty
Partner
Membership No: 130778

Mumbai, May 26, 2025

For and on behalf of the Board

N. Chandrasekaran
Chairman
DIN: 00121863

K Krithivasan
Director
DIN:10106739

NG Subramaniam
Director
DIN:07006215

Ajoyendra Mukherjee
Director
DIN:00350269

Roopa Purushothaman
Director
DIN: 02846868

Mumbai, May 26, 2025

Statement of Income and Expenditure

(₹ crore)

	Note	Year ended March 31, 2025	Year ended March 31, 2024
Income	22	**189.02**	0.30
Other income (net)	23	**180.90**	138.95
TOTAL INCOME		**369.92**	139.25
Expenditure:			
Grants	24	**5.27**	1.96
Project expenses	24	**223.16**	133.63
Depreciation expense		**-**	0.71
Other operating expenses	25	**0.41**	0.33
Finance costs	26	**-**	0.02
TOTAL EXPENDITURE		**228.84**	136.65
SURPLUS OF INCOME OVER EXPENDITURE FOR THE YEAR		**141.08**	2.60

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rajesh Shetty
Partner
Membership No: 130778

Mumbai, May 26, 2025

For and on behalf of the Board

N. Chandrasekaran
Chairman
DIN: 00121863

K Krithivasan
Director
DIN:10106739

NG Subramaniam
Director
DIN:07006215

Ajoyendra Mukherjee
Director
DIN:00350269

Roopa Purushothaman
Director
DIN: 02846868

Mumbai, May 26, 2025

Statement of Changes in Equity

A. EQUITY SHARE CAPITAL

(₹ crore)

Balance as at April 1, 2024	Changes in equity share capital due to prior period errors	Restated balance as at April 1, 2024	Changes in equity share capital during the year	Balance as at March 31, 2025
1.00	-	1.00	-	1.00

(₹ crore)

Balance as at April 1, 2023	Changes in equity share capital due to prior period errors	Restated balance as at April 1, 2023	Changes in equity share capital during the year	Balance as at March 31, 2024
1.00	-	1.00	-	1.00

B. OTHER EQUITY

(₹ crore)

	Reserve and Surplus	Total Other Equity
	Retained earnings	
Balance as at April 1, 2023	1,302.98	1,302.98
Surplus of income over expenditure	2.60	2.60
Other comprehensive income	-	-
Total comprehensive income	2.60	2.60
Balance as at March 31, 2024	1,305.58	1,305.58
Balance as at April 1, 2024	**1,305.58**	**1,305.58**
Surplus of income over expenditure	**141.08**	**141.08**
Other comprehensive income	**-**	**-**
Total comprehensive income	**141.08**	**141.08**
Balance as at March 31, 2025	**1,446.66**	**1,446.66**

Nature and purpose of reserves:

Retained earnings

This reserve represents accumulated surplus of income over expenditure of the Company as on the balance sheet date.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rajesh Shetty
Partner
Membership No: 130778

Mumbai, May 26, 2025

For and on behalf of the Board

N. Chandrasekaran
Chairman
DIN: 00121863

K Krithivasan
Director
DIN:10106739

NG Subramaniam
Director
DIN:07006215

Ajoyendra Mukherjee
Director
DIN:00350269

Roopa Purushothaman
Director
DIN: 02846868

Mumbai, May 26, 2025

Statement of Cash Flows

(₹ crore)

	Note	Year ended March 31, 2025	Year ended March 31, 2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus/(Deficit) of income over expenditure after tax for the year		**141.08**	2.60
Adjustments for:			
Net gain on disposal / fair valuation of investments		**(6.75)**	(12.82)
Depreciation expense		**-**	0.71
Interest Income		**(174.15)**	(126.12)
Tax expense		**-**	-
Finance costs		**-**	0.02
Surplus/(Deficit) of Operating income over expenditure before working capital changes		**(39.82)**	(135.61)
Net change in			
Other assets		**2.07**	(5.83)
Other financial assets		**0.18**	(0.03)
Trade payables		**(13.11)**	23.85
Other liabilities		**460.49**	519.97
Cash generated from operations		**409.81**	402.35
Taxes paid (net of refunds)		**(17.43)**	(12.61)
Net cash generated from operating activities		**392.38**	389.74
CASH FLOWS FROM INVESTING ACTIVITIES			
Bank deposits placed		**(1,130.00)**	(1,595.00)
Purchase of investments		**(129.25)**	(220.00)
Proceeds from bank deposits		**417.00**	425.00
Proceeds from disposal / redemption of investments		**241.10**	115.35
Payment for purchase of property, plant and equipment		**-**	(0.02)
Inter-corporate deposits placed		**-**	-
Proceeds from inter-corporate deposits		**110.00**	803.06
Interest received		**99.85**	81.68
Net cash used in investing activities		**(391.30)**	(389.93)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of lease liabilities		**-**	(0.48)
Interest paid		**-**	(0.02)
Net cash used in financing activities		**-**	(0.50)
Net change in cash and cash equivalents		**1.08**	(0.69)
Cash and cash equivalents at the beginning of the year		**0.40**	1.09
Cash and cash equivalents at the end of the year	13	**1.48**	0.40

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rajesh Shetty
Partner
Membership No: 130778

Mumbai, May 26, 2025

For and on behalf of the Board

N. Chandrasekaran
Chairman
DIN: 00121863

K Krithivasan
Director
DIN:10106739

NG Subramaniam
Director
DIN:07006215

Ajoyendra Mukherjee
Director
DIN:00350269

Roopa Purushothaman
Director
DIN: 02846868

Mumbai, May 26, 2025

Back to content

Notes forming part of the Financial Statements

1) CORPORATE INFORMATION

TCS Foundation (referred to as "the Company") was incorporated on March 13, 2015 as a company registered under Section 8 of the Companies Act, 2013. The Company is engaged in promoting and funding projects and / or programs, relating to Corporate Social Responsibility (CSR) as required by Section 135 read with Schedule VII to the Companies Act, 2013 such as eradication of hunger, poverty and malnutrition; promotion of health care especially for the poor; promotion of education; development of skills; promotion of gender equality; empowerment of women; environmental sustainability; protection of national heritage; promotion of sports; promotion of scientific research especially in the area of technology; helping differently-able persons; providing vocational training; providing sanitation facilities; support to rural development projects. The Company is a 100% subsidiary of Tata Consultancy Services Limited ("TCS"), the ultimate holding company is Tata Sons Private Limited.

The Company incurs expenditure by way of grants given towards objects which furthers the cause of the Company and project expenses which represent initiatives / activities undertaken by the Company. The Company is incorporated and domiciled in India. The address of its registered office is 9th Floor, Nirmal Building, Nariman Point, Mumbai 400021.

The financial statements for the year ended March 31, 2025 were approved by the Board of Directors and authorised for issue on May 26, 2025.

2) STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

3) BASIS OF PREPARATION

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair value or amortised cost at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for 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. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

The statement of cash flows has been prepared under indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value to be cash equivalents.

These financial statements have been prepared in Indian rupee (₹) which is the functional currency of the Company.

The material accounting policy information related to preparation of the financial statements have been discussed in the respective notes.

4) USE OF ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management of the Company to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of financial statements and the reported amounts of income and expenses for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The Company uses the following critical accounting judgements, estimates and assumptions in preparation of its financial statements:

Notes forming part of the Financial Statements

Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods (Refer note 9).

Provisions and contingent liabilities

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Company uses significant judgements to assess contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

5) RECENT PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

6) INCOME

The Company credits CSR contributions (other than earmarked funds) received, initially to a liability account in the Balance Sheet and recognizes them as income as and when they are utilized, to the extent of the amount spent on multi-year projects. The expenses incurred in the current year are from the CSR contributions of prior financial years, which have already been recognised as income in those years.

Earmarked funds are initially credited to a liability account in the balance sheet and are transferred to Statement of Income and Expenditure in the year in which and to the extent to which the Company complies with the conditions attached to them.

Interest income is recognised using the effective interest method.

7) COST RECOGNITION

Costs and expenses are recognised when incurred and have been classified according to their primary nature.

The costs of the Company are broadly categorised as grants, project expenses and other operating expenses. Other operating expenses majorly include sub-contracting costs, travel expenses and other expenses. Other expenses is an aggregation of costs which are individually not material such as rates and taxes, bank charges etc.

8) FINANCIAL INSTRUMENTS

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and 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 measured on initial recognition of financial asset or financial liability.

The Company derecognises a financial asset only 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 entity. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

Notes forming part of the Financial Statements

Cash and cash equivalents

The Company considers all highly liquid investments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit and loss

Financial assets are measured at fair value through profit and loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit and loss are immediately recognised in statement of profit and loss.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

9) PROPERTY, PLANT AND EQUIPMENT

The Company recognises the cost of an item of property, plant and equipment as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can measured reliably

Property, plant and equipment are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use, less accumulated depreciation (other than freehold land) and impairment loss, if any.

Depreciation is provided for property, plant and equipment on a straight-line basis so as to expense the cost less residual value over their estimated useful lives as prescribed in Schedule II of the Companies Act, 2013 except in respect of certain categories of assets, where the useful life of the assets has been assessed based on a technical evaluation. The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

The estimated useful life is as mentioned below:

Type of asset	Useful life
Office equipment	5 years *
Computer equipment	4 years *

* The Company believes that the technically evaluated useful lives, different from Schedule II of the Companies Act, 2013, best represent the period over which these assets are expected to be used.

Property, plant and equipment consist of the following:

(₹ crore)

	Computer equipment	Office equipment	Total
Cost as at April 1, 2024	**0.10**	**0.06**	**0.16**
Additions	-	-	-
Cost as at March 31, 2025	**0.10**	**0.06**	**0.16**
Accumulated depreciation as at April 1, 2024	**0.10**	**0.06**	**0.16**
Depreciation	-	-	-
Accumulated depreciation as at March 31, 2025	**0.10**	**0.06**	**0.16**
Net carrying amount as at March 31, 2025	**-**	**-**	**-**

Notes forming part of the Financial Statements

(₹ crore)

	Computer equipment	Office equipment	Total
Cost as at April 1, 2023	0.09	0.05	0.14
Additions	0.01	0.01	0.02
Cost as at March 31, 2024	0.10	0.06	0.16
Accumulated depreciation as at April 1, 2023	0.02	0.04	0.06
Depreciation	0.08	0.02	0.10
Accumulated depreciation as at March 31, 2024	0.10	0.06	0.16
Net carrying amount as at March 31, 2024	-	-	-

10) LOANS

Loans (unsecured) consist of the following:

Loans – Current

(₹ crore)

	As at March 31, 2025	As at March 31, 2024
Considered good		
Inter-corporate deposits	**-**	110.00
	-	110.00

Inter-corporate deposits yield fixed interest rate and are placed with financial institutions, who are authorized to accept and use such inter-corporate deposits as per regulations applicable to them.

11) OTHER FINANCIAL ASSETS

Other financial assets consist of the following:

Non-current financial assets

(₹ crore)

	As at March 31, 2025	As at March 31, 2024
Interest receivable	**0.87**	61.95
Long-term bank deposits	**1,130.00**	1,495.00
Security deposits	**-**	0.18
	1,130.87	1,557.13

Current financial assets

(₹ crore)

	As at March 31, 2025	As at March 31, 2024
Interest receivable	**176.17**	40.79
	176.17	40.79

Notes forming part of the Financial Statements

12) INVESTMENTS

Investments consist of the following:

(₹ crore)

	As at March 31, 2025	As at March 31, 2024
Investment carried at fair value through profit and loss		
Mutual funds (quoted)	**45.14**	150.24
	45.14	150.24

Aggregate value of quoted investments is as follows:

(₹ crore)

	As at March 31, 2025	As at March 31, 2024
Aggregate value of quoted investments	**45.14**	150.24
Aggregate market value of quoted investments	**45.14**	150.24

13) CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of the following:

(₹ crore)

	As at March 31, 2025	As at March 31, 2024
Balances with banks		
In savings accounts	**1.43**	0.35
In current accounts	**0.05**	0.05
	1.48	0.40

14) OTHER BALANCES WITH BANKS

Other bank balances with banks consist of the following:

(₹ crore)

	As at March 31, 2025	As at March 31, 2024
Short-term bank deposits	**1,595.00**	517.00
	1,595.00	517.00

15) OTHER ASSETS

Other assets consist of the following:

(₹ crore)

	As at March 31, 2025	As at March 31, 2024
Considered good		
Advance to suppliers	**4.38**	6.45
	4.38	6.45

Notes forming part of the Financial Statements

16) SHARE CAPITAL

The authorised, issued, subscribed and fully paid-up share capital comprises of equity shares having a par value of ₹ 10 each as follows:

(₹ crore)

	As at March 31, 2025	As at March 31, 2024
Authorised		
40,00,000 equity shares of ₹ 10 each (March 31, 2024: 40,00,000 equity shares of ₹ 10 each)	**4.00**	4.00
	4.00	4.00
Issued, Subscribed and Fully paid-up		
10,00,000 equity shares of ₹ 10 each (March 31, 2024: 10,00,000 equity shares of ₹ 10 each)	**1.00**	1.00
	1.00	1.00

a) Reconciliation of number of shares

	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Amount (₹ crore)	Number of shares	Amount (₹ crore)
Equity shares				
Opening balance	**10,00,000**	**1.00**	10,00,000	1.00
Closing balance	**10,00,000**	**1.00**	10,00,000	1.00

b) Rights and restrictions attached to shares

The Company has one class of equity shares having a par value of ₹10 each. The shareholders of the Company do not have any right to dividend. As per clause 10 of Memorandum of Association (MoA) of the Company, in the event of winding up or dissolution of the Company, the holder of equity shares will not be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. The amount remaining, if any, shall be given or transferred to such other company having similar objects, subject to such conditions as the Tribunal may impose, or may be sold and proceeds thereof credited to Rehabilitation and Insolvency Fund formed under Section 269 of the Companies Act, 2013.

c) Details of shares held by holding company and shareholders holding more than 5% of the aggregate shares in the Company

(₹ crore)

	As at March 31, 2025	As at March 31, 2024
Equity shares		
Tata Consultancy Services Limited*	**10,00,000**	10,00,000
	100.00%	100.00%

*includes 6 equity shares held by individuals of which beneficial ownership is held with TCS.

d) Disclosure of Shareholding of Promoters

Disclosure of shareholding of promoters as at March 31, 2025 is as follows:

Shares held by promoter at the end of the year			% change during the year
Promoter name	**No. of Shares**	**% of total shares**	
Tata Consultancy Services Limited*	**10,00,000**	**100.00**	**-**
Total	**10,00,000**	**100.00**	**-**

*includes 6 equity shares held by individuals of which beneficial ownership is held with TCS.

Back to content

Notes forming part of the Financial Statements

Disclosure of shareholding of promoters as at March 31, 2024 is as follows:

Shares held by promoter at the end of the year			% change during the year
Promoter name	**No. of Shares**	**% of total shares**	
Tata Consultancy Services Limited*	**10,00,000**	**100.00**	**-**
Total	**10,00,000**	**100.00**	**-**

*includes 6 equity shares held by individuals of which beneficial ownership is held with TCS.

17) LEASES

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease-by-lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification.

Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

Notes forming part of the Financial Statements

The details of the right-of-use asset held by the Company is as follows:

(₹ crore)

	Additions for the year ended March 31, 2025	Net carrying amount as at March 31, 2025
Leasehold buildings	-	-
Total	-	-

Depreciation on right-of-use assets is as follows

(₹ crore)

	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation		
Leasehold buildings	-	0.61
	-	0.61

Interest on lease liabilities is NIL and ₹ 0.02 crore for the year ended March 31, 2025 and 2024, respectively.

The total cash outflow for leases is NIL and ₹ 0.50 crores for the year ended March 31, 2025 and 2024, respectively, including cash outflow for short term and low value leases.

Lease contracts entered by the Company majorly pertains for buildings taken on lease to conduct its business in the ordinary course. The Company does not have any lease restrictions and commitment towards variable rent as per the contract.

18) OTHER EQUITY

Other equity consists of the following:

(₹ crore)

	As at March 31, 2025	As at March 31, 2024
Retained earnings		
(i) Opening balance	**1,305.58**	1,302.98
(ii) Surplus/(Deficit) of income over expenditure	**141.08**	2.60
	1,446.66	1,305.58

19) DUES OF SMALL ENTERPRISES AND MICRO ENTERPRISES

Dues of Small and Micro Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. The disclosure pursuant to the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act) for dues to micro enterprises and small enterprises as at March 31, 2025 and 2024 is as under:

Notes forming part of the Financial Statements

(₹ crore)

	As at March 31, 2025	As at March 31, 2024
Dues remaining unpaid to any supplier		
Principal	**0.25**	2.12
Interest on the above	**-**	-
Amount of interest paid in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	**-**	-
Amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	**-**	-
Amount of interest accrued and remaining unpaid.	**-**	-
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 MSMED Act, 2006.	**-**	-

20) TRADE PAYABLES

Ageing for trade payables outstanding as at March 31, 2025 is as follows:

(₹ crore)

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 year	
Trade payables						
MSME*	**0.25**	**-**	**-**	**-**	**-**	**0.25**
Others	**-**	**10.76**	**2.97**	**2.42**	**0.41**	**16.56**
	0.25	**10.76**	**2.97**	**2.42**	**0.41**	**16.81**
Accrued expenses						**0.18**
						16.99

* MSME as per the Micro, Small and Medium Enterprises Development Act, 2006

Ageing for trade payables outstanding as at March 31, 2024 is as follows:

(₹ crore)

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 year	
Trade payables						
MSME*	2.12	-	-	-	-	2.12
Others	7.58	12.23	2.44	0.42	0.02	22.69
	9.70	12.23	2.44	0.42	0.02	24.81
Accrued expenses						5.29
						30.10

* MSME as per the Micro, Small and Medium Enterprises Development Act, 2006

Notes forming part of the Financial Statements

21) OTHER LIABILITIES

Other liabilities consists of the following:

(₹ crore)

	As at March 31, 2025	As at March 31, 2024
Statutory liabilities	**0.28**	0.77
Unutilised amounts from earmarked funds received (Refer note below)		
Opening balance	**1,063.82**	544.12
Add: Received during the year (refer note 31)	**650.00**	520.00
Less: Transferred from Earmarked fund	**(189.02)**	(0.30)
	1,524.80	1,063.82
	1,525.08	1,064.59

Note:

The amount unutilised from Earmarked funds represent amounts received from donors for specific projects undertaken by the Company which have remained unutilised as at the Balance Sheet date.

22) INCOME

(₹ crore)

	Year ended March 31, 2025	Year ended March 31, 2024
Donations	**-**	-
Transfer from earmarked fund	**189.02**	0.30
	189.02	0.30

23) OTHER INCOME (NET)

Other income (net) consists of the following:

(₹ crore)

	Year ended March 31, 2025	Year ended March 31, 2024
Interest income	**174.15**	126.12
Net gain on investments carried at fair value through profit and loss	**6.75**	12.82
Other income	**-**	0.01
	180.90	138.95
Interest income comprises :		
Interest on savings bank/ bank deposits	**167.57**	103.27
Interest on inter corporate deposits	**6.58**	22.85
Interest on tax refunds	**-**	-
	174.15	126.12

Notes forming part of the Financial Statements

24) Grants represent expenses towards Corporate Social Responsibility projects which are executed in collaboration with other charitable organisations.

Project expenses represent expenses towards Corporate Social Responsibility projects which are executed by the Company.

25) OTHER OPERATING EXPENSES

Other operating expense consist of the following:

(₹ crore)

	Year ended March 31, 2025	Year ended March 31, 2024
Sub-contracting costs (Refer note 1 below)	**0.18**	0.16
Payment to auditors (Refer note 2 below)	**0.05**	0.05
Travel expenses	**0.01**	-
Other expenses	**0.17**	0.12
	0.41	0.33
Note 1: Cost of personnel on deputation from TCS.		
Note 2:		
As auditors - statutory audit (inclusive of GST)		
Audit fees	**0.04**	0.04
Out-of-pocket expenses	**-***	-*

* represents value less than ₹ 1 lakh

26) FINANCE COSTS

Finance costs consist of the following:

(₹ crore)

	Year ended March 31, 2025	Year ended March 31, 2024
Interest on lease liabilities	**-**	0.02
	-	0.02

27) INCOME TAXES

The Company is registered under section 12AA of the Income tax Act, 1961 which entitles it to claim an exemption from income tax, provided certain conditions laid down in Income tax Act, 1961 are complied with. Provision for income tax would be made only in the year in which the Company is unable to establish reasonable certainty of its ability to fulfil these conditions. The Company has also obtained a certificate under Section 80 G of the Income tax Act, 1961.

28) FINANCIAL INSTRUMENTS

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset and financial liability are disclosed in note 8 to the financial statements.

Back to content

Notes forming part of the Financial Statements

a) Financial assets and liabilities

The carrying value of financial instruments by categories as of March 31, 2025 is as follows:

(₹ crore)

	Fair value through profit and loss	Amortised cost	Total carrying value
Financial assets:			
Cash and cash equivalents	**-**	**1.48**	**1.48**
Bank deposits	**-**	**1,595.00**	**1,595.00**
Investments	**45.14**	**-**	**45.14**
Loans*	**-**	**-**	**-**
Other financial assets	**-**	**1,307.04**	**1,307.04**
Total	**45.14**	**2,903.52**	**2,948.66**
Financial liabilities:			
Trade payables	**-**	**16.99**	**16.99**
Lease liabilities	**-**	**-**	**-**
Total	**-**	**16.99**	**16.99**

*Loans include inter-corporate deposits.

The carrying value of financial instruments by categories as of March 31, 2024 is as follows:

(₹ crore)

	Fair value through profit and loss	Amortised cost	Total carrying value
Financial assets:			
Cash and cash equivalents	-	0.40	0.40
Bank deposits	-	517.00	517.00
Investments	150.24	-	150.24
Loans*	-	110.00	110.00
Other financial assets	-	1,597.92	1,597.92
Total	150.24	2,225.32	2,375.56
Financial liabilities:			
Trade payables	-	30.10	30.10
Lease liabilities	-	-	-
Total	-	30.10	30.10

*Loans include inter-corporate deposits.

Carrying amounts of cash and cash equivalents, loans receivables and trade payables as at March 31, 2025 and March 31, 2024 approximate the fair value. Fair value measurement of lease liabilities is not required.

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 consist 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.

Notes forming part of the Financial Statements

The following table summarises financial assets measured at fair value on a recurring basis:

(₹ crore)

As of March 31, 2025:	Level 1	Level 2	Level 3	Total
Financial assets:				
Mutual funds	**45.14**	**-**	**-**	**45.14**
Total	**45.14**	**-**	**-**	**45.14**

(₹ crore)

As of March 31, 2024:	Level 1	Level 2	Level 3	Total
Financial assets:				
Mutual funds	150.24	-	-	150.24
Total	150.24	-	-	150.24

There are no financial liabilities measured at fair value at the end of each reporting period.

b) Financial risk management:

The Company is exposed primarily to market risk, interest rate risk, credit risk and liquidity risks which may adversely impact the fair value of its financial instruments. The Company's Parent Company has a risk management policy which covers risks associated with the financial assets and liabilities of the Company. The risk management policy is approved by the Parent Company's Board of Directors. The focus of the risk management committee of the Parent Company is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the Company. Investments are made as per the provisions enumerated in the Income Tax Act, 1961 and Risk management practices are followed similar to those followed in Parent Company.

i. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the interest rates, liquidity and other market changes.

ii. Interest rate risk

The Company's investments are primarily in fixed rate interest bearing investments. Hence, the Company is not significantly exposed to interest rate risk.

iii. Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks.

Financial instruments that are subject to credit risk consist of loans receivables, investments, cash and cash equivalents and other financial assets. Bank deposits consist of ₹ 2,725 crore held with two banks and ₹ 2,012 crore held with one bank, having high credit rating are individually in excess of 10% or more of the Company's total bank deposits as at March 31, 2025 and 2024 respectively. None of the other financial instruments of the Company result in material concentration of credit risk.

iv. Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company consistently generated sufficient cash flows from operations to meet its financial obligations including lease liabilities as and when they fall due.

Notes forming part of the Financial Statements

The tables below provide details regarding the contractual maturities of significant financial liabilities as of:

(₹ crore)

March 31, 2025	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5th year	Total
Financial liabilities:					
Trade payables	**16.99**	**-**	**-**	**-**	**16.99**
Lease liabilities	**-**	**-**	**-**	**-**	**-**
Total	**16.99**	**-**	**-**	**-**	**16.99**

(₹ crore)

March 31, 2024	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5th year	Total
Financial liabilities:					
Trade payables	30.10	-	-	-	30.10
Lease liabilities	-	-	-	-	-
Total	30.10	-	-	-	30.10

v. Currency risk

The Company is not exposed to significant currency risk as the revenue and expenditure are primarily denominated in Indian Rupees.

29) SEGMENT REPORTING

The Company is engaged in promoting and funding projects and / or programs, relating to Corporate Social Responsibility (CSR) in India, which in the context of Ind AS 108 Operating Segments is considered as the only reportable segment. The Company does not have any geographical segments.

30) COMMITMENTS AND CONTINGENCIES

Capital commitments

There are no contracts remaining to be executed on capital account and not provided for (net of advances) as at March 31, 2025 (Nil as at March 31, 2024).

Contingencies

There are no contingent liabilities as at March 31, 2025 (Nil as at March 31, 2024).

31) RELATED PARTY TRANSACTIONS

TCS Foundation's principal related parties consist of its holding company Tata Consultancy Services Limited and its subsidiaries. The Company routinely enters into transactions with its related parties in the ordinary course of business.

Related parties and their relationship

I) Ultimate Holding Company

Tata Sons Private Limited

II) Holding Company

Tata Consultancy Services Limited

Notes forming part of the Financial Statements

III) Associates / Joint ventures of Tata Sons Private Limited and their subsidiaries

TATA Class Edge (A Division of TATA Industries Ltd)

Voltas Limited

Piem Hotels Limited

Transactions with related parties are as follows:

(₹ crore)

Particulars	Year ended March 31, 2025			
	Holding Company	Fellow subsidiaries	Associates / joint ventures of Tata Sons Private Limited and their subsidiaries	Total
Donations	**-**	**-**	**-**	**-**
Other than earmarked funds received	**650.00**	**-**	**-**	**650.00**
Earmarked funds received	**-**	**-**	**-**	**-**
Purchase of services and facilities (including subcontracting cost)	**2.42**	**-**	**-**	**2.42**

(₹ crore)

Particulars	Year ended March 31, 2024			
	Holding Company	Fellow subsidiaries	Associates / joint ventures of Tata Sons Private Limited and their subsidiaries	Total
Donations	-	-	-	-
Other than earmarked funds received	520.00	-	-	520.00
Earmarked funds received	-	-	-	-
Purchase of services and facilities (including subcontracting cost)	4.14	-	0.06	4.20

Balances payable to related parties are as follows:

(₹ crore)

Particulars	As at March 31, 2025			
	Holding Company	Fellow subsidiaries	Associates / joint ventures of Tata Sons Private Limited and their subsidiaries	Total
Trade payables	**0.27**	**-**	**-**	**0.27**

Notes forming part of the Financial Statements

(₹ crore)

Particulars	As at March 31, 2024			
	Holding Company	Fellow subsidiaries	Associates / joint ventures of Tata Sons Private Limited and their subsidiaries	Total
Trade payables	0.42	-	0.02	0.44

32) No funds have been advanced/loaned/invested (from borrowed funds or from share premium or from any other sources / kind of funds) by the Company to any other person(s) or entity(ies), including foreign entities (Intermediaries), with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

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 (i) directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

33) ADDITIONAL REGULATORY INFORMATION

Ratios

Ratio	Numerator	Denominator	Current year	Previous year	% variance	Reason for variance
Current ratio (in times)	Total current assets	Total current liabilities	**1.18**	0.75	57.33	New deposits and renewal of previous year deposits which were current in nature, were placed with a longer tenure during the year.
Return on investment (in %)	Income generated from invested funds	Average invested funds	**7.17%**	6.84%	0.33	

Other ratios related to revenue, profit and equity are not applicable to TCS Foundation as it is a section 8 company.

34) Earnings per share (EPS) is not applicable to TCS Foundation as it is a section 8 company and hence not disclosed.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rajesh Shetty
Partner
Membership No: 130778

Mumbai, May 26, 2025

For and on behalf of the Board

N. Chandrasekaran
Chairman
DIN: 00121863

K Krithivasan
Director
DIN:10106739

NG Subramaniam
Director
DIN:07006215

Ajoyendra Mukherjee
Director
DIN:00350269

Roopa Purushothaman
Director
DIN: 02846868

Mumbai, May 26, 2025

Back to content

TATA CONSULTANCY SERVICES (AFRICA) (PTY) LTD

(Registration Number: 2007/030546/07)

ANNUAL FINANCIAL STATEMENTS

For the year ended

December 31, 2024

Audited in compliance with section 30 of the Companies Act of South Africa.

Prepared under the supervision of Gilroy Fernandes

For the year ended December 31, 2024

Table of Contents **PAGE**

Directors' Statement of Responsibility	9.2
Directors' Report	9.3
Independent Auditor's Report	9.4
Statement of Financial Position	9.6
Statement of Profit or Loss and Other Comprehensive Income	9.7
Statement of Changes in Equity	9.8
Statement of Cash Flows	9.9
Notes to Financial Statements	9.10

Back to main content

Directors' Statement of Responsibility

The directors of the Company are responsible for the maintenance of adequate accounting records and the preparation and integrity of the annual financial statements and related information. The auditors are responsible for reporting on the fair presentation of the financial statements. The financial statements have been prepared in accordance with "IFRS® Accounting standards as issued by the International Accounting Standard Board (IFRS® Accounting Standards) and the requirements of the Companies Act of South Africa.

The directors are also responsible for the Company's system of internal financial control. These are designed to provide reasonable, but not absolute, assurance as to the reliability of the financial statements, and to adequately safeguard, verify and maintain accountability of the Company's assets, and to prevent and detect misstatement and loss. Nothing has come to the attention of the directors to indicate that any material breakdown in the functioning of these controls, procedures and systems have occurred during the year under review.

The financial statements have been prepared on the going concern basis since the directors believe that the Company has adequate resources in place to continue in operation for the foreseeable future.

Directors' approval of the annual financial statements

The annual financial statements and directors report were approved by the Directors on April 25, 2025 and are signed on their behalf by:

Lakshminarayanan Gomatam Seshadri

Authorised Director

Henry Langa Dube

Authorised Director

Ujjwal Mathur

Authorised Director

Directors' Report

The directors have pleasure in presenting their report on the activities of the Company for the year ended December 31, 2024. This financial report covers the period 1st January 2024 to 31st December 2024. Comparative figures are for the 12 months to 31st December 2023.

Nature of business

The Company acts as an investment holding company. Its subsidiary provides IT consulting services.

General review of operations

The financial position of the Company and the results of its operations for the year under review are set out in the attached financial statements and in the opinion of the directors require no further comment. Profit after tax for the Company amounted to ZAR 102,217,299 for December 2024 (December 2023: ZAR 77,710,938).

Dividends

A dividend of ZAR 139,020,000 was paid during the year ended December 31, 2024 (December 2023: ZAR 77,700,000)

Shareholder

The current shareholder of TATA CONSULTANCY SERVICES (AFRICA) (PTY) LTD is:

	As at December 31, 2024	As at December 31, 2023
Tata Consultancy Services Limited	**100%**	100%

Directors and secretary

The directors of the Company during the year under review and up to the date of this report are:

Henry Langa Dube (Appointed on July 22, 2019)

Lakshminarayanan Gomatam Seshadri* (Appointed on July 22, 2019)

Ujjwal Mathur* (Appointed on July 22, 2019)

Adil Noshir Tantra* (Resignation date June 12, 2024)

*Indian

Registered office and postal address

The registered office and postal address of the Company are:

Registered Address: 39, Ferguson Road, Illovo, 2196

Postal address: P.O. Box 706, Melrose Arch, 2076

Independent Auditor's Report

KPMG Inc
KPMG Crescent
85 Empire Road, Parktown, 2193,
Private Bag 9, Parkview, 2122, South Africa
Telephone **+27 (0)11 647 7111**
Fax **+27 (0)11 647 8000**
Docex **472 Johannesburg**
Web **http://www.kpmg.co.za**

To the shareholder of TATA CONSULTANCY SERVICES (AFRICA) (PTY) LTD

Opinion

We have audited the financial statements of Tata Consultancy Services (Africa) (Pty) Ltd (the Company) set out on pages 1 to 13, which comprise the statement of financial position as at 31 December 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policy information

In our opinion, the financial statements present fairly, in all material respects, the financial position of Tata Consultancy Services (Africa) (Pty) Ltd at 31 December 2024, and its financial performance and cash flows for the year then ended in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and the requirements of the Companies Act of South Africa.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Tata Consultancy Services (Africa) (Pty) Ltd Annual Financial Statements for the year ended 31 December 2024", which includes the Directors' Report as required by the Companies Act of South Africa. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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 ISAs 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 financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG Inc.
Registered Auditor

Per DW Matthews
Chartered Accountant (SA)
Registered Auditor
Director
26 April 2025

Statement of Financial Position

(Amount in ZAR)

	Note	As at December 31, 2024	As at December 31, 2023
ASSETS			
Current assets			
Cash and cash equivalents	7 (a)	**59,532,865**	8,177,508
Other financial assets	7 (d)	**102,175**	19,772
Income tax assets (net)		**-**	6,901
Total current assets		**59,635,040**	8,204,181
Non-current assets			
Investments	7 (b)	**12,600,001**	106,700,000
Total non-current assets		**12,600,001**	106,700,000
TOTAL ASSETS		**72,235,041**	114,904,181
LIABILITIES AND EQUITY			
Liabilities			
Current liabilities			
Trade payables	7 (c)	**98,145**	129,123
Income tax liabilities (net)		**44,540**	**-**
Other current liabilities	9 (a)	**1,890,000**	7,770,001
TOTAL LIABILITIES		**2,032,685**	7,899,124
Equity			
Share capital	7 (h)	**14,000,000**	14,000,000
Retained earnings		**56,202,356**	93,005,057
TOTAL EQUITY		**70,202,356**	107,005,057
TOTAL LIABILITIES AND EQUITY		**72,235,041**	114,904,181

SEE ACCOMPANYING NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Statement of Profit or Loss and Other Comprehensive Income
For the year ended December 31, 2024 and December 31, 2023

(Amount in ZAR)

	Note	Year ended December 31, 2024	Year ended December 31, 2023
Dividend received		**139,140,007**	77,760,004
Operating expenses			
Other operating expenses	10	**208,037**	136,004
Total operating expenses		**208,037**	136,004
Operating profit		**138,931,970**	77,624,000
Other income			
Interest income	11	**378,819**	119,017
Other (expsense)			
Loss on Sale of Investments		**33,328,999**	-
Profit before taxes		**105,981,790**	77,743,017
Income tax expense	12	**3,764,491**	32,079
Profit for the year		**102,217,299**	77,710,938
Other comprehensive Income (OCI)		**-**	-
Total Comprehensive Income for the year		**102,217,299**	77,710,938

SEE ACCOMPANYING NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Statement of Changes in Equity
For the year ended December 31, 2024 and December 31, 2023

(Amount in ZAR)

	Share capital	Retained earnings	Total equity
Balance as at January 1, 2023	14,000,000	92,994,119	106,994,119
Total comprehensive income for the year	-	77,710,938	77,710,938
Dividend paid (Per share : 5.55)	-	(77,700,000)	(77,700,000)
Balance as at December 31, 2023	**14,000,000**	**93,005,057**	**107,005,057**
Total comprehensive income for the year	**-**	**102,217,299**	**102,217,299**
Dividend paid (Per share : 9.93)	**-**	**(139,020,000)**	**(139,020,000)**
Balance as at December 31, 2024	**14,000,000**	**56,202,356**	**70,202,356**

SEE ACCOMPANYING NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Statement of Cash Flows
For the year ended December 31, 2024 and year ended December 31, 2023

(Amount in ZAR)

	Note	For year ended December 31, 2024	For year ended December 31, 2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the year		**102,217,299**	77,710,938
Adjustment for			
Income tax expense	12	**3,764,491**	32,079
Loss on sale of investments	7(b)	**33,328,999**	-
Operating Profit before working capital changes		**139,310,789**	77,743,017
Other financial assets		**(82,403)**	(8,401)
Other current liabilities		**(5,880,001)**	2,156,001
Trade and other payables		**(30,978)**	8,551
Cash generated from operations		**133,317,407**	79,899,168
Taxes paid		**(3,719,949)**	(31,072)
Tax refund		**6,899**	-
Net cash generated from operating activities		**129,604,357**	79,868,096
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		**(139,020,000)**	(77,700,000)
Sale of shares in subsidiary		**60,771,000**	-
Net cash used in financing activities		**(78,249,000)**	(77,700,000)
Net change in cash and cash equivalents		**51,355,357**	2,168,095
Cash and cash equivalents, at the beginning of the year	7 (a)	**8,177,508**	6,009,413
Cash and cash equivalents, at the end of the year		**59,532,865**	8,177,508

SEE ACCOMPANYING NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Notes forming part of the financial statements for the year ended December 31, 2024

1. CORPORATE INFORMATION

TATA CONSULTANCY SERVICES (AFRICA) (PTY) LTD (the "Company") is registered under Companies Act of South Africa having registration number 2007/030546/07

The Company acts as an investment holding Company. Its subsidiary provides IT consulting services.

The address of the Company's registered office is 39 Ferguson road, Illovo, 2196

The financial statement were approved and authorised for issue on April 25, 2025

2. STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with "IFRS® Accounting standards as issued by the International Accounting Standard Board (IFRS® Accounting Standards) and Companies Act of South Africa. The principal accounting policies applied in the preparation of these financial statements have been consistently applied to all periods presented.

3. BASIS OF PREPARATION

The financial statements have been prepared on historical cost basis except otherwise stated. Historical cost is generally based on the fair value of the consideration given in exchange for 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.

Cash flows are reported using the indirect method, whereby profit or loss is adjusted for the effects of transactions of a non¬cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The Company classifies interest paid and interest and dividend received as cash flow from operating activities. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value to be cash equivalents.

The functional and reporting currency of TATA CONSULTANCY SERVICES (AFRICA) (PTY) LTD is Rands ("ZAR"). Foreign currency transactions are translated into functional currency at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are translated into the functional currency using exchange rates prevailing on the balance sheet date. Gains and losses arising on conversion of foreign currency denominated monetary assets and liabilities are included in profit or loss. Non monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not translated.

4. USE OF ESTIMATES AND JUDGMENTS

The preparation of these financial statements is in conformity with the recognition and measurement principles of International Financial Reporting Standards (IFRS) which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses for the years presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and future periods are affected.

The company uses the following critical accounting estimates in preparation of its financial statements:

a. Revenue recognition

Dividend income is recorded when the right to receive payment is established. Interest income is recognised using effective interest method.

b. Provisions and contingent liabilities

A provision is recognised when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at the end of each reporting period and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

Notes forming part of the financial statements for the year ended December 31, 2024

5. NATURE AND PURPOSE OF RESERVES

This reserve represents undistributed accumulated earnings of the Company as on the date of statement of financial position.

6. RECENT ACCOUNTING STANDARDS

The Company has not applied the following new and revised IFRSs that have been issued but are not yet effective.

Amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates[1]

Amendments to IFRS 9 and IFRS 7[2]

IFRS 18 – Presentation and Disclosures in Financial Statements[3]

IFRS 19 – Subsidiaries without Public Accountability: Disclosures[3]

[1]Effective for annual periods beginning on or after January 1, 2025.

[2]Effective for annual periods beginning on or after January 1, 2026.

[3]Effective for annual periods beginning on or after January 1, 2027.

IAS 21 – The Effects of Changes in Foreign Exchange Rates

In August 2023, the IASB issued 'Lack of Exchangeability (Amendments to IAS 21)' to provide guidance to specify which exchange rate to use when the currency is not exchangeable. An entity must estimate the spot exchange rate as the rate that would have applied to an orderly transaction between market participants at the measurement date and that would faithfully reflect the economic conditions prevailing. The Company does not expect this amendment to have any significant impact in its financial statements.

IFRS 9 and IFRS 7 – Financial Instruments and Financial Instruments: Disclosure

In May 2024, the IASB issued "Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) to address matters identified during the post-implementation review of IFRS 9. The amendments relate to derecognition of a financial liability settled through electronic transfer, classification of financial assets and disclosures of certain financial assets and financial liabilities. The Company will evaluate the amendments and implement them accordingly.

IFRS 18 – Presentation and Disclosures in Financial Statements

In April 2024, the IASB issued its new standard IFRS 18 – Presentation and Disclosures in Financial Statements that will replace IAS 1 – Presentation of Financial Statements. The new standard aims at improving how entities communicate in their financial statements. The Company will evaluate the standard and implement it accordingly.

IFRS 19 – Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued a new standard IFRS 19 - Subsidiaries without Public Accountability: Disclosures. The standard allows a subsidiary which does not have public accountability and has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards, to elect IFRS 19. Such an entity applies the requirements in other IFRS Accounting Standards, except for the disclosure requirements, instead the entity applies the requirements in IFRS 19.

7. Financial assets, financial liabilities and equity instruments

Cash and cash equivalents

The company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial

Notes forming part of the financial statements for the year ended December 31, 2024

asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

The Company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in other comprehensive income.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments recognised by the Company are recognised at the proceeds received net of direct issue cost.

Trade and other payable

Liabilities are recognised for the amounts to be paid in the future for goods or services received, whether billed by supplier or not.

Impairment of financial assets (other than at fair value)

The Company assesses at each date of statement of financial position whether a financial asset or a Company of financial assets is impaired. IFRS 9 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. In determining the allowances for doubtful trade receivables the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Derecognition of financial assets

(i) Financial asset

The Company derecognises a financial asset when the contractual right to the cash flows from the financial asset expire, or it transfers the right to receive the contractual cash flow in a transaction in which substantially all of the risks and rewards of the ownership of financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of financial asset.

The Company enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all the risks and rewards of the transferred assets. In these cases the transferred assets are not derecognised.

(ii) Financial liability

The company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The company also derecognises financial liability when its terms are modified and cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

Notes forming part of the financial statements for the year ended December 31, 2024

On derecognition of financial liability the difference between the carrying amount extinguished and the consideration paid (including any non cash asset transferred or liabilities assumed) is recognised in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the company currently has legally enforceable right to setoff the amount and it intends either to settle them on a net basis or to realise the asset and settle the liabilities simultaneously.

a. Cash and cash equivalents

(Amount in ZAR)

	As at December 31, 2024	As at December 31, 2023
Balances with bank		
In current account	**32,865**	57,508
In deposit account	**59,500,000**	8,120,000
Total	**59,532,865**	8,177,508

b. Investment

Investment consist of the following:

(Amount in ZAR)

	As at December 31, 2024	As at December 31, 2023
Investment non-current		
Investment in subsidiary*	**106,700,000**	106,700,000
Less: Sale of investment	**(60,771,000)**	-
Less: Loss on sale of investments	**(33,328,999)**	-
Total	**12,600,001**	106,700,000

*Investment in subsidiary is stated at cost less accumulated impairment losses in the Company's financial statements.

Considering the fact that TATA CONSULTANCY SERVICES (AFRICA) (PTY) LTD is a profitable company, management believes there is no trigger for impairment.

c. Trade payables

(Amount in ZAR)

	As at December 31, 2024	As at December 31, 2023
Accrued expenses	**98,145**	129,123
Total	**98,145**	129,123

d. Other financial assets

(Amount in ZAR)

	As at December 31, 2024	As at December 31, 2023
Accrued interest	**102,175**	19,772
Total	**102,175**	19,772

Notes forming part of the financial statements for the year ended December 31, 2024

e. Financial instruments by category

The carrying value of financial instruments by categories as at December 31, 2024 is as follows:

(Amount in ZAR)

	Amortised cost	Total carrying value
Financial assets		
Cash and cash equivalents	**59,532,865**	**59,532,865**
Other financial assets	**102,175**	**102,175**
Total	**59,635,040**	**59,635,040**
Financial liabilities		
Trade payables	**98,145**	**98,145**
Total	**98,145**	**98,145**

The carrying value of financial instruments by categories as at December, 2023 is as follows:

(Amount in ZAR)

	Amortised cost	Total carrying value
Financial assets		
Cash and cash equivalents	8,177,508	8,177,508
Other financial assets	19,772	19,772
Total	8,197,280	8,197,280
Financial liabilities		
Trade payables	129,123	129,123
Total	129,123	129,123

Carrying amounts of cash and cash equivalents, other financial assets and trade payables as at December 31, 2024 and December 31, 2023 approximate the fair value.

f. 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.

g. Financial risk management

The Company is exposed primarily to fluctuations in credit, liquidity and interest rate risks, which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which covers risks associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors. The focus of the risk management committee is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the Company.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes.

Notes forming part of the financial statements for the year ended December 31, 2024

- **Foreign currency**

  The Company is not exposed to foreign currency exchange rate risk.

- **Interest rate risk**

  The Company is not significantly exposed to interest rate risk.

Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentration of credit risk principally consist of cash and cash equivalents, and other financial assets.

- **Exposure to credit risk**

  The carrying amount of financial assets and contract assets represents the maximum credit exposure. The maximum exposure to credit risk was ZAR 59,635,039 and ZAR 8,197,280 as of December 31, 2024 and December 31, 2023, respectively being the total of the carrying amount of balances with bank, bank deposit and other financial assets. Balance with bank are held with banks with high credit ratings.

Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company consistently generates sufficient cash flows from operations to meet its financial obligations as and when they fall due.

The tables below provide details regarding the contractual maturities of significant financial liabilities as at:

(Amount in ZAR)

	Due in 1st year	Due in 2nd to 5th year	Total
December 31, 2024			
Financial liabilities			
Trade payables	**98,145**	**-**	**98,145**
Total	**98,145**	**-**	**98,145**

(Amount in ZAR)

	Due in 1st year	Due in 2nd to 5th year	Total
December 31, 2023			
Financial liabilities			
Trade payables	129,123	-	129,123
Total	129,123	-	129,123

Notes forming part of the financial statements for the year ended December 31, 2024

h. Equity instruments

(Amount in ZAR)

Authorised, issued, subscribed and paid up Share Capital	As at December 31, 2024	As at December 31, 2023
Authorised:		
20,000,000 ordinary shares of ZAR 1 each	**20,000,000**	20,000,000
Issued, Subscribed & Fully paid up :		
14,000,000 ordinary shares of ZAR 1 each	**14,000,000**	14,000,000

Share holding	Percentage	Percentage
Tata Consultancy Services Limited	**100%**	100%

Capital management

The Company's objective for capital management is to maximize shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. The company is not subject to any externally imposed capital requirements.

8. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in profit or loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease-by-lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and profit or loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in

Notes forming part of the financial statements for the year ended December 31, 2024

the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in profit or loss.

The Company has elected not to apply the requirements of IFRS 16 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

9. Non-financial assets and financial liabilities

a. Other liabilities

Other liabilities consist of the following:

(Amount in ZAR)

	As at December 31, 2024	As at December 31, 2023
Other liabilities - current		
Indirect Tax Payable	**1,890,000**	7,770,001
Total	**1,890,000**	7,770,001

10. Cost recognition

The costs of the company are broadly categorised into other operating expenses which mainly include fees to external consultants and other expenses. Other expenses comprise of bank charges and payment to auditors.

The Company decided to present an analysis of expenses recognized in the Profit or Loss using a classification based on their nature instead of by their function as classification of expenses by nature is considered to provide more reliable and relevant information to users than their classification by function. Information on the nature of expenses is useful in predicting future cash flows. Classification by nature is simple and does not require allocations and involves lesser management judgement. The Company intends to follow this approach on a consistent basis.

(Amount in ZAR)

	Year ended December 31, 2024	Year ended December 31, 2023
Other operating expenses		
Fees to external consultants	**180,503**	111,679
Other expenses	**27,534**	24,325
Total	**208,037**	136,004

11. Other income

Dividend income is recorded when the right to receive payment is established. Interest income is recognised using the effective interest method.

(Amount in ZAR)

	Year ended December 31, 2024	Year ended December 31, 2023
Interest income		
Interest income - Bank	**378,558**	118,853
Interest income - Income tax refunds	**261**	164
Total	**378,819**	119,017

Notes forming part of the financial statements for the year ended December 31, 2024

12. Income taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year.

Current tax is based on the taxable profit for the year and is calculated using tax rates that have been enacted by the end of the reporting period. Advance taxes and provisions for current income taxes are presented in the statement of financial position after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying unit intends to settle the asset and liability on a net basis.

The Company accounts for the deferred income taxes using the balance sheet approach. Deferred income taxes are provided for the differences between the tax base of assets and liabilities and their reported amounts in the financial statements.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for the company. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

The income tax expense consists of the following:

(Amount in ZAR)

	Year ended December 31, 2024	Year ended December 31, 2023
Current tax		
Current tax expense	**3,764,491**	32,079
Total	**3,764,491**	32,079

The reconciliation of estimated income tax expense at the Statutory income tax rate to income tax expense reported in statement of profit or loss and other comprehensive income is as follows:

(Amount in ZAR)

	Year ended December 31, 2024	Year ended December 31, 2023
Current tax expenses		
Income before taxes	**105,981,790**	77,743,017
Statutory tax rate	**27.00%**	27.00%
Expected income tax expense	**28,615,083**	20,990,615
Less: Income exempt from tax	**(37,567,802)**	(20,995,201)
Capital Gain on sale of Investments	**3,662,362**	-
Tax pertaining to prior years:	**-**	-
Current tax	**-**	-
Disallowable expenses		
Accounting loss on disposal of fixed and/ or other assets	**8,998,830**	-
Other Non Deductible Expenses (exempt dividend income)	**56,018**	36,665
Total tax expense	**3,764,491**	32,079

Notes forming part of the financial statements for the year ended December 31, 2024

IFRIC 23 Interpretation Uncertainty over Income Tax Treatment

IFRIC 23 interpretation addresses the accounting for income taxes when there is uncertainty over tax treatments. It clarifies that an entity must consider the probability that the tax authorities will accept a treatment retained in its income tax filings, assuming that they have full knowledge of all relevant information when making their examination. In such a case, the income taxes shall be determined in line with the income tax filings.

Application of IFRIC 23

The Company reviewed its income tax treatments in order to determine whether IFRIC 23 interpretation could have an impact on the financial statements. In that respect, the Company observed that there are no instances of any uncertain tax treatment in the past and on that basis it is reasonable to conclude that all the tax treatments are accepted by the tax officer and hence IFRIC-23 is not applicable.

13. Related party transactions

TATA CONSULTANCY SERVICES (AFRICA) (PTY) LTD principal related parties consist of its holding company Tata Consultancy Services Limited and it's subsidiary TATA CONSULTANCY SERVICES (SOUTH AFRICA) (PTY) LTD. The company routinely enters into transactions with its related parties in the ordinary course of business.

Transactions with related parties

(Amount in ZAR)

Particulars	With Tata Consultancy Services Limited, Holding Company	TATA CONSULTANCY SERVICES (SOUTH AFRICA) (PTY) LTD, Subsidiary Company	Total
For the year ended December 31, 2024			
Dividend paid	**139,020,000**	**-**	**139,020,000**
Dividend received	**-**	**139,140,007**	**139,140,007**
For the year ended December 31, 2023			
Dividend paid	77,700,000	-	77,700,000
Dividend received	-	77,760,004	77,760,004

14. Compensation to key managerial personnel

Mr. Henry Langa Dube (Director)

(Amount in ZAR)

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
Basic	**2,184,810**	2,089,488
Bonus	**469,248**	330,246
Other contribution	**582,618**	525,862
Total	**3,236,676**	2,945,596

Note: The remuneration earned by Mr. Henry Langa Dube is across entities of South African geography wherein he acts as director and does not only pertain to TATA CONSULTANCY SERVICES (AFRICA) (PTY) LTD.

Notes forming part of the financial statements for the year ended December 31, 2024

15. Going concern

The directors have, at the time of approving financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

16. Subsequent events

There have been no circumstances of a material nature that have occurred between the financial year end and the date of approval of these financial statements that require adjustment or disclosure in the financial statements.

17. Consolidation

The following set of financial statements represents the financial statements of the entity. The exemption under IAS27.16(1) has been applied and consolidated financial statements were not prepared. The consolidated financial statements of the parent company are available on demand.

Tata Consultancy Services Asia Pacific Pte Ltd

Registration Number: 200308003M

Annual Financial Statements
For the year ended on 31 March 2025

FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

CONTENTS **PAGE**

Directors' statement	10.2
Independent Auditors' report	10.4
Statement of financial position	10.6
Statement of comprehensive income	10.7
Statement of changes in equity	10.8
Statement of cash flows	10.9
Notes forming part of the financial statements	10.10

Back to main content

DIRECTORS' STATEMENT

We are pleased to submit this annual report to the member of the Company together with the audited financial statements for the financial year ended 31 March 2025.

In our opinion:

(a) the financial statements set out on pages 8.6 to 8.38 are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2025 and the financial performance, changes in equity and cash flows of the Company for the year ended on that date in accordance with the provisions of the Companies Act 1967 and Financial Reporting Standards in Singapore; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

Directors

The directors in office at the date of this statement are as follows:

Girish Ramachandran

Krishnan Ramanujam

Lakshminarayanan G S

Directors' interests

According to the register kept by the Company for the purposes of Section 164 of the Companies Act 1967 ('the Act'), particulars of interests of directors who held office at the end of the financial year (including those held by their spouses and children) in shares, debentures, warrants and share options in the Company and in related corporations are as follows:

Name of director and corporation in which interests are held	Holdings at beginning of the year	Holdings at end of the year
Tata Consultancy Services Limited		
- *Immediate holding company*		
Ordinary shares		
Girish Ramachandran	5,000	5,000
Krishnan Ramanujam	4,952	4,952
Lakshminarayanan G S	1,000	1,000

Except as disclosed in this statement, no director who held office at the end of the financial year had interests in shares, debentures, warrants or share options of the Company, or of related corporations, either at the beginning of the financial year or at the end of the financial year.

Neither at the end of, nor at any time during the financial year, was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Share options

During the financial year, there were:

(i) no options granted by the Company to any person to take up unissued ordinary shares of the Company; and

(ii) no shares issued by virtue of any exercise of option to take up unissued shares of the Company.

As at the end of the financial year, there were no unissued shares of the Company under option.

Auditors

The auditors, KPMG LLP, have indicated their willingness to accept appointment.

On behalf of the Board of Directors

.....

Girish Ramachandran
Director

.....

Lakshminarayanan G S
Director

7 May 2025

INDEPENDENT AUDITORS' REPORT

MEMBER OF THE COMPANY

TATA CONSULTANCY SERVICES ASIA PACIFIC PTE LTD

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Tata Consultancy Services Asia Pacific Pte Ltd ('the Company'), which comprise the statement of financial position as at 31 March 2025, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 8.6 to 8.38.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 ('the Act') and Financial Reporting Standards in Singapore ('FRSs') so as to give a true and fair view of the financial position of the Company as at 31 March 2025 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ('SSAs'). Our responsibilities under those standards are further described in the *'Auditors' responsibilities for the audit of the financial statements'* section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ('ACRA Code') together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained all other information prior to the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the 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 directors' responsibilities include overseeing the Company's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 SSAs 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 financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

KPMG LLP

Public Accountants and
Chartered Accountants

Singapore

7 May 2025

Statement of financial position
As at 31 March 2025

(Amount in: US$)

	Note	2025	2024
ASSETS			
Investments in subsidiaries	4	**109,932,755**	109,932,755
Other investments	5	**5,228,100**	3,300,000
Equipment	6 (A)	**1,783,781**	1,090,408
Intangible asset	6 (B)	**6,634**	50,468
Right-of-use assets	21	**7,211,610**	752,744
Others assets	9	**94,084**	200,764
Non-current assets		**124,256,964**	115,327,139
Cash and cash equivalents	7	**19,253,352**	17,358,447
Trade and other receivables	8	**107,609,839**	85,203,685
Other assets	9	**8,045,708**	9,292,844
Current assets		**134,908,899**	111,854,976
TOTAL ASSETS		**259,165,863**	227,182,115
EQUITY			
Share capital	10	**4,400,000**	4,400,000
Fair value reserves		**4,328,100**	2,400,000
Retained earnings		**125,509,678**	120,785,071
Total equity		**134,237,778**	127,585,071
LIABILITIES			
Accruals	12	**535,669**	521,954
Lease liabilities	13	**5,869,481**	—
Non-current liabilities		**6,405,150**	521,954
Trade and other payables	11	**91,391,262**	73,668,464
Accruals	12	**21,674,137**	21,000,599
Lease liabilities	13	**1,465,738**	787,367
Income tax payable		**3,991,798**	3,618,660
Current liabilities		**118,522,935**	99,075,090
Total liabilities		**124,928,085**	99,597,044
TOTAL EQUITY AND LIABILITIES		**259,165,863**	227,182,115

The accompanying notes form an integral part of these financial statements.

Statement of comprehensive income
Year ended 31 March 2025

(Amount in: US$)

	Note	2025	2024
Revenue	14	**367,499,886**	340,079,275
Cost of sales		**(314,928,659)**	(288,835,931)
GROSS PROFIT		**52,571,227**	51,243,344
Other income	15	**37,599,380**	24,140,849
Administrative expense		**(40,056,724)**	(39,324,006)
RESULTS FROM OPERATING ACTIVITIES		**50,113,883**	36,060,187
Finance income		**647,441**	890,112
Finance costs		**(266,144)**	(72,121)
NET FINANCE INCOME		**381,297**	817,991
PROFIT BEFORE TAX		**50,495,180**	36,878,178
Tax expense	16	**(5,770,573)**	(4,152,043)
PROFIT FOR THE YEAR	17	**44,724,607**	32,726,135
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss:			
Net change in fair value of equity investments at FVOCI		**1,928,100**	—
OTHER COMPREHENSIVE INCOME, NET OF TAX		**1,928,100**	—
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**46,652,707**	32,726,135

The accompanying notes form an integral part of these financial statements.

Statement of changes in equity

Year ended 31 March 2025

(Amount in: US$)

	Share capital	Retained earnings	Fair value reserve	Total
At 1 April 2023	4,400,000	118,058,936	2,400,000	124,858,936
Total comprehensive income for the year				
Profit for the year	—	32,726,135	—	32,726,135
Other comprehensive income for the year	—	—	—	—
Total comprehensive income for the year	—	32,726,135	—	32,726,135
Transactions with owners, recorded directly in equity				
Contributions by and distributions to owners				
Dividend paid	—	(30,000,000)	—	(30,000,000)
Total transactions with owners	—	(30,000,000)	—	(30,000,000)
At 31 March 2024	4,400,000	120,785,071	2,400,000	127,585,071
At 1 April 2024	**4,400,000**	**120,785,071**	**2,400,000**	**127,585,071**
Total comprehensive income for the year				
Profit for the year	**—**	**44,724,607**	**—**	**44,724,607**
Other comprehensive income for the year	**—**	**—**	**1,928,100**	**1,928,100**
Total comprehensive income for the year	**—**	**44,724,607**	**1,928,100**	**46,652,707**
Transactions with owners, recorded directly in equity				
Contributions by and distributions to owners				
Dividend paid	**—**	**(40,000,000)**	**—**	**(40,000,000)**
Total transactions with owners	**—**	**(40,000,000)**	**—**	**(40,000,000)**
At 31 March 2025	**4,400,000**	**125,509,678**	**4,328,100**	**134,237,778**

The accompanying notes form an integral part of these financial statements.

Statement of cash flows
Year ended 31 March 2025

(Amount in: US$)

	Note	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		**50,495,180**	36,878,178
Adjustments for:			
Depreciation of plant and equipment and intangible asset	6	**565,743**	1,007,990
Depreciation of right-of-use assets	21	**1,662,399**	1,728,495
Reversal of allowance for doubtful debts		**(15,173)**	(46,654)
Unrealised exchange loss on lease liabilities		**1,460**	(36,050)
Finance cost		**266,144**	72,121
Dividend income	15	**(37,205,200)**	(23,952,999)
Interest income		**(647,441)**	(890,112)
		15,123,112	14,760,969
Changes in working capital:			
Trade and other receivables		**(22,390,746)**	538,457
Other assets		**1,353,816**	(2,612,558)
Trade and other payables		**17,701,883**	284,837
Accruals		**687,253**	(775,636)
Cash generated from operations		**12,475,318**	12,196,069
Tax paid		**(5,397,435)**	(4,195,664)
Net cash flows from operating activities		**7,077,883**	8,000,405
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividend received	15	**37,205,200**	23,952,999
Interest received		**647,206**	885,545
Purchase of equipment and intangible asset	6	**(1,215,282)**	(505,484)
Net cash flows from investing activities		**36,637,124**	24,333,060
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid	18	**(40,000,000)**	(60,000,000)
Repayment of principal payment for lease liabilities	13	**(1,574,873)**	(1,707,323)
Payment of interest charges	13	**(245,229)**	(55,555)
Net cash flows used in financing activities		**(41,820,102)**	(61,762,878)
Net increase/(decrease) in cash and cash equivalents		**1,894,905**	(29,429,413)
Cash and cash equivalents at 1 April		**17,358,447**	46,787,860
Cash and cash equivalents at 31 March	7	**19,253,352**	17,358,447

The accompanying notes form an integral part of these financial statements.

Notes forming part of the Financial Statements

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 7 May 2025.

1. DOMICILE AND ACTIVITIES

Tata Consultancy Services Asia Pacific Pte Ltd ('the Company') is incorporated in Singapore. The address of the Company's registered office is 60 Anson Road, #18-01/02, Singapore 079914.

The principal activities of the Company are to provide IT consulting, software solutions and services and products in the Asia Pacific region.

The results of the Company include its South Korean branch results. The principal activities of the branch are to provide IT consulting, software solutions and products.

The Company's immediate holding corporation is Tata Consultancy Services Limited, incorporated in India. The ultimate holding corporation is Tata Sons Limited, also incorporated in India.

2. BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements have been prepared in accordance with Financial Reporting Standards in Singapore ('FRS'). The changes to material accounting policies are described in note 2.5.

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except as otherwise disclosed.

2.3 Functional and presentation currency

These financial statements are presented in United States dollars ('US$'), which is the Company's functional currency.

2.4 Use of estimates and judgements

The preparation of the financial statements in conformity with FRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Note 3.7 Revenue recognition.

Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The management has overall responsibility for all significant fair value measurements, including Level 3 fair values.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are recognised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is recognized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

Notes forming part of the Financial Statements

Further information about the assumptions made in measuring fair values is included in note 22 of the financial statements.

2.5 Changes in material accounting policies

New accounting standards and amendments

The Company has applied the following FRSs, amendments to and interpretations of FRS for the first time for the annual period beginning on 1 April 2024.

- Amendments to FRS 1: Classification of Liabilities as Current or Non-current
- Amendments to FRS 1: Non-current Liabilities with Covenants
- Amendments to FRS 116: Lease Liability in a Sale and Leaseback
- Amendments to FRS 7 and FRS 107: Supplier Finance Arrangements

The application of these amendments to accounting standards and interpretations does not have a material effect on the financial statements.

3. MATERIAL ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, except as explained in note 2.5, which addresses changes in material accounting policies.

3.1 Subsidiaries

Subsidiaries are entities controlled by the Company. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Investments in subsidiaries are stated at cost less impairment losses.

These financial statements are the separate financial statements of the Company. In accordance with FRS 110 Consolidated Financial Statements, the Company is exempted from the preparation of consolidated financial statements as the Company is itself a wholly-owned subsidiary of Tata Consultancy Services Limited. Publicly available consolidated financial statements are prepared by Tata Consultancy Services Limited, whose registered office is at 9th Floor, Nirmal Building, Nariman Point, Mumbai 400 021, India.

3.2 Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency of the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on translation are recognised in finance costs/income.

3.3 Financial instruments

(i) Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Trade receivables and debt investments issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

Notes forming part of the Financial Statements

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss ('FVTPL'), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Non-derivative financial assets

On initial recognition, a financial asset is classified as measured at amortised cost and fair value through other comprehensive income ('FVOCI') — equity investment.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Equity investments at FVOCI

On initial recognition of an equity investment that is not held-for-trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management.

The business model of the Company is as follows:

Held to collect

The Company holds financial assets which arise from its IT consulting business, software solutions and services and products in the Asia Pacific region. The objective of the business model for this financial instruments is to collect the amounts due from the Company's receivables.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

Notes forming part of the Financial Statements

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Non-derivative financial assets: Subsequent measurement and gains and losses

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Directly attributable transaction costs are recognised in profit or loss as incurred.

Other financial liabilities are initially measured at fair value less directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss.

(iii) Derecognition

Financial assets

The Company derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either
  - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
  - the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Transferred assets are not derecognised when the Company enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Notes forming part of the Financial Statements

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position 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 realise the asset and settle the liability simultaneously.

3.4 Impairment

(i) Non-derivative financial assets and contract assets

The Company recognises loss allowances for ECLs on:

- financial assets measured at amortised cost; and
- contract assets (as defined in FRS 115).

Loss allowances of the Company are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument or contract asset.

Simplified approach

The Company applies the simplified approach to provide for ECLs for all trade receivables and contract assets. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

General approach

The Company applies the general approach to provide for ECLs on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Company assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Company considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The Company considers a contract asset to be in default when the customer is unlikely to pay its contractual obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Notes forming part of the Financial Statements

Measurement of ECLs

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECLs in the statement of financial position

Loss allowances for financial assets measured at amortised cost and contract assets are deducted from the gross carrying amount of these assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

(ii) Non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit ('CGU ') exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a pro rata basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised.

3.5 Employee benefits

Defined contribution plans

Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

Notes forming part of the Financial Statements

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

Employee leave entitlement

Employee entitlement to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

3.6 Provisions

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

3.7 Revenue

Goods and services sold

The Company earns revenue primarily from providing IT services, consulting and business solutions. The Company offers a consulting-led, cognitive powered, integrated portfolio of IT, business and engineering services and solutions.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.
- In respect of other fixed-price contracts, revenue is recognised using percentage-of- completion method ('POC method') of accounting with contract cost incurred determining the degree of completion of the performance obligation. The contract cost used in computing the revenues include cost of fulfilling warranty obligations.
- Revenue from the sale of distinct internally developed software and manufactured systems and third party software is recognised upfront at the point in time when the system/software is delivered to the customer. In cases where implementation and/or customisation services rendered significantly modifies or customises the software, these services and software are accounted for as a single performance obligation and revenue is recognised over time on a POC method.
- Revenue from the sale of distinct third party hardware is recognised at the point in time when control is transferred to the customer.
- The solutions offered by the Company may include supply of third-party equipment or software. In such cases, revenue for supply of such third party products are recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent of the customer. The Company recognises revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contract fulfilment costs are generally expensed as incurred except for certain software licence costs which meet the criteria for capitalisation. Such costs are amortised over the contractual period or useful life of the licence, whichever is less. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

Notes forming part of the Financial Statements

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

The billing to customers follow different schedules based upon the nature and type of goods and services being transferred. The billing schedules agreed with customers could include periodic performance based payments and/or milestone based progress payments. Invoices are payable within contractually agreed credit period.

In accordance with FRS 115, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Company disaggregates revenue from contracts with customers by industry verticals, geography and nature of services.

Use of significant judgements in revenue recognition

- The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products/services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- Judgement is also required to determine the transaction price for the contract and to ascribe the transaction price to each distinct performance obligation. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. The Company has applied the practical expedient provided by FRS 115, whereby the Company does not adjust the transaction price for the effects of the time value of money where the period between when the control on goods and services transferred to the customer and when payment thereof is due, is one year or less. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.
- The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.
- The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.
- Revenue for fixed price contracts are recognised using percentage-of-completion method. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.
- Contract fulfilment costs are generally expensed as incurred except for certain software licence costs which meet the criteria for capitalisation. Such costs are amortised over the contractual period or useful life of the

Notes forming part of the Financial Statements

licence, whichever is less. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

3.8 Tax

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

The Company has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under FRS 37 Provisions, Contingent Liabilities and Contingent Assets.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that at the time of the transaction (i) affects neither accounting nor taxable profit or loss; and (ii) does not give rise to equal taxable and deductible temporary differences;
- temporary difference related to investments in subsidiaries to the extent that the Company is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if certain criteria are met.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for the Company. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

3.9 New accounting standards and interpretations not adopted

A number of new accounting standards and amendments to standards are effective for annual periods beginning after 1 April 2024 and earlier application is permitted. However, the Company has not early adopted the new or amended standards in preparing these financial statements.

(i) FRS118 Presentation and Disclosure in Financial Statements

FRS 118 will replace FRS 1 Presentation of Financial Statements and applies for annual reporting periods beginning on or after 1 January 2027. The new standard introduces the following key new requirements.

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly- defined operating profit subtotal. Entities' net profit will not change.

Notes forming part of the Financial Statements

- Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to Company information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method. The Company is still in the process of assessing the impact of the new standard, particularly with respect to the structure of the Companys statement of profit or loss, the statement of cash flows and the additional disclosures required for MPMs. The Company is also assessing the impact on how information is grouped in the financial statements, including for items currently labelled as other.

(ii) Other accounting standards

The following amendments to FRSs are not expected to have a significant impact on the Company's statement of financial position.

- Amendments to FRS 21: *Lack of Exchangeability*
- *Classification and Measurement of Financial Instruments (Amendments to FRS 109 and FRS 107)*
- *Annual Improvements to FRSs Volume 11*
- *FRS 119: Subsidiaries without Public Accountability: Disclosures*

4. INVESTMENTS IN SUBSIDIARIES

(Amount in: US$)

	2025	2024
Unquoted equity shares, at cost	**109,932,755**	109,932,755

The subsidiaries of the Company are as set out below:

Name of subsidiary	Country of incorporation and operations	Proportion of ownership interest and voting power held		Principal activities
		2025	2024	
		%	%	
Tata Consultancy Services Malaysia Sdn Bhd	Malaysia	**100**	100	Provide IT consulting software solutions, services and products
Tata Consultancy Services (China) Co., Ltd [A]	People's Republic of China	**100**	100	Provide IT consulting software solutions, services and products
PT Tata Consultancy Services Indonesia	Indonesia	**100**	100	Provide IT consulting software solutions, services and products
Tata Consultancy Services (Thailand) Limited	Thailand	**99.99**	99.99	Provide IT consulting software solutions, services and products
Tata Consultancy Services (Philippines) Inc.	Philippines	**100**	100	Provide IT consulting software solutions, services and products
Tata Consultancy Services Japan Limited	Japan	**66**	66	Provide IT consulting software solutions, services and products

Notes forming part of the Financial Statements

5. OTHER INVESTMENTS

(Amount in: US$)

	2025	2024
Non-current assets		
Unquoted equity shares, at fair value designated at FVOCI	**5,228,100**	3,300,000

The Company designated the investment in Philippines Dealing System Holding Corporation as equity investments as at FVOCI because this equity investment represents investment that the Company intends to hold for the long term for strategic purposes. As at 31 March 2025, the fair value of the equity investment is US$5,228,100 (2024: US$3,300,000). During the financial year, no dividend income is recognised by the Company (2024: US$426,768) in profit or loss (note 15).

Credit and market risks, and fair value measurement

Information about the Company's exposures to credit and market risks, and fair value measurement, is included in note 22.

6. A) EQUIPMENT

(Amount in: US$)

	Computers	Office equipment	Furniture and fittings	Leasehold improvements	Capital work in progress	Total
Cost						
At 1 April 2023	5,402,400	1,282,021	1,146,626	2,162,963	33	9,994,043
Additions	332,772	54,668	48,304	69,740	—	505,484
At 31 March 2024	**5,735,172**	**1,336,689**	**1,194,930**	**2,232,703**	**33**	**10,499,527**
Additions	**358,233**	**74,590**	**38,350**	**17,560**	**726,549**	**1,215,282**
At 31 March 2025	**6,093,405**	**1,411,279**	**1,233,280**	**2,250,263**	**726,582**	**11,714,809**
Accumulated depreciation At 1 April 2023	4,000,973	1,234,687	1,134,034	2,128,447	—	8,498,141
Depreciation	835,970	31,529	10,613	32,866	—	910,978
At 31 March 2024	**4,836,943**	**1,266,216**	**1,144,647**	**2,161,313**	**—**	**9,409,119**
Depreciation	**439,079**	**27,051**	**16,123**	**39,656**	**—**	**521,909**
At 31 March 2025	**5,276,022**	**1,293,267**	**1,160,770**	**2,200,969**	**—**	**9,931,028**
Carrying amount						
At 1 April 2023	1,401,427	47,334	12,592	34,516	33	1,495,902
At 31 March 2024	898,229	70,473	50,283	71,390	33	1,090,408
At 31 March 2025	**817,383**	**118,012**	**72,510**	**49,294**	**726,582**	**1,783,781**

Notes forming part of the Financial Statements

B) INTANGIBLE ASSET

(Amount in: US$)

	Software licenses
Cost	
At 1 April 2023/31 March 2024/**31 March 2025**	**388,469**
Accumulated depreciation	
At 1 April 2023	240,989
Depreciation	97,012
At 31 March 2024	338,001
Depreciation	43,834
At 31 March 2025	**381,835**
Carrying amount	
At 1 April 2023	147,480
At 31 March 2024	50,468
At 31 March 2025	**6,634**

7. CASH AND CASH EQUIVALENTS

(Amount in: US$)

	2025	2024
Cash at banks	**4,184,795**	9,860,093
Bank deposits (maturity within three months)	**15,051,903**	7,481,700
Cash on hand	**16,654**	16,654
Cash and cash equivalents in the statement of cash flows	**19,253,352**	17,358,447

Bank desposits earn interest rate at an interest rate of 2.07% to 2.85% (2024: 3.29% to 4.82%) per annum.

The Company's exposure to credit and market risks is included in note 22.

Notes forming part of the Financial Statements

8. TRADE AND OTHER RECEIVABLES

(Amount in: US$)

	2025	2024
Trade receivables (third parties)	**66,216,731**	43,928,421
Allowance for doubtful debts	**(75,501)**	(90,165)
	66,141,230	43,838,256
Amounts due from (trade):		
- immediate holding company	**11,175,105**	19,103,824
- subsidiaries	**4,732,172**	2,425,599
- related corporations	**185,743**	426,898
	16,093,020	21,956,321
Unbilled revenue and advance billings from:		
- immediate holding company	**983,370**	596,466
- subsidiaries	**83,450**	47,103
Unbilled revenues (third parties)	**13,494,536**	9,226,521
	14,561,356	9,870,090
Other receivables:		
- immediate holding company	**10,000,236**	8,869,153
- subsidiaries	**253,687**	94,165
- related corporations	**35,589**	37,237
- third parties	**524,721**	538,463
	10,814,233	9,539,018
	107,609,839	85,203,685

Trade receivables are non-interest bearing and are generally on 30 days' terms.

Amounts due from the immediate holding company, subsidiaries and related corporations are unsecured, interest-free and are to be settled in cash. There is no allowance of doubtful debts arising from these outstanding balances.

Notes forming part of the Financial Statements

Credit and market risks, and impairment losses

The Company's exposure to credit and currency risks, and impairment losses for trade and other receivables are disclosed in note 22.

9. OTHER ASSETS

(Amount in: US$)

	2025	2024
Prepayments	**165,274**	61,303
Deposits	**219,028**	147,024
Contract assets		
- immediate holding company	**422,325**	1,308,948
- subsidiaries	**106,252**	30,469
- related corporations	**28,799**	128,991
- third parties	**6,354,971**	7,496,540
	6,912,347	8,964,948
Contract fulfilment cost	**843,143**	320,333
	8,139,792	9,493,608
Represented by:		
Current	**8,045,708**	9,292,844
Non-current	**94,084**	200,764
	8,139,792	9,493,608

10. SHARE CAPITAL

(Amount in: US$)

	No. of shares		Amount	
	2025	2024	2025	2024
Fully paid ordinary shares, with no par value:				
At 1 April and 31 March	**7,582,820**	7,582,820	**4,400,000**	4,400,000

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

Capital management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Company consists of share capital and retained earnings.

Management reviews the capital structure on a semi-annual basis. As a part of this review, management considers the cost of capital and the risks associated with each class of capital. Based on recommendations of management, the Company will balance its overall capital structure through the payment of dividends and new share issues.

There were no changes in the Company's approach to capital management during the year.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

Notes forming part of the Financial Statements

11. TRADE AND OTHER PAYABLES

(Amount in: US$)

	2025	2024
Amounts due to (trade):		
- immediate holding company	**66,322,825**	55,298,399
- subsidiaries	**3,012,843**	1,573,459
- related corporations	**1,307,524**	1,414,592
- third parties	**6,726,257**	4,922,793
	77,369,449	63,209,243
Unearned and deferred revenue		
- immediate holding company	**178,742**	332,716
- subsidiaries	**759,397**	152,715
- related corporations	**1,366**	18,553
- third parties	**13,082,308**	9,955,237
	14,021,813	10,459,221
	91,391,262	73,668,464

The average credit period on purchases of services is 30 days (2024: 30 days). Interest is not charged on the overdue balances.

Amounts due to the ultimate holding company, immediate holding company, subsidiaries and related corporations are unsecured, interest-free, repayable on demand and are to be settled in cash.

Market and liquidity risk

The Company's exposure to liquidity and cu rency risks for trade and other payables are disclosed in note 22.

Notes forming part of the Financial Statements

12. ACCRUALS

(Amount in: US$)

	2025	2024
Employee benefits	**7,694,473**	9,257,422
Volume discount payable		
- immediate holding company (trade)	**153,296**	292,614
- subsidiaries (trade)	**8,593**	8,614
- related corporations (trade)	**118,453**	118,014
- third parties	**181,940**	167,360
	462,282	586,602
Other accruals		
- ultimate holding Company	**861,348**	784,979
- immediate holding company	**—**	(72,259)
- related corporations	**19,716**	19,736
- third parties	**13,171,987**	10,946,073
	14,053,051	11,678,529
	22,209,806	21,522,553
Represented by:		
Current	**21,674,137**	21,000,599
Non-current	**535,669**	521,954
	22,209,806	21,522,553

Included in other accruals are Good and Services tax amounting to US$6,523,124 (2024: US$6,093,358).

Market and liquidity risk

The Company's exposure to liquidity and currency risks for accruals are disclosed in note 22.

13. LEASE LIABILITIES

(Amount in: US$)

	2025	2024
Non-current liabilities		
Lease liabilities	**5,869,481**	—
Current liabilities		
Lease liabilities	**1,465,738**	787,367
Total lease liabilities	**7,335,219**	787,367

Notes forming part of the Financial Statements

Terms and debt repayment schedule

Terms and conditions of outstanding lease liabilities are as follows:

(Amount in: US$)

	Currency	Nominal interest rate	Year of maturity	2025		2024	
				Face value	Carrying amount	Face value	Carrying amount
Lease liabilities	SGD	5.51%	2029	**7,931,024**	**6,934,150**	730,026	721,742
		(2024: 3.52%)	(2024: 2024)				
Lease liabilities	KRW	4.55%	2030	**441,026**	**401,069**	66,335	65,625
		(2024: 3.45%)	(2024: 2024)				

Reconciliation of movements of liabilities to cash flows arising from financing activities:

(Amount in: US$)

	Lease liabilities
Balance at At 1 April 2023	2,530,740
Changes in financing cash flows	
Repayment of lease liabilities	(1,707,323)
Interest paid	(55,555)
Total changes from financing cash flows	(1,762,878)
Other changes	
Interest expense	55,555
Exchange differences	(36,050)
Total other changes	19,505
Balance at 31 March 2024	787,367

(Amount in: US$)

	Lease liabilities
Balance at 1 April 2024	**787,367**
Changes in financing cash flows	
Repayment of lease liabilities	**(1,574,873)**
Interest paid	**(245,229)**
Total changes from financing cash flows	**(1,820,102)**
Other changes	
Addition	**8,121,265**
Interest expense	**245,229**
Exchange differences	**1,460**
Total other changes	**8,367,954**
Balance at 31 March 2025	**7,335,219**

Notes forming part of the Financial Statements

14. REVENUE

(a) Disaggregation of revenue from contracts with customers

(Amount in: US$)

	2025	2024
Rendering of services	**366,460,745**	339,570,955
- Banking, financial services and insurance	**238,055,306**	228,191,361
- Manufacturing process	**15,037,179**	13,791,872
- Retail distribution	**4,796,383**	5,266,100
- Telemedia and entertainment	**1,585,545**	1,220,146
- Energy utilities	**7,097,939**	4,244,710
- High technology	**12,805,474**	12,551,016
- Lifesciences	**9,842,843**	11,394,781
- Travel, transport and hospitality	**70,831,053**	58,058,859
- Others	**6,409,023**	4,852,110
Sales of goods	**1,039,141**	508,320
	367,499,886	340,079,275
Primary geographical markets		
- Asia Pacific	**346,763,889**	318,913,363
- Americas	**15,293,933**	15,149,612
- UK	**1,808,123**	1,675,860
- Europe	**3,472,839**	4,266,281
- India	**68,037**	44,013
- Middle East	**93,065**	30,146
	367,499,886	340,079,275
Timing of revenue recognition		
- Products and services transferred over time	**366,460,745**	339,570,955
- Products transferred at a point in time	**1,039,141**	508,320
	367,499,886	340,079,275

(b) Contract balances

The following table provides information about contract assets and contract liabilities from contracts with customers.

Contract assets are recognised when there is excess of revenue earned over billings on contracts and where not only act of invoicing is pending. The contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when the Company invoices the customer.

Contract liabilities primarily relate to unearned and deferred revenue, which are recognised when there are billings in excess of revenues.

Notes forming part of the Financial Statements

Significant changes in the contract assets and the contract liabilities balances during the year are as follows.

(Amount in: US$)

	2025	2024
Contract assets:		
Balance at the beginning of the year	**8,964,948**	6,278,080
Increase due to revenue recognised during the year, excluding amounts billed during the year	**3,284,234**	8,332,236
Invoices raised that were included in the contract assets balance at the beginning of the year	**(5,401,353)**	(5,595,164)
Translation exchange difference	**64,518**	(50,204)
Balance at the end of the year	**6,912,347**	8,964,948
Contract liabilities:		
Balance at the beginning of the year	**(10,459,221)**	(10,406,287)
Revenue recognised that was included in the contract liability balance at the beginning of the year	**8,976,663**	10,176,206
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	**(12,568,993)**	(10,263,914)
Translation exchange difference	**29,738**	34,774
Balance at the end of the year	**(14,021,813)**	(10,459,221)

(c) Transaction price allocated to the remaining performance obligations

While disclosing the aggregate amount of transaction price yet to be recognised as revenue towards unsatisfied or partially satisfied performance obligations, along with the broad time band for the expected time to recognise those revenues, the Company has applied the practical expedient in FRS 115. Accordingly, the Company has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognised corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts.

Unsatisfied (or partially satisfied) performance obligations are futuristic and therefore subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc). The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is US$159,747,871 (2024: US$194,500,000), of which, 71% (2024: 65%) is expected to be recognised as revenue within the next 1 year and the balance is expected to be recognised as revenue over the next 2 to 5 years. No consideration from contracts with customers is excluded from the amount mentioned above.

15. OTHER INCOME

(Amount in: US$)

	Note	2025	2024
Dividend income from:			
- subsidiaries	20	**37,205,200**	23,526,231
- financial asset at FVOCI	5	**—**	426,768
Other income		**394,180**	187,850
		37,599,380	24,140,849

Notes forming part of the Financial Statements

16. TAX EXPENSE

(Amount in: US$)

	2025	2024
Current tax expense		
Current year	**2,898,803**	2,326,343
Witholding tax expenses	**2,871,770**	1,825,700
	5,770,573	4,152,043
Reconciliation of effective tax rate		
Profit before tax	**50,495,180**	36,878,178
Tax calculated using Singapore tax rate of 17% (2024: 17%)	**8,584,181**	6,269,290
Non-deductible items	**639,506**	129,063
Tax exempt income	**(6,324,884)**	(4,072,010)
Witholding tax expenses	**2,871,770**	1,825,700
	5,770,573	4,152,043

17. PROFIT FOR THE YEAR

The following items have been included in arriving at profit for the year:

(Amount in: US$)

	2025	2024
Employee benefits expense (including directors' remuneration)	**115,488,198**	114,200,873
Contributions to defined contribution plans (excluded from employee benefits expenses)	**7,103,846**	5,333,015
Reversal of allowance for impairment of trade receivables	**(15,173)**	(46,654)
Depreciation and amortisation on equipment, ROU asset and intangible asset	**2,228,142**	2,736,485
Foreign exchange loss, net	**863,251**	359,075

Administrative expense includes the following significant expenses:

(Amount in: US$)

	2025	2024
Directors' remuneration	**798,393**	722,862
Employee benefits expense (including directors' remuneration)	**27,922,630**	26,464,918
Contributions to defined contribution plans (excluded from employee benefits expenses)	**1,625,166**	1,471,695
Depreciation and amortisation on equipment, ROU asset and intangible asset	**2,018,063**	2,507,046

18. DIVIDENDS

(Amount in: US$)

	2025	2024
Tax exempt interim dividends declared of 2025: US$ 5.28 (2024: US$3.96) per share	**40,000,000**	30,000,000

Notes forming part of the Financial Statements

Reconciliation of movements of liabilities to cash flows arising from financing activities:

(Amount in: US$)

	2025	2024
Accurals - Immediate holding company		
Dividends payable at 1 April	**—**	30,000,000
Dividends declared	**40,000,000**	30,000,000
Dividends paid*	**(40,000,000)**	(60,000,000)
Dividends payable at 31 March	**—**	—

* Dividend declared in financial year 2025 was paid on 3 September 2024 and 21 March 2025 and dividend declared in financial year 2024 was paid on 25 October 2023 and 20 March 2024.

19. GUARANTEES AND COMMITMENTS

(a) Guarantees

(Amount in: US$)

	2025	2024
Guarantees to customers in respect to services performed	**3,906,588**	2,479,712
Guarantees to vendors in respect of services performed for the Company	**2,122,776**	1,612,824

(b) Capital commitments

The Company has contractually committed US$79,756 as at 31 March 2025 (2024: US$89,647) for purchase of plant and equipment.

20. RELATED PARTIES

For the purpose of these financial statements, parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa. Related parties may be individuals or other entities.

Key management personnel compensation

The remuneration of directors during the year were as follows:

(Amount in: US$)

	2025	2024
Short-term benefits	**798,393**	713,341
Post-employment benefits contribution to Central Provident Fund	**13,161**	9,521

The key management personnel are identified as the directors of the Company.

Notes forming part of the Financial Statements

Other related party transactions

Significant intercompany transactions, other than those disclosed elsewhere in the notes to financial statements are as follows:

(Amount in: US$)

	2025	2024
Ultimate holding company		
Royalty expense	**(861,349)**	(784,980)
Associate of ultimate holding company		
Rendering of services	**61,991**	72,000
Communication expenses	**(15,900)**	(112,608)
Immediate holding company		
Rendering of services	**19,406,908**	19,962,053
Purchases of services	**(196,472,316)**	(189,678,861)
Dividend paid	**(40,000,000)**	(30,000,000)
Subsidiaries		
Rendering of services	**3,066,094**	2,567,207
Purchases of services	**(10,020,938)**	(3,695,785)
Dividend received	**37,205,200**	23,526,231
Related companies		
Rendering of services	**3,392,554**	3,970,371
Purchases of services	**(3,410,465)**	(3,754,954)

21. LEASES

Leases as lessee (FRS 116)

The Company leases 3 offices in commercial building. The lease typically runs for a period of 5 years. Lease payments are renegotiated every 5 years to reflect market rentals. The Company is restricted from entering into any sub-lease arrangements.

The Company leases employee's accommodation with contract term of one year, which is short- term in nature except for one lease which is more than a year. The Company has elected not to recognise right-of-use asset and lease liability for this lease except for the lease which is for more than a year.

Information about leases for which the Company is a lessee is presented below.

Right-of-use assets

Right-of-use assets related to leased properties that do not meet the definition of investment property are:

(Amount in: US$)

	Leasehold building	
	2025	2024
Balance at 1 April	**752,744**	2,481,239
Addition to right-of-use assets	**8,121,265**	—
Depreciation charge for the year	**(1,662,399)**	(1,728,495)
Balance at 31 March	**7,211,610**	752,744

Notes forming part of the Financial Statements

Amounts recognised in profit or loss

(Amount in: US$)

	2025	2024
Leases under FRS 116		
Interest on lease liabilities	**245,229**	55,555
Expenses relating to short-term leases	**56,566**	4,456

Amounts recognised in statement of cash flows

(Amount in: US$)

	2025	2024
Total cash outflow for leases (including cash outflow for short term leases and leases for low value assets)	**1,876,668**	1,767,334

22. FINANCIAL INSTRUMENTS

Financial risk management

Overview

The Company has exposure to the following risks arising from financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. Management is responsible for developing and monitoring the Company's risk management policies. Management reports regularly to the Board of Directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating financial loss from defaults. The Company's exposure and the credit ratings of its counterparties are continuously monitored.

Impairment losses on financial assets trade receivables recognised in profit or loss were as follows:

(Amount in: US$)

	2025	2024
Reversal of impairment loss on trade receivables	**(15,173)**	(46,654)

Notes forming part of the Financial Statements

Trade receivables

Exposure to credit risk

The exposure to credit risk for trade receivables, unbilled revenue and contract assets at the reporting date by geographic region was as follows:

(Amount in: US$)

	Carrying amount	
	2025	2024
Asia Pacific	**93,740,237**	65,993,720
Europe	**365,881**	544,723
India	**4,947,805**	11,836,979
Americas	**3,996,270**	5,875,042
Middle East	**704**	25,156
UK	**657,056**	353,995
	103,707,953	84,629,615

At the end of the reporting period, significant concentration of credit risk of the Company's trade receivables balance of US$11,175,105 and US$4,732,172 (2024: US$19,103,824 and US$2,425,599) are due from the immediate holding company and subsidiaries, respectively.

Expected credit loss assessment

Loss rates are calculated based on actual credit loss experience over the past three years and adjusted for using Company's review on the current conditions and economic conditions over the expected lives of the receivables only if these factors have a significant impact to the credit loss.

The following table provides information about the exposure to credit risk and ECLs for the trade receivables (third parties and related parties), unbilled revenue and contract assets as at 31 March:

(Amount in: US$)

	Weighted average loss rate %	Gross carrying amount	Expected credit loss allowance	Credit impaired	Credit impaired amounts
31 March 2025					
Current (not past due)	**—**	**65,166,167**	**—**	**No**	**—**
Past due 1 – 30 days	**—**	**14,762,830**	**—**	**No**	**—**
Past due 31 – 60 days	**—**	**9,848,042**	**—**	**No**	**—**
Past due 61 – 90 days	**—**	**629,543**	**—**	**No**	**—**
Past due 91 – 180 days	**—**	**3,471,421**	**—**	**No**	**—**
Past due 181 – 365 days	**—**	**5,013,000**	**—**	**No**	**—**
Past due more than 365 days	**2%**	**4,892,451**	**(75,501)**	**Yes**	**(75,501)**
		103,783,454	**(75,501)**		**(75,501)**

Notes forming part of the Financial Statements

(Amount in: US$)

	Weighted average loss rate %	Gross carrying amount	Expected credit loss allowance	Credit impaired	Credit impaired amounts
31 March 2024					
Current (not past due)	—	51,738,831	—	No	—
Past due 1 – 30 days	—	12,149,768	—	No	—
Past due 31 – 60 days	—	7,384,140	—	No	—
Past due 61 – 90 days	—	4,137,374	—	No	—
Past due 91 – 180 days	—	2,965,658	—	No	—
Past due 181 – 365 days	—	3,092,975	—	No	—
Past due more than 365 days	3%	3,251,034	(90,165)	Yes	90,165
		84,719,780	(90,165)		90,165

- **Measurement of expected credit loss allowance for trade and other receivables (including contract assets and deposits)**

  Management regularly reviews the recoverability and aging of the trade and other receivables (including contract assets and deposits) in arriving at estimates of expected credit loss ('ECL') for trade and other receivables (including contract assets and deposits). Management considers the credit history and financial position of the customer before assessing the need for any allowance to be made. The carrying amount and credit risk (including ECL assessment and key assumptions in determining the weighted-average loss rate) of trade and other receivables (including contract assets and deposits) is disclosed in note 8, note 9 and note 22 to the financial statements respectively.

Movements in allowance for impairment in respect of trade receivables

The movement in the allowance for impairment in respect of trade receivables as follows:

(Amount in: US$)

	2025	2024
At 1 April	**(90,165)**	(134,583)
Impairment loss written-back	**15,173**	46,654
Exchange difference	**(509)**	(2,236)
At 31 March	**(75,501)**	(90,165)

Cash and cash equivalents

The Company held cash and cash equivalents of US$19,253,352 at 31 March 2025 (2024: US$17,358,447). The cash and cash equivalents are held with reputable bank and financial institution counterparties of high credit standings.

Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the low credit risk of the exposures. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on cash and cash equivalents was negligible.

Contract assets and other receivables

The Company uses an approach that is based on assessment of qualitative and quantitative factors that are indicative of the risk of default. Impairment on these balances applied depends on whether there has been a significant increase in credit risk. No aging analysis of these balances are presented as the majority of outstanding balance as at 31 March 2025 and 31 March 2024 are current. The amount of the allowance on these balances is insignificant.

Notes forming part of the Financial Statements

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows.

The following table summarises the Company's remaining contractual maturity for its non- derivative financial liabilities at the end of the reporting period based on undiscounted cash flows of financial instruments premised on the earlier of the contractual date or when the Company is expected to pay.

(Amount in: US$)

	Cash flows			
	Carrying amount	**Contractual cash flows**	**Within one year**	**Between one and five years**
31 March 2025				
Non-derivatives financial liabilities				
Trade and other payables*	**77,369,449**	**77,369,449**	**77,369,449**	**—**
Accruals^	**7,992,209**	**7,992,209**	**7,456,540**	**535,669**
Leases liabilities	**7,335,219**	**8,372,050**	**1,826,580**	**6,545,470**
	92,696,877	**93,733,708**	**86,652,569**	**7,081,139**
31 March 2024				
Non-derivatives financial liabilities				
Trade and other payables*	63,353,996	63,353,996	63,353,996	—
Accruals^	6,171,773	6,171,773	5,649,819	521,954
Leases liabilities	787,367	787,367	787,367	—
	70,313,136	70,313,136	69,791,182	521,954

* Excludes unearned and deferred revenue

^ Excludes employee benefits and Goods and Services tax

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest rate risk

Interest rate risk arises from the potential change in interest rates that may have an adverse effect on the Company in the current reporting period or in future years. The Company does not have any significant interest-bearing liabilities or interest earning assets.

Currency risk

The Company operates regionally and therefore, transacts in various foreign currencies and therefore is exposed to foreign exchange risks. Exposure to currency risk is monitored on an ongoing basis and the Company endeavours to keep the net exposure at an acceptable level.

Notes forming part of the Financial Statements

Exposure to currency risk

The Company's exposures to foreign currencies are as follows:

(Amount in: US$)

	Liabilities		Assets	
	2025	2024	2025	2024
Singapore dollar	**53,936,804**	31,749,652	**58,477,148**	35,058,977
Euro	**1,382,339**	3,897,631	**5,207,982**	7,156,330
Japanese yen	**—**	3,408	**43,299**	61,361
Korean won	**3,755,597**	3,091,514	**5,140,219**	3,971,080
Chinese renminbi	**—**	—	**—**	—
Great Britain pound	**76,215**	64,625	**224,138**	167,279
Hong Kong dollar	**—**	—	**—**	—
Indian rupee	**397,021**	396,978	**—**	—
New Taiwan dollar	**59**	—	**150,907**	—
Thai Baht	**—**	134,081	**1,784,129**	—
Malaysian Ringgit	**—**	30	**—**	—
Indonesia Rupiah	**—**	—	**39,191**	174,841
Swiss Franc	**22,083**	147,801	**85,727**	261,368
New Zealand Dollar	**2,790**	—	**4,204**	386,725
UAE Riyal/Dirham	**—**	—	**—**	8,482
Australian Dollar	**11,243**	75,860	**111,546**	903,311
Philippines Peso	**—**	—	**46,894**	—

Notes forming part of the Financial Statements

Sensitivity analysis for foreign currency risk

A 10% strengthening/weakening of US$ against the following currencies at the reporting date would increase/(decrease) profit before tax by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

(Amount in: US$)

	Strengthen		Weaken	
	2025	2024	2025	2024
Singapore dollar	**454,034**	330,933	**(454,034)**	(330,933)
Euro	**382,564**	325,870	**(382,564)**	(325,870)
Japanese yen	**4,330**	5,795	**(4,330)**	(5,795)
Korean won	**138,462**	87,957	**(138,462)**	(87,957)
Chinese renminbi	**—**	—	**—**	—
Great Britain pound	**14,792**	10,265	**(14,792)**	(10,265)
Hong Kong dollar	**—**	—	**—**	—
Indian rupee	**(39,702)**	(39,698)	**39,702**	39,698
New Taiwan dollar	**15,085**	—	**(15,085)**	—
Thai Baht	**178,413**	(13,408)	**(178,413)**	13,408
Malaysian Ringgit	**—**	(3)	**—**	3
Indonesia Rupiah	**3,919**	17,484	**(3,919)**	(17,484)
Swiss Franc	**6,364**	11,357	**(6,364)**	(11,357)
New Zealand Dollar	**141**	38,672	**(141)**	(38,672)
UAE Riyal/Dirham	**—**	848	**—**	(848)
Australian Dollar	**10,030**	82,745	**(10,030)**	(82,745)
Philippines Peso	**4,689**	—	**(4,689)**	—

Determination of fair values

The carrying amounts of financial assets and financial liabilities are reasonable approximation of their fair values.

Notes forming part of the Financial Statements

(i) Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 3 fair values, as well as the significant unobservable inputs used:

Financial assets	Assets US$ 2024	Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
Unquoted equity shares, at fair value - designated at FVOCI	**3,300,000**	Level 3	Market Comparison Technique: The valuation model is based on market multiples derived from quoted prices of companies comparable to the Company, adjusted for the effect of the non marketability of the equity investments and the expected EBITDA of the Company	Adjusted market multiple (2024: 9.1x)	The estimated fair value would increase (decrease) if the adjusted market multiple were higher (lower)

(ii) Transfers between Level 1 and 3

At 31 March 2025, the Company's unquoted equity shares designated at FVOCI with a carrying amount of US$5,228,100 were transfered from Level 3 to Level 1 because the fair value is determined based on agreed consideration from the deed of absolute sales of shares entered by the Company with a third party which the transaction is completed in April 2025.

(iii) Level 3 fair values

The following table shows a reconciliation from the opening balances to the ending balances for Level 3 fair values:

(Amount in: US$)

	2024
Unquoted equity shares designated at FVOCI	
Balance at the beginning of the year	3,300,000
Net change in fair value of unquoted equity shares designated at FVOCI	—
Balance at the end of the year	3,300,000

Sensitivity analysis

For the fair values of unquoted equity shares designated at FVOCI reasonably possible changes at the reporting date to one of the significant unobservable inputs, holding other inputs constant, would have the following effects:

(Amount in: US$)

	Other comprehensive income	
	Increase	Decrease
31 March 2024		
EBITDA Multiple (0.5x movement)	**137,000**	(137,000)
Normalised EBITDA (10% movement)	**274,000**	(274,000)

23. Subsequent event

In April 2025, the Company has sold all of its shares in Philippines Dealing System Holding Corporation to a third party for a consideration of Php300,000,000 (equivalent to US$5,251,417).

TCS FNS PTY LIMITED AND ITS CONTROLLED ENTITY

ABN 45 116 714 482

General Purpose Financial Report Simplified Disclosure Requirements

For the year ended March 31, 2025

FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

CONTENT	PAGE
Directors' report	11.2
Auditor's independence declaration	11.4
Statements of profit or loss and other comprehensive income	11.5
Statements of financial position	11.6
Statements of changes in equity	11.7
Statements of cash flows	11.8
Notes to financial statements	11.9
Directors' declaration	11.26
Independent auditor's report	11.27

Back to main content

Directors' Report

The directors present their report together with the consolidated financial statements of the Group comprising of TCS FNS Pty Limited and its subsidiary for the financial year ended March 31, 2025 and the auditor's report theron.

1. Directors

The names of the directors in office at any time during or since the end of the year are:

Vikram Singh	Appointed January 31, 2025
Venkateshwaran Srinivasan	Appointed June 12, 2017
Madhav Anchan	Appointed August 09, 2019
Neville Joseph Roach	Resignation January 31, 2025
Natarajan Ganapathy Subramaniam	Resignation April 1, 2024
Girish Ramachandran Payangatiri	Resignation January 31, 2025

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

2. Principal activities

The principal activities of the Group during the financial year is holding the investments in its wholly owned subsidiary and the development and sale of specialist banking software and the provision of implementation and project management services. No significant change in the nature of these activities occurred during the year.

3. Review of operations

The profit of the Group for the financial year after providing for income tax amounted to AUD$ 12,893,349 (2024 profit of AUD$ 5,413,889).

The Group has continued its focus on its core competency of product development with further growth of its core banking product to capture greater market share of the Banking sector.

4. Environmental issues

The Group's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

5. Dividends

AUD$ 8,000,000 dividend was paid to Tata Consultancy Services Limited (Parent Company) during the financial year (2024: AUD$ 9,500,000).

6. Events subsequent to reporting date

There have been no matters which have arisen in the interval between the end of the financial year and the date of this report, any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Group, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

7. Likely developments

Information about likely developments in the operations of the Group and the expected results of those operations in future financial years has not been included in this report because disclosure of the information would be likely to result in unreasonable prejudice to the Company.

8. Shares under options

No options over issued shares or interests in the Group were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

9. Indemnity and insurance of officers and auditors

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the Group.

10. Proceedings on behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

11. Lead auditor's independence declaration

The Lead auditor's independence declaration is set out on page 5 and forms part of the directors' report for the financial year ended March 31, 2025.

Vikram Singh
Director

Date: 07 May, 2025

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of

TCS FNS Pty Ltd and its controlled entity

I declare that, to the best of my knowledge and belief, in relation to the audit of TCS FNS Pty Ltd and its controlled entity for the financial year ended 31 March 2025 there have been:

i. no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

Adam Bird
Partner
Sydney

07 May 2025

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Statements of Profit or Loss and Other Comprehensive Income

(Amounts in AUD)

	Notes	Group		Parent	
		For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue	4	**21,643,933**	10,947,024	**-**	-
Other income	4	**13,222**	216,634	**8,000,000**	9,500,000
Expenses					
Selling, general and administrative expenses		**(3,120,938)**	(2,369,161)	**-**	-
Foreign exchange (loss)	5	**(93,950)**	(25,563)	**-**	-
Finance costs	6	**(2,287)**	(1,662)	**(50)**	(54)
Other expenses, net		**(13,964)**	-	**-**	-
Profit before tax		**18,426,016**	8,767,272	**7,999,950**	9,499,946
Income tax expense	7	**(5,532,667)**	(3,353,383)	**-**	-
Profit for the year		**12,893,349**	5,413,889	**7,999,950**	9,499,946
Other comprehensive income					
Total comprehensive income for the year		**12,893,349**	5,413,889	**7,999,950**	9,499,946

SEE ACCOMPANYING NOTES (1 TO 21) FORMING PART OF THE FINANCIAL STATEMENTS.

Statements of Financial Position

(Amounts in AUD)

	Notes	Group		Parent	
		As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Current assets					
Cash and cash equivalents	9	**2,608,264**	8,468,967	**2,746**	2,796
Trade and other receivables	10	**23,245,133**	8,341,637	**3,967,764**	414,421
Loans to related parties	20	**-**	-	**6,027,421**	6,027,421
Other current assets	11	**384,362**	181,786	**-**	-
Total current assets		**26,237,759**	16,992,390	**9,997,931**	6,444,638
Non-current assets					
Deferred tax assets (net)	14	**1,878,155**	2,141,413	**-**	-
Investment in subsidiary	18	**-**	-	**300,000**	300,000
Total non-current assets		**1,878,155**	2,141,413	**300,000**	300,000
Total Assets		**28,115,914**	19,133,803	**10,297,931**	6,744,638
Current liabilities					
Trade and other payables	13	**1,258,737**	723,318	**-**	-
Income tax payable (net)		**3,651,924**	98,581	**3,967,764**	414,421
Total current liabilities		**4,910,661**	821,899	**3,967,764**	414,421
Non-current liabilities					
Total non-current liabilities		**-**	-	**-**	-
Total liabilities		**4,910,661**	821,899	**3,967,764**	414,421
Net Assets		**23,205,253**	18,311,904	**6,330,167**	6,330,217
Equity					
Share capital	15	**37,258,815**	37,258,815	**37,258,815**	37,258,815
Accumulated losses		**(14,053,562)**	(18,946,911)	**(7,212,819)**	(7,212,819)
Reserves		**-**	-	**(250)**	(200)
Common control reserve		**-**	-	**(23,715,579)**	(23,715,579)
Total Equity		**23,205,253**	18,311,904	**6,330,167**	6,330,217

SEE ACCOMPANYING NOTES (1 TO 21) FORMING PART OF THE FINANCIAL STATEMENTS.

Statement of Changes in Equity

(Amounts in AUD)

Consolidated Group	Share capital	Accumulated losses	Total
Balance as at March 31, 2023	37,258,815	(14,860,800)	22,398,015
Profit for the year	-	5,413,889	5,413,889
Dividend paid	-	(9,500,000)	(9,500,000)
Balance as at March 31, 2024	**37,258,815**	**(18,946,911)**	**18,311,904**
Profit for the year	**-**	**12,893,349**	**12,893,349**
Dividend paid	**-**	**(8,000,000)**	**(8,000,000)**
Balance as at March 31, 2025	**37,258,815**	**(14,053,562)**	**23,205,253**

(Amounts in AUD)

Parent Entity	Share capital	Profits reserve	Accumulated losses	Common control reserve	Total
Balance as at March 31, 2023	37,258,815	(146)	(7,212,819)	(23,715,579)	6,330,271
Profit for the year	-	9,499,946	-	-	9,499,946
Dividend paid	-	(9,500,000)	-	-	(9,500,000)
Balance as at March 31, 2024	**37,258,815**	**(200)**	**(7,212,819)**	**(23,715,579)**	**6,330,217**
Profit for the year	**-**	**7,999,950**	**-**	**-**	**7,999,950**
Dividend paid	**-**	**(8,000,000)**	**-**	**-**	**(8,000,000)**
Balance as at March 31, 2025	**37,258,815**	**(250)**	**(7,212,819)**	**(23,715,579)**	**6,330,167**

SEE ACCOMPANYING NOTES (1 TO 21) FORMING PART OF THE FINANCIAL STATEMENTS.

Statements of Cash Flows

(Amounts in AUD)

	Group		Parent	
	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024
Cash flows from operating activities				
Cash received from customers	**6,740,437**	13,773,105	**-**	-
Cash paid to suppliers, employees and others	**(2,898,297)**	(2,923,767)	**(50)**	(54)
Income tax paid	**(1,716,066)**	(2,387,767)	**-**	-
Net cash generated from operating activities	**2,126,074**	8,461,571	**(50)**	(54)
Cash flows from financing activities				
Interest received	**13,222**	216,634	**-**	-
Dividends paid	**(8,000,000)**	(9,500,000)	**-**	-
Net cash used in financing activities	**(7,986,778)**	(9,283,366)	**-**	-
Effect of movements in exchange rates on cash held	**-**	-	**-**	-
Net increase/(decrease) in cash & cash equivalents	**(5,860,704)**	(821,795)	**(50)**	(54)
Cash & cash equivalents at the beginning of the year	**8,468,967**	9,290,762	**2,796**	2,850
Cash and cash equivalents at the end of year	**2,608,263**	8,468,967	**2,746**	2,796

SEE ACCOMPANYING NOTES (1 TO 21) FORMING PART OF THE FINANCIAL STATEMENTS.

Notes forming part of the Financial Statements

1. REPORTING ENTITY

TCS FNS Pty Limited (the "Group") is a company limited by shares, incorporated and domiciled in Australia. Tata Sons Private Limited is the ultimate parent of the company. The registered office and principal place of business of the Company is TCS FNS Pty Ltd, Level 6, 76 Berry Street, North Sydney NSW 2060. As at March 31, 2025, Tata Consultancy Services Limited, the immediate parent entity owned 100% of the Company's equity share capital.

2. BASIS OF PREPARATION

These consolidated financial statements are general purpose financial statements for distribution to the shareholder and for the purpose of fulfilling the requirements of the Corporations Act 2001. They have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures made by the Australian Accounting Standards Board and the Corporations Act 2001.

The statement of cash flows have been prepared under direct method, disclosing major classes of gross cash receipts and payments related to operating activities.The Accounting Standards require cash flows from interest ,Proceeds from sale of Investment and dividends received and paid to be disclosed separately.

3. MATERIAL ACCOUNTING POLICIES

i. Subsidiaries

Subsidiaries are entities controlled by the Group. The Group 'controls' an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

ii. Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

iii. Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with associates are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

b. Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under AASB 137 Provisions, Contingent Liabilities and Contingent.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

Notes forming part of the Financial Statements

- temporary differences on the initial recognition of assets or liabilities in a transaction that:
- is not a business combination; and
- at the time of the transaction (i) affects neither accounting nor taxable profit or loss and (ii) does not give rise to equal taxable and deductible temporary differences
- temporary differences related to investments in subsidiaries and associates to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflects uncertainty related to income taxes, if any.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if certain criteria are met.

Tax consolidation

The Company, as the head entity in the tax consolidated group and its wholly-owned Australian controlled entities continue to account for their own current and deferred tax amounts. These tax amounts are measured as if each entity in the tax consolidated group continues to be a standalone taxpayer in its own right.

In addition to its own current and deferred tax amounts, the Company also recognises the current tax liabilites (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group. Assets or liabilites arising under the tax funding agreement with the tax consolidated entities are recognised as amounts receivable or payable to other entities in the Group.

The entities in the Tax Consolidated Group entered into a tax sharing agreement which, in the opinion of the directors, limits the joint and several liability of the wholly-owned entities within the Tax Consolidated Group in the case of a default by the Company.

The entities in the Tax Consolidated Group have also entered into a Tax Funding Agreement under which the wholly-owned entities of that group fully compensate the Company for any current tax payable assumed and are compensated by the Company for any current tax receivable and deferred tax assets relating to unused tax losses or unused tax credits that are transferred to the Company under the tax consolidation legislation. The funding amounts are determined by reference to the amounts recognised in the wholly-owned entities' financial statements.

The Organisation for Economic Co-operation and Development (OECD) has published the model rules for global minimum tax (Pillar Two model rules). The Group has determined that the global minimum top-up tax - which it is required to pay under Pillar Two legislation - is an income tax in the scope of AASB 112.

Pillar Two legislation has been enacted, or substantively enacted, in certain jurisdictions where the Group operates. The Group is within the scope of the OECD Pillar Two model rules and has evaluated the potential exposure to global minimum tax. The Group does not expect any material financial impact for the current period. The evaluation of the potential exposure is based on the most recent country-by-country reporting, and financial statements for the constituent entities in the Group.

Notes forming part of the Financial Statements

c. Property, plant and equipment

Each class of property, plant and equipment is carried at cost, less any accumulated depreciation and impairment losses.

Plant and equipment

Items of plant and equipment are measured at cost less depreciation and impairment losses.

The cost of fixed assets constructed within the Group includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including building and capitalised leased assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the Group commencing from the time the asset is held ready for use. Leased assets are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the assets.

The useful life for each class of depreciable assets is:

Class of fixed asset	Useful life
Furniture and fittings	5-7 years
Plant and equipment	2.5 to 7 years
Motor vehicles	5 years
Leasehold improvements	10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting period date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of profit or loss and other comprehensive income.

d. Intangible assets

Intangible assets purchased are measured at cost as at the date of acquisition, less accumulated amortisation and accumulated impairment, if any. Intangible assets acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses, if any. Intangible assets are amortised on a straight line basis.

e. Financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and 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 measured on initial recognition of the financial asset or financial liability.

The Group derecognises a financial asset only 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 entity. The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired.

Notes forming part of the Financial Statements

Cash and cash equivalents

The Group considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

The Group has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in other comprehensive income.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received net of any direct issue costs.

f. Impairment

Financial assets (other than at fair value)

The Group assesses at each reporting date whether a financial asset or a group of financial assets is impaired. AASB 9 requires expected credit losses to be measured through a loss allowance. The Group recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. In determining the allowances for doubtful trade receivables the Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Non-financial assets

At each reporting date, the Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Notes forming part of the Financial Statements

Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income.

Impairment testing is performed annually for intangible assets with indefinite lives and intangible assets not yet available for use. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

g. Foreign currency transactions and balances

Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss and presented within finance costs.

However, foreign currency differences arising from the translation of the following items are recognised in OCI:

A financial liability designated as A hedge of the net investment in A foreign operation to the extent that the hedge is effective and qualifying cash flow hedges to the extent that the hedges are effective.

h. Employee benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

i. Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of amounts required to settle the obligation at the end of the reporting period.

j. Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

k. Revenue

The Group earns revenue primarily from sale of computer software for banking and to market and license the software worldwide and to provide maintenance services.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services.

- Revenue from time and material and job contracts is recognised on an output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue related to fixed price maintenance and support services contracts where the Group is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.

Notes forming part of the Financial Statements

- In respect of other fixed-price contracts, revenue is recognised using the percentage-of-completion method ('POC method') of accounting with contract costs incurred determining the degree of completion of the performance obligation. The contract cost used in computing the revenues includes the cost of fulfilling warranty obligations.
- Revenue from the sale of distinct internally developed software and manufactured systems and third party software is recognised upfront at the point in time when the system / software is delivered to the customer. In cases where implementation and / or customisation services rendered significantly modifies or customises the software, these services and software are accounted for as a single performance obligation and revenue is recognised over time on a POC method.
- Revenue from the sale of distinct third party hardware is recognised at the point in time when control is transferred to the customer.
- The solutions offered by the Group may include supply of third-party equipment or software. In such cases, revenue for supply of such third party products are recorded at gross or net basis depending on whether the Group is acting as the principal or as an agent of the customer. The Group recognises revenue at the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

The Group's contracts with customers could include promises to transfer multiple products and services to a customer. The Group assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract and to ascribe the transaction price to each distinct performance obligation. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the each reporting period. The Group allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how a customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of an enforceable right to payment for performance to date and any alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Revenue for fixed-price contracts is recognised using the percentage-of-completion method. The Group uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.

Contract fulfilment costs are generally expensed as incurred except for certain software licence costs which meet the criteria for capitalisation. Such costs are amortised over the contractual period or useful life of the licence, whichever is less. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

Notes forming part of the Financial Statements

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is an unconditional right to receive cash, and only the passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

The billing to customers follow different schedules based upon the nature and type of goods and services being transferred. The billing schedules agreed with customers could include periodic performance based payments and/or milestone based progress payments. Invoices are payable within a contractually agreed credit period.

In accordance with AASB 137, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. The Group any reviews modifications to a contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation or transaction price of an existing obligation could undergo a change. In the event that the transaction price is revised for an existing obligation, a cumulative adjustment is accounted for.

The Group disaggregates revenue from contracts with customers by industry verticals, geography and nature of services.

l. Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

m. Critical accounting estimates and judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Revenue from fixed-price contracts is recognized using the percentage of completion method. The Company applies judgment to estimate the future cost until completion of the contracts and it uses judgment to determine the progress towards complete satisfaction of the performance obligation.

Key estimates — Impairment

The Company assesses impairment at each reporting date by evaluating conditions and events specific to the Company that may be indicative of impairment triggers.

n Adoption of new and revised accounting standards

The Group has adopted International Tax Reform - Pillar Two Model Rules (Amendments to AASB 112 and AASB 1060) upon their release in June 2023. The amendments provide a temporary mandatory exception from deferred tax accounting for the top-up tax, which is effective immediately, and require disclosures about the Pillar Two exposure.

The Group has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax, if any, and will account for it as a current tax when it is incurred.

Notes forming part of the Financial Statements

4 REVENUE

(Amounts in AUD)

	Group		Parent	
	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024
Operating activities				
Consultancy revenue	**2,471,318**	2,178,748	**-**	-
License fees	**19,172,615**	8,768,276	**-**	-
Total revenue	**21,643,933**	10,947,024	**-**	-
Non operating activities				
Interest received	**13,222**	216,634	**-**	-
Dividend	**-**	-	**8,000,000**	9,500,000
Total other income	**13,222**	216,634	**8,000,000**	9,500,000

Revenue disaggregation by industry vertical is as follows: (Amounts in AUD)

	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024
Industry vertical				
Banking, financial services and insurance	**21,643,933**	10,947,024	**-**	-
Total	**21,643,933**	10,947,024	**-**	-

Revenue disaggregation by geography is as follows: (Amounts in AUD)

	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024
Geography				
Asia Pacific	**2,707,892**	2,216,539	**-**	-
India	**18,936,041**	8,730,485	**-**	-
Total	**21,643,933**	10,947,024	**-**	-

Geographical revenue is allocated based on the location of the customers.

Revenue disaggregation by timing of revenue recognition is as follows: (Amounts in AUD)

	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue recongnised at a point in time	**18,962,431**	8,802,677	**-**	-
Revenue recongnised over time	**2,681,502**	2,144,347	**-**	-
	21,643,933	10,947,024	**-**	-

Notes forming part of the Financial Statements

While disclosing the aggregate amount of transaction price yet to be recognized as revenue towards unsatisfied or partially satisfied performance obligations, along with the broad time band for the expected time to recognize those revenues, the Group has applied the practical expedient in AASB 15. Accordingly, the Group has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognized corresponds to the value transferred to the customer typically involving time and materials, outcome based and event based contracts.

Unsatisfied (or partially satisfied) performance obligations are futuristic and therefore subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc). The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is AUD$ 1,943,356 out of which AUD$ 808,578 (41.62%) is expected to be recognized as revenue within the next year and the balance thereafter. No consideration from contracts with customers is excluded from the amount mentioned above.

5 RESULT FOR THE YEAR

(Amounts in AUD)

	Group		Parent	
The result for the year is after charging / (crediting) the following items:	**For the year ended March 31, 2025**	**For the year ended March 31, 2024**	**For the year ended March 31, 2025**	**For the year ended March 31, 2024**
Net foreign currency loss / (gain)	**(93,950)**	(25,563)	**-**	-

6 FINANCE COSTS

(Amounts in AUD)

	Group		Parent	
	For the year ended March 31, 2025	**For the year ended March 31, 2024**	**For the year ended March 31, 2025**	**For the year ended March 31, 2024**
Bank charges	**2,287**	1,662	**50**	54
Total finance cost	**2,287**	1,662	**50**	54

7 INCOME TAX (EXPENSE) /BENEFIT

(Amounts in AUD)

	For the year ended March 31, 2025	**For the year ended March 31, 2024**	**For the year ended March 31, 2025**	**For the year ended March 31, 2024**
Current tax expense	**(5,282,978)**	(2,221,375)	**-**	-
Tax expense related to prior years	**13,569**	(723,268)	**-**	-
Deferred tax expense	**(263,258)**	(408,740)	**-**	-
Total	**(5,532,667)**	(3,353,383)	**-**	-
Reconciliation of effective tax rate				
Profit before tax	**18,426,016**	8,767,272	**7,999,950**	9,499,946
Current tax provision @ 30% (2024: 30%)	**(5,527,805)**	(2,630,182)	**2,399,985**	2,849,984
Over/(under) provision from prior year	**13,569**	(723,268)	**-**	-
Non-assessable income	**(18,431)**	67	**(2,399,985)**	(2,849,984)
Total	**(5,532,667)**	(3,353,383)	**-**	-

Notes forming part of the Financial Statements

8 AUDITOR'S REMUNERATION

(Amounts in AUD)

	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024
Remuneration of the auditor of theTCS FNS Pty Limited (Group)				
- For audit of the financial statements	**38,966**	36,281	**-**	-
Total	**38,966**	36,281	**-**	-

9 CASH AND CASH EQUIVALENTS

(Amounts in AUD)

	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Balances with banks	**2,608,264**	1,968,967	**2,746**	2,796
Deposit with banks	**-**	6,500,000	**-**	-
Total	**2,608,264**	8,468,967	**2,746**	2,796

10 TRADE AND OTHER RECEIVABLES

(Amounts in AUD)

	Group		Parent	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Trade receivables*	**15,535,638**	4,328,153	**3,967,764**	414,421
Allowance for impairment of receivables	**(12,706)**	-	**-**	-
Other receivables	**-**	26,727	**-**	-
	15,522,932	4,354,880	**3,967,764**	414,421
Unbilled receivables*	**7,722,201**	3,986,757	**-**	-
Total	**23,245,133**	8,341,637	**3,967,764**	414,421

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

* Trade receivables and unbilled receivables include balance with related party of AUD$ 22,922,797 as at March 31, 2025 (AUD$ 7,619,725 as at March 31, 2024)(Refer note 20)

Allowance for impairment of receivables

Current trade and term receivables are non-interest bearing loans and generally on 30-day terms. Non-current trade and term receivables are assessed for recoverability based on the underlying terms of the contract. A provision for impairment is recognised when there is objective evidence that an individual trade or term receivable is impaired.

Notes forming part of the Financial Statements

11 OTHER ASSETS

(Amounts in AUD)

	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Current assets				
Prepayments	**259,166**	119,321	**-**	-
Contract assets	**91,076**	26,000	**-**	-
Other current assets	**34,120**	36,465	**-**	-
Total	**384,362**	181,786	**-**	-

Movement in contract assets is given below (Group) :

	For the year ended March 31, 2025	For the year ended March 31, 2024
Balance at beginning of the year	**26,000**	62,044
+ Revenue recognised during the year	**93,388**	13,695
- Invoices raised during the year	**(26,000)**	(49,137)
- Translation	**(2,312)**	(602)
Balance at end of the year	**91,076**	26,000

12 PROPERTY, PLANT AND EQUIPMENT

(Amounts in AUD)

	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Plant and equipment				
Cost	**347,334**	347,334	**-**	-
Accumulated depreciation	**(347,334)**	(347,334)	**-**	-
Net Carrying Amount	**-**	-	**-**	-

13 TRADE AND OTHER PAYABLES

(Amounts in AUD)

	Group		Parent	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Current				
Trade creditors*	**764,977**	436,755	**-**	-
Accrued expenses*	**205,797**	162,931	**-**	-
Unearned and deferred revenue	**287,963**	123,632	**-**	-
Total	**1,258,737**	723,318	**-**	-

Notes forming part of the Financial Statements

Movement in unearned and deferred revenue is given below (Group):

(Amounts in AUD)

	As at March 31, 2025	As at March 31, 2024
Balance at beginning of the year	**123,632**	420,489
- Revenue recognised during the year	**(123,632)**	(420,236)
+ Invoices raised during the year	**287,395**	123,718
+/- Translation	**568**	(339)
Balance at end of the year	**287,963**	123,632

All amounts are short term and carrying value is considered to be a reasonable approximate of fair value.

* Trade creditors and accrued expenses include balance with related party of AUD$ 821,616 as at March 31, 2025 (AUD$ 450,924 as at March 31, 2024) (Refer note .20).

14 DEFERRED TAX ASSETS

(Amounts in AUD)

	Group		Parent	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Non-current				
Deferred tax asset (net)	**1,878,155**	2,141,413	**-**	-
Total	**1,878,155**	2,141,413	**-**	-

Movement in deferred tax balance, net (Group)

(Amounts in AUD)

March 31, 2025	Opening	Recognised in profit & loss	Closing
Property ,plant & equipment	**2,069,834**	**(315,840)**	**1,753,994**
Doubtful debts	**-**	**3,812**	**3,812**
Unearned and deferred revenue	**37,089**	**49,300**	**86,389**
Other temporary differences	**34,490**	**(530)**	**33,960**
Total	**2,141,413**	**(263,258)**	**1,878,155**

(Amounts in AUD)

March 31, 2024	Opening	Recognised in profit & loss	Closing
Property, plant & equipment	2,385,674	(315,840)	2,069,834
Doubtful debts	5,570	(5,570)	-
Unearned and deferred revenue	126,146	(89,057)	37,089
Other temporary differences	32,764	1,727	34,491
Total	2,550,154	(408,740)	2,141,413

Notes forming part of the Financial Statements

15 SHARE CAPITAL

(Amounts in AUD)

	Group		Parent	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
37,258,815 of face value of 1 AUD$ per share (2024: 37,258,815) fully paid ordinary shares	**37,258,815**	37,258,815	**37,258,815**	37,258,815
Total	**37,258,815**	37,258,815	**37,258,815**	37,258,815

a. Ordinary shares

(Amounts in AUD)

	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
At the beginning of reporting period	**37,258,815**	37,258,815	**37,258,815**	37,258,815
Total	**37,258,815**	37,258,815	**37,258,815**	37,258,815

At reporting date

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held.

At the shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

b. Capital management

The Group's objective for capital management is to maximize shareholder value, safeguard business continuity and support the growth of the Company. The Group determines the capital requirement based on annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. The Group is not subject to any externally imposed capital requirements.

The Company as at March 31, 2025, as with March 31, 2024 has no external commercial short or long term borrowings and accordingly does not have any externally imposed capital requirements and as such no circumstances of non-compliance have occurred.

16 RESERVES

a. Profit reserve

The profits reserve represents profits of entities within the Group transferred to a separate reserve to preserve their profit character. Such profits are available to enable payment of franked dividends in future years. Dividends amounting to AUD$ 8,000,000 (2024:AUD$ 9,500,000) were declared and distributed from the profits reserve during the year.

b. Dividend

(Amounts in AUD)

	For the year ended March 31, 2025	For the year ended March 31, 2024
Final dividend	**8,000,000**	9,500,000

On 07 May 2024 the Board has declared Dividend of AUD$ 8,000,000 which was paid on 09 May 2024.

17 CONTINGENT LIABILITIES

The Company had no contingent liabilities or assets as at March 31, 2025 (Nil; March 31, 2024).

Notes forming part of the Financial Statements

18 INVESTMENT IN SUBSIDIARY

(Amounts in AUD)

	As at March 31, 2025	As at March 31, 2024
Non - current	**300,000**	300,000
Investments in controlled entities at cost	**300,000**	300,000

Subsidiary

The subsidiary included in the financial statements of TCS FNS Pty Limited are listed in the following table.

Name	Country of incorporation	% Equity Interest	
		As at March 31, 2025	As at March 31, 2024
TCS Financial Solutions Australia Pty Ltd	Australia	**100**	100

19. EVENTS AFTER THE BALANCE SHEET DATE

No matters or circumstances have arisen since the end of March, 2025 which significantly affect or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

20. RELATED PARTY TRANSACTIONS

Group

Consolidated group principal related parties consist of its ultimate holding company Tata Sons Private Limited, holding company Tata Consultancy Services Limited and its subsidiaries, and its key management personnel. The Company routinely enters into transactions with its related parties in the ordinary course of business.

Transactions with related parties

For the year ended March 31, 2025

(Amounts in AUD)

Particulars	With Tata Sons Private Limited, Ultimate Holding Company	With Tata Consultancy Services Limited, Holding Company	With Tata Consultancy Services (Philippines) Inc, Fellow Subsidiary	Total
Revenue from sale of services and licenses	**-**	**18,936,041**	**-**	**18,936,041**
Purchases of goods and services (including reimbursement)	**-**	**2,142,679**	**569,882**	**2,712,561**
Brand equity contribution	**6,770**	**-**	**-**	**6,770**
Rent paid	**-**	**15,353**	**-**	**15,353**
Communication expense	**-**	**3,600**	**-**	**3,600**
Dividend paid	**-**	**8,000,000**	**-**	**8,000,000**
Total	**6,770**	**29,097,673**	**569,882**	**29,674,325**

Notes forming part of the Financial Statements

For the year ended March 31, 2024

(Amounts in AUD)

Particulars	With Tata Sons Private Limited, Ultimate Holding Company	With Tata Consultancy Services Limited, Holding Company	With Tata Consultancy Services (Philippines) Inc, Fellow Subsidiary	Total
Revenue from sale of services and licenses	-	8,730,486	-	8,730,486
Purchases of goods and services (including reimbursement)	-	1,601,093	379,873	1,980,966
Brand equity contribution	5,541	-	-	5,541
Rent paid	-	18,272	-	18,272
Communication expense	-	3,600	-	3,600
Sale of Investment	-		-	-
Dividend paid	-	9,500,000	-	9,500,000
Total	5,541	19,853,451	379,873	20,238,865

Balances with related parties

As at March 31, 2025

(Amounts in AUD)

Particulars	With Tata Sons Private Limited, Ultimate Holding Company	With Tata Consultancy Services Limited, Holding Company	With Tata Consultancy Services (Philippines) Inc, Fellow Subsidiary	Total
Trade receivables	**-**	**15,200,597**	**-**	**15,200,597**
Trade payables, accrued expenses Other financial liabilities and Other liabilities	**6,585**	**531,907**	**283,124**	**821,616**
Unbilled receivables	**-**	**7,722,201**	**-**	**7,722,201**
Prepaid expenses	**-**	**141,687**	**117,479**	**259,166**
Total	**6,585**	**23,596,392**	**400,603**	**24,003,580**

Notes forming part of the Financial Statements

As at March 31, 2024

(Amounts in AUD)

Particulars	With Tata Sons Private Limited, Ultimate Holding Company	With Tata Consultancy Services Limited, Holding Company	With Tata Consultancy Services (Philippines) Inc, Fellow Subsidiary	Total
Trade receivables	-	3,632,968	-	3,632,968
Trade payables, accrued expenses				
Other financial liabilities and Other liabilities	5,541	445,383	-	450,924
Unbilled receivables	-	3,986,757	-	3,986,757
Prepaid expenses	-	111,269	-	111,269
Total	5,541	8,176,377	-	8,181,918

Parent Entity

TCS FNS Pty Ltd principal related parties consist of its holding company Tata Consultancy Services Ltd and its subsidiaries, its subsidiary TCS Financial Solutions Australia Pty Limited and its key management personnel. The Company routinely enters into transactions with its related parties in the ordinary course of business. Below tables include transactions entered during the year and balances as of March 31, 2025 and 2024.

As at March 31, 2025

(Amounts in AUD)

Particulars	With Tata Consultancy Services Limited, Holding Company	With TCS Financial Solutions Australia Pty Limited	With TCS Financial Solutions Australia Pty Limited, Subsidiary Company	Total
Dividend income	**-**	**8,000,000**	**-**	**8,000,000**
Dividend paid	**8,000,000**	**-**	**-**	**8,000,000**
Trade and other receivables	**-**	**-**	**3,967,764**	**3,967,764**
Loans to related parties	**-**	**-**	**6,027,421**	**6,027,421**
Total	**8,000,000**	**8,000,000**	**9,995,185**	**25,995,185**

Notes forming part of the Financial Statements

As at March 31, 2024

(Amounts in AUD)

Particulars	With Tata Consultancy Services Limited, Holding Company	With TCS Financial Solutions Australia Pty Limited	With TCS Financial Solutions Australia Pty Limited, Subsidiary Company	Total
Dividend income	-	9,500,000	-	9,500,000
Dividend paid	9,500,000	-	-	9,500,000
Trade and other receivables	-	-	414,421	414,421
Loans to related parties	-	-	6,027,421	6,027,421
Total	9,500,000	9,500,000	6,441,842	25,441,842

21. DEED OF CROSS GUARANTEE

The Company has entered a deed of cross-guarantee with its wholly owned subsidiary, TCS Financial Solutions Australia Pty Limited.

Pursuant to *ASIC Corporations (Wholly owned Companies) Instrument 2016/785*, the Company guarantees to each creditor payment in full of any debt in the event of winding up of the subsidiary under provisions of the Corporations Act, 2001. If a winding up occurs under the provisions of the Act, the Company will only be liable if after six months any creditor has not been paid in full.

The subsidiary has also given similar guarantees if the Company is wound up.

A consolidated statement of comprehensive income and consolidated statement of financial position, comprising the Company and controlled entity that are parties to the Deed, after eliminating all transactions between parties to the Deed of Cross Guarantee, for the year ended 31 March 2025, are set out on page 6 and page 7, respectively.

Notes forming part of the Financial Statements

Directors' Declaration

1 In the opinion of the directors of TCS FNS Pty Limited ("the Company")

(a) the Company is not publicly accountable.

(b) the financial statements and notes, set out on pages (6 to 23), are in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the Group's financial position as at March 31, 2025 and of its performance for the financial year ended on that date; and

(ii) complying with Australian Accounting Standards - Simplified Disclosure Requirements and the Corporations Regulations 2001; and

(c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

2 There are reasonable grounds to believe that the Company and the Group entities identified in the Note will be able to meet any obligations or liabilities to which they are or may become subject to by virtue of the deed of Cross Guarantee between the Company and those Group entities pursuant to *ASIC Corporations (Wholly-owned Companies) Instrument 2016/785*.

Signed in accordance with a resolution of the directors

_____

Vikram Singh

Director

Date: 07 May, 2025

Independent Auditor's Report

To the shareholder of
TCS FNS Pty Limited

Opinion

We have audited the ***Financial Report*** of TCS FNS Pty Limited (the Company) and its controlled entity (the Group).

In our opinion, the accompanying Financial Report of the Group and the Company gives a true and fair view, including of the Group and the Company's financial position as at 31 March 2025 and of their financial performance for the year then ended, in accordance with the Corporations Act 2001, in compliance with Australian Accounting Standards - Simplified Disclosures and the Corporations Regulations 2001.

The ***Financial Report*** of the Group and the Company comprises:

- Statements of financial position as at 31 March 2025
- Statements of profit or loss and other comprehensive income, Statements of changes in equity, and Statements of cash flows for the year then ended
- The entity disclosure statements and accompanying basis of preparation as at 31 March 2025
- Notes, including material accounting policies
- Directors' Declaration.

The ***Group*** consists of the Company and the entity it controlled at the year-end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the Financial Report section of our report.

We are independent of the Group in accordance with the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

We confirm that the independence declaration required by the Corporations Act 2001,which has been given to the Directors of TCS FNS Pty Limited, would be in the same terms if given to the Directors as at the time of this Auditor's Report.

Other Information

Other Information is financial and non-financial information in TCS FNS Pty Limited's annual report which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Notes forming part of the Financial Statements

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group and the Company, and in compliance with *Australian Accounting Standards - Simplified Disclosures* and the *Corporations Regulations 2001*
- implementing necessary internal control to enable the preparation of a Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group and the Company, and that is free from material misstatement, whether due to fraud or error
- assessing the Group and the Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is 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 *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They 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 the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/media/apzlwn0y/ar3_2024.pdf. This description forms part of our Auditor's Report.

KPMG

Adam Bird
Partner
Sydney
08 May 2025

TATA CONSULTANCY SERVICES BELGIUM

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended
March 31, 2025

FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

CONTENT	PAGE
Annual Report of the Board of Directors	12.4
Statutory Auditors' Report	12.6
Balance Sheet	12.9
Profit and Loss Account	12.12
Appropriation Account	12.14
Notes forming part of the financial statements	12.15
Social Balance Sheet	12.38

Back to main content

LIST OF DIRECTORS, BUSINESS MANAGERS AND AUDITORS AND DECLARATION REGARDING A COMPLIMENTARY REVIEW OR CORRECTION ASSIGNMENT

LIST OF DIRECTORS, BUSINESS MANAGERS AND AUDITORS

COMPLETE LIST with surname, first names, profession, place of residence (address, number, postal code and town) and position within the company

MATHEW VARGHESE Jipson
Avenue Princesse Paola 37, 1410 Waterloo, Belgium
Mandate: Delegated director, start: 29/07/2021, end: 04/08/2026

RABINDRAN Vennimalai
Lenneke Marelaan 6, 1932 Sint-Stevens-Woluwe, Belgium
Mandate: Director, start: 09/07/2024, end: 06/08/2030

GAITONDE Pradeep
C19 Happyhome 21st Martin Road, Bandra West, Mumbai, India
Mandate: Director, start: 14/06/2022, end: 09/07/2024

CHAPALAPALLI Sapthagiri
Am Römerhof 51, 60486 Frankfurt Am Main, Germany
Mandate: Delegated director, start: 29/07/2021, end: 04/08/2026

KPMG Bedrijfsrevisoren BV 0419.122.548
Luchthaven Brussel Nationaal 1, box K, 1930 Zaventem, Belgium
Membership number: B00001
Mandate: Auditor, start: 03/08/2022, end: 06/08/2025

Represented by:

1. **Carton Melissa**

   Luchthaven Brussel Nationaal 1 , box K 1930 Zaventem Belgium
   Membership number : A02426

DECLARATION REGARDING A COMPLIMENTARY REVIEW OR CORRECTION ASSIGNMENT

The managing board declares that not a single audit or correction assignment has been given to a person not authorized to do so by law, pursuant to article 5 of the law of 17 March 2019 concerning the professions of accountant and tax advisor.

The annual accounts were not * audited or corrected by a certified accountant or by a company auditor who is not the statutory auditor.

If affirmative, should be mentioned hereafter: surname, first names, profession and address of each certified accountant or company auditor and their membership number at their Institute, as well as the nature of their assignment:

A. Bookkeeping of the company **,

B. Preparing the annual accounts **,

C. Auditing the annual accounts and/or

D. Correcting the annual accounts.

If the tasks mentioned under A or B are executed by accountants or fiscal accountants, the following information can be mentioned hereafter: surname, first names, profession and address of each accountant or fiscal accountant and their membership number at the Institute of Accountants and Tax advisors, as well as the nature of their assignment.

Surname, first names, profession and address	Membership number	Nature of the assignment (A, B, C and/or D)

* Strike out what does not apply.
** Optional mention.

ANNUAL REPORT OF THE BOARD OF DIRECTORS TO THE GENERAL MEETING OF SHAREHOLDERS

Dear Sirs,

We have the honour to report to you on the activities of the Company during the closed financial year and to submit the annual accounts closed on 31 March 2025 for approval in accordance with the legal and statutory stipulations.

1. REMARKS ON THE ANNUAL ACCOUNTS

1.1. Balance after appropriation

The fixed assets have decreased from EUR 564,858.56 to EUR 487,279.92 for the closed financial year.

The current assets have decreased from EUR 133,156,149.91 to EUR 101,980,027.90.

The net assets (equity) have decreased from EUR 64,099,684.17 to EUR 53,335,973.96 for the closed financial year.

The payables have decreased from EUR 69,252,975.07 to EUR 48,771,811.51.

1.2. Income statement

Operating income	EUR	299,917,633.50
Operating charges (-)	EUR	294,106,418.04

The turnover of this year has decreased from EUR 316,491,768.21 to EUR 299,777,587.64 i.e. with -5.28% as compared to the previous financial year.

The operating charges have decreased from EUR 307,087,230.17 to EUR 294,106,418.04 , i.e. -4.23% as compared to the previous financial year.

The financial income has decreased from EUR 947,314.81 to EUR 848,521.09.

The financial charges have decreased from EUR 564,546.64 to EUR 490,581.18.

This has resulted in a profit before taxes amounting to EUR 6,169,155.37, as opposed to a profit before taxes amounting to EUR 18,181,531.06 for the previous financial year.

The taxes amount to EUR 1,932,865.58.

The Company has booked a profit of the financial year after taxes of EUR 4,236,289.79 as compared to EUR 13,323,209.51 for the previous financial year.

1.3. Appropriation of the result

We propose the following appropriation to you:

Profit of the financial year to be appropriated	EUR	4,236,289.79
Profit carried forward from the previous financial year	EUR	63,878,525.61
Profit to appropriate	EUR	68,114,815.40
Interim dividend	EUR	(15,000,000.00)
Profit to carry forward	EUR	53,114,815.40

2. MAIN RISKS AND UNCERTAINTIES

With the exception of ordinary enterprise risks, we are of the opinion that there are no specific risks or uncertainties

3. INFORMATION ON THE IMPORTANT EVENTS AFTER THE CLOSING OF THE FINANCIAL YEAR

There were no significant subsequent events that have occurred after the end of the financial year under review.

4. CIRCUMSTANCES WHICH CAN SIGNIFICANTLY INFLUENCE THE DEVELOPMENT OF THE COMPANY

We do not foresee any circumstances that can influence the development of the Company significantly.

5. RESEARCH AND DEVELOPMENT

During the closed financial year there were no activities carried out in the field of research and development.

6. CONFLICT OF INTEREST IN THE BOARD OF DIRECTORS (ARTICLE 7:96 OF THE CODE OF COMPANIES AND ASSOCIATIONS)

We mention that during the financial year there were no conflicts of interests that fall within the scope of article 7:96 of the Code of companies and associations.

7. ANNOUNCEMENT REGARDING THE USE OF FINANCIAL INSTRUMENTS BY THE COMPANY INSOFAR THAT THESE ARE OF IMPORTANCE FOR THE REVIEW OF ITS ASSETS, LIABILITIES, ITS FINANCIAL SITUATION AND ITS RESULTS

The Company does not use such instruments.

8. BRANCH OFFICES

The Company does not own any branches.

9. CAPITAL MUTATIONS AND ISSUE OF CONVERTABLE BONDS AND WARRANTS AS DECIDED BY THE BOARD OF DIRECTORS IN THE COURSE OF THE FINANCIAL YEAR

The board of directors notifies that there were no capital mutations during the financial year to be reported in conformity with article 7:203 of the Code of companies and associations, nor were there convertible bonds or warrants issued after a decision of the board of directors.

10. ACQUISITION OF OWN SHARES

The board of directors notifies that neither the Company nor a direct subsidiary nor a person acting in own name but for the account of the Company or a direct subsidiary has acquired shares, profit certificates or certificates of the Company.

We hope that you will approve the attached annual accounts and will also grant discharge to the directors and the statutory auditor for the acts carried out during the execution of our mandate during the closed financial year.

12 May 2025,

In the name and on behalf of the board of directors,

_____

Jipson MATHEW VARGHESE

STATUTORY AUDITOR'S REPORT TO THE GENERAL MEETING OF TATA CONSULTANCY SERVICES BELGIUM NV ON THE ANNUAL ACCOUNTS AS OF AND FOR THE YEAR ENDED 31 MARCH 2025

FREE TRANSLATION OF UNQUALIFIED STATUTORY AUDITOR'S REPORT ORIGINALLY PREPARED IN DUTCH

In the context of the statutory audit of the annual accounts of Tata Consultancy Services Belgium NV ("the Company"), we provide you with our statutory auditor's report. This includes our report on the annual accounts and the other legal and regulatory requirements. Our report is one and indivisible.

We were appointed as statutory auditor by the general meeting of 16 May 2022, in accordance with the proposal of the board of directors. Our mandate will expire on the date of the general meeting deliberating on the annual accounts for the year ended 31 March 2025. We have performed the statutory audit of the annual accounts of Tata Consultancy Services Belgium NV for 9 consecutive financial years.

Report on the annual accounts

Unqualified opinion

We have audited the annual accounts of the Company as of and for the year ended 31 March 2025, prepared in accordance with the financial reporting framework applicable in Belgium. These annual accounts comprise the balance sheet as at 31 March 2025, the income statement for the year then ended and notes. The balance sheet total amounts to EUR 102.467.308 and the income statement shows a profit for the year of EUR 4.236.290.

In our opinion, the annual accounts give a true and fair view of the Company's equity and financial position as at 31 March 2025 and of its financial performance for the year then ended in accordance with the financial reporting framework applicable in Belgium.

Basis for our unqualified opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs") as adopted in Belgium. In addition, we have applied the ISAs as issued by the IAASB and applicable for the current accounting year while these have not been adopted in Belgium yet. Our responsibilities under those standards are further described in the "Statutory auditors' responsibility for the audit of the annual accounts" section of our report. We have complied with the ethical requirements that are relevant to our audit of the annual accounts in Belgium, including the independence requirements.

We have obtained from the board of directors and the Company's officials the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Board of directors' responsibilities for the preparation of the annual accounts

The board of directors is responsible for the preparation of these annual accounts that give a true and fair view in accordance with the financial reporting framework applicable in Belgium, and for such internal control as board of directors determines, is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the board of directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Statutory auditor's responsibilities for the audit of the annual accounts

Our objectives are to obtain reasonable assurance as to whether the annual accounts 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 ISAs 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 the users taken on the basis of these annual accounts.

When performing our audit we comply with the legal, regulatory and professional requirements applicable to audits of the annual accounts in Belgium. The scope of the statutory audit of the annual accounts does not extend to providing assurance on the future viability of the Company nor on the efficiency or effectivity of how the board of directors has conducted or will conduct the business of the Company. Our responsibilities regarding the going concern basis of accounting applied by the board of directors are described below.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also perform the following procedures:

- Identify and assess the risks of material misstatement of the annual accounts, 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by board of directors;
- Conclude on the appropriateness of board of directors' 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 auditors' report to the related disclosures in the annual accounts 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 auditors' 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 annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other legal and regulatory requirements

Responsibilities of the Board of directors

The board of directors is responsible for the preparation and the content of the board of directors' annual report on the annual accounts, for the preparation and content of the documents required to be filed in accordance with the legal and regulatory requirements, for maintaining the Company's accounting records in compliance with the applicable legal and regulatory requirements, as well as for the Company's compliance with the Companies' and Associations' Code and the Company's articles of association.

Statutory auditor's responsibilities

In the context of our engagement and in accordance with the additional Belgian standard which is complementary to the International Standards on Auditing as applicable in Belgium, our responsibility is to verify, in all material respects, the board of directors' annual report on the annual accounts, certain documents to be filed in accordance with legal and regulatory requirements, as well as compliance with certain requirements of the Companies' and Associations' Code and with the Company's articles of association, and to report on these matters.

Aspects concerning the board of directors' annual report on the annual accounts

Based on specific work performed on the board of directors' annual report on the annual accounts, we are of the opinion that this annual report is consistent with the annual accounts for the same period and has been prepared in accordance with articles 3:5 and 3:6 of the Companies' and Associations' Code.

In the context of our audit of the annual accounts, we are also responsible for considering, in particular based on the knowledge gained throughout the audit, whether the board of directors' annual report on the annual accounts contains material misstatements, that is information incorrectly stated or misleading. In the context of the procedures carried out, we did not identify any material misstatements that we have to report to you.

Information regarding the social balance sheet

The social balance sheet, which is to be filed with the National Bank of Belgium in accordance with article 3:12 §1 8° of the Companies' and Associations' Code, includes, with respect to form and content, the information required by law, including the information regarding salaries and training, and does not present any material inconsistencies with the information that we became aware of during the performance of our engagement.

Information about the independence

Our audit firm and our network have not performed any engagement which is incompatible with the statutory audit of the annual accounts and our audit firm remained independent of the Company during the term of our mandate.

Other aspects

- Without prejudice to formal aspects of minor importance, the accounting records were maintained in accordance with the legal and regulatory requirements applicable in Belgium.
- Except for complying with the legal and statutory provisions related to the deadlines with respect to the provision of the required documents to the statutory auditor and to the shareholders, we do not have to inform you of any transactions undertaken or decisions taken in breach of the Company's articles of association or the Companies' and Associations' Code.
- The appropriation of results proposed to the general meeting complies with the legal provisions and the provisions of the articles of association.

Zaventem, 12 May 2025

KPMG Bedrijfsrevisoren - Réviseurs d'Entreprises
Statutory Auditor
represented by

Melissa Carton
Bedrijfsrevisor / Réviseur d'Entreprises

BALANCE SHEET AFTER APPROPRIATION

(EUR)

	Notes	Codes	As at March 31, 2025	As at March 31, 2024
ASSETS				
FORMATION EXPENSES	6.1	20		
FIXED ASSETS		21/28	**487.279,92**	564.858,56
Intangible fixed assets	6.2	21	**18.981,58**	43.031,35
Tangible fixed assets	6.3	22/27	**467.298,34**	520.827,21
Land and buildings		22		
Plant, machinery and equipment		23	**103.448,94**	48.952,48
Furniture and vehicles		24	**363.849,40**	471.874,73
Leasing and other similar rights		25		
Other tangible fixed assets		26		
Assets under construction and advance payments		27		
Financial fixed assets	6.4 /6.5.1	28	**1.000,00**	1.000,00
Affiliated Companies	6.15	280/1	**1.000,00**	1.000,00
Participating interests		280	**1.000,00**	1.000,00
Amounts receivable		281		
Other companies linked by participating interests	6.15	282/3		
Participating interests		282		
Amounts receivable		283		
Other financial fixed assets		284/8		
Shares		284		
Amounts receivable and cash guarantees		285/8		
CURRENT ASSETS		29/58	**101.980.027,90**	133.156.149,91
Amounts receivable after more than one year		29		
Trade debtors		290		
Other amounts receivable		291		
Stocks and contracts in progress		3	**6.075.240,14**	12.268.967,36
Stocks		30/36		
Raw materials and consumables		30/31		
Work in progress		32		
Finished goods		33		
Goods purchased for resale		34		
Immovable property intended for sale		35		
Advance payments		36		
Contracts in progress		37	**6.075.240,14**	12.268.967,36
Amounts receivable within one year		40/41	**78.048.849,26**	97.299.854,16
Trade debtors		40	**77.345.205,87**	96.441.011,84
Other amounts receivable		41	**703.643,39**	858.842,32
Current investments	6.5.1 /6.6	50/53		0,26
Own shares		50		
Other investments		51/53		0,26
Cash at bank and in hand		54/58	**12.078.236,98**	16.103.981,84
Accruals and deferred income	6.6	490/1	**5.777.701,52**	7.483.346,29
TOTAL ASSETS		20/58	**102.467.307,82**	133.721.008,47

Back to content

(EUR)

	Notes	Codes	As at March 31, 2025	As at March 31, 2024
EQUITY AND LIABILITIES				
EQUITY		10/15	**53.335.973,96**	64.099.684,17
Contributions	6.7.1	10/11	**188.658,56**	188.658,56
Capital		10	**188.658,56**	188.658,56
Issued capital		100	**325.000,00**	325.000,00
Uncalled capital[6]		101	**136.341,44**	136.341,44
Beyond capital		11		
Share premium account		1100/10		
Other		1109/19		
Revaluation surpluses		12		
Reserves		13	**32.500,00**	32.500,00
Reserves not available		130/1	**32.500,00**	32.500,00
Legal reserve		130	**32.500,00**	32.500,00
Reserves not available statutorily		1311		
Purchase of own shares		1312		
Financial support		1313		
Other		1319		
Untaxed reserves		132		
Available reserves		133		
Accumulated profits (losses) (+)/(-)		14	**53.114.815,40**	63.878.525,61
Capital subsidies		15		
Advance to shareholders on the distribution of net assets[7]		19		
PROVISIONS AND DEFERRED TAXES		16	**359.522,35**	368.349,23
Provisions for liabilities and charges		160/5	**359.522,35**	368.349,23
Pensions and similar obligations		160		
Taxes		161		
Major repairs and maintenance		162		
Environmental obligations		163		
Other liabilities and charges	6.8	164/5	**359.522,35**	368.349,23
Deferred taxes		168		
AMOUNTS PAYABLE		17/49	**48.771.811,51**	69.252.975,07
Amounts payable after more than one year	6.9	17		
Financial debts		170/4		
Subordinated loans		170		
Unsubordinated debentures		171		
Leasing and other similar obligations		172		
Credit institutions		173		
Other loans		174		
Trade debts		175		
Suppliers		1750		
Bills of exchange payable		1751		
Advance payments on contracts in progress		176		
Other amounts payable		178/9		

(EUR)

	Notes	Codes	As at March 31, 2025	As at March 31, 2024
Amounts payable within one year	6.9	42/48	**48.652.058,50**	69.131.720,89
Current portion of amounts payable after more than one year falling due within one year		42		
Financial debts		43		
Credit institutions		430/8		
Other loans		439		
Trade debts		44	**31.404.980,35**	48.520.213,79
Suppliers		440/4	**31.404.980,35**	48.520.213,79
Bills of exchange payable		441		
Advance payments on contracts in progress		46	**3.144.830,00**	4.836.852,38
Taxes, remuneration and social security	6.9	45	**14.091.452,60**	15.773.554,72
Taxes		450/3	**8.844.532,66**	9.226.824,41
Remuneration and social security		454/9	**5.246.919,94**	6.546.730,31
Other amounts payable		47/48	**10.795,55**	1.100,00
Accruals and deferred income	6.9	492/3	**119.753,01**	121.254,18
TOTAL LIABILITIES		10/49	**102.467.307,82**	133.721.008,47

[6] Amount to be deducted from the issued capital.

[7] Amount to be deducted from the other components of equity.

Statement of Profit and Loss

(EUR)

	Notes	Codes	Year Ended March 31, 2025	Year Ended March 31, 2024
Operating income		70/76A	**299.917.633,50**	324.885.993,06
Turnover	6.10	70	**299.777.587,64**	316.491.768,21
Stocks of finished goods and work and contracts in progress: increase (decrease) (+)/(-)		71	**(6.193.727,22)**	4.728.086,99
Produced fixed assets		72		
Other operating income	6.10	74	**6.333.772,67**	3.662.961,06
Non-recurring operating income	6.12	76A	**0,41**	3.176,80
Operating charges		60/66A	**294.106.418,04**	307.087.230,17
Goods for resale, raw materials and consumables		60	**191.080.295,74**	204.137.415,58
Purchases		600/8	**191.080.295,74**	204.137.415,58
Stocks: decrease (increase) (+)/(-)		609		
Services and other goods		61	**18.926.572,72**	19.157.356,89
Remuneration, social security and pensions (+)/(-)	6.10	62	**83.778.993,66**	82.957.365,30
Amortisations of and other amounts written down on formation expenses, intangible and tangible fixed assets		630	**286.385,11**	732.061,77
Amounts written down on stocks, contracts in progress and trade debtors: additions (write-backs) (+)/(-)	6.10	631/4	**(3.877,66)**	4.820,49
Provisions for liabilities and charges: appropriations (uses and write-backs) (+)/(-)	6.10	635/8	**(8.826,88)**	8.067,49
Other operating charges	6.10	640/8	**46.486,82**	86.140,93
Operating charges reported as assets under restructuring costs (-)		649		
Non-recurring operating charges	6.12	66A	**388,53**	4.001,72
Operating profit (loss) (+)/(-)		9901	**5.811.215,46**	17.798.762,89

Back to content

Continued

(EUR)

	Notes	Codes	Year Ended March 31, 2025	Year Ended March 31, 2024
Financial income		75/76B	**848.521,09**	947.314,81
Recurring financial income		75	**848.521,09**	947.314,81
Income from financial fixed assets		750	**1.071,43**	1.160,72
Income from current assets		751	**362.560,46**	419.397,44
Other financial income	6.11	752/9	**484.889,20**	526.756,65
Non-recurring financial income	6.12	76B		
FINANCIAL CHARGES	6.11	65/66B	**490.581,18**	564.546,64
Recurring financial charges		65	**490.581,18**	564.546,64
Debt charges		650		
Amounts written down on current assets other than stocks, contracts in progress and trade debtors: additions (write-backs) (+)/(-)		651		
Other financial charges		652/9	**490.581,18**	564.546,64
Non-recurring financial charges	6.12	66B		
PROFIT (LOSS) FOR THE PERIOD BEFORE TAXES (+)/(-)		9903	**6.169.155,37**	18.181.531,06
Transfer from deferred taxes		780		
Transfer to deferred taxes		680		
INCOME TAXES ON THE RESULT (+)/(-)	6.13	67/77	**1.932.865,58**	4.858.321,55
Taxes		670/3	**1.954.716,48**	4.882.728,86
Adjustment of income taxes and write-back of tax provisions		77	**21.850,90**	24.407,31
PROFIT (LOSS) OF THE PERIOD (+)/(-)		9904	**4.236.289,79**	13.323.209,51
Transfer from untaxed reserves		789		
Transfer to untaxed reserves		689		
PROFIT (LOSS) OF THE PERIOD AVAILABLE FOR APPROPRIATION (+)/(-)		9905	**4.236.289,79**	13.323.209,51

Appropriation Account

(EUR)

	Codes	Year Ended March 31, 2025	Year Ended March 31, 2024
Profit (Loss) to be appropriated (+)/(-)	9906	**68.114.815,40**	63.878.525,61
Profit (Loss) of the period available for appropriation (+)/(-)	(9905)	**4.236.289,79**	13.323.209,51
Profit (Loss) of the preceding period brought forward (+)/(-)	14P	**63.878.525,61**	50.555.316,10
Transfers from equity	791/2		
from contributions	791		
from reserves	792		
Appropriations to equity	691/2		
to contributions	691		
to legal reserve	6920		
to other reserves	6921		
Profit (loss) to be carried forward (+)/(-)	(14)	**53.114.815,40**	63.878.525,61
Shareholders' contribution in respect of losses	794		
Profit to be distributed	694/7	**15.000.000,00**	
Compensation for contributions	694	**15.000.000,00**	
Directors or managers	695		
Employees	696		
Other beneficiaries	697		

Back to content

CONCESSIONS, PATENTS LICENSES, KNOW-HOW, BRANDS AND SIMILAR RIGHTS

(EUR)

	Codes	As at March 31, 2025	As at March 31, 2024
Acquisition value at the end of the period	8052P		982.574,90
Movements during the period			
Acquisitions, including produced fixed assets	8022		
Sales and disposals	8032		
Transfers from one heading to another (+)/(-)	8042		
Acquisition value at the end of the period	8052	**982.574,90**	
Amortisations and amounts written down at the end of the period	8122P		939.543,55
Movements during the period			
Recorded	8072	**24.049,77**	
Written back	8082		
Acquisitions from third parties	8092		
Cancelled owing to sales and disposals	8102		
Transfers from one heading to another (+)/(-)	8112		
Amortisations and amounts written down at the end of the period	8122	**963.593,32**	
NET BOOK VALUE AT THE END OF THE PERIOD	211	**18.981,58**	

PLANT, MACHINERY AND EQUIPMENT

(EUR)

	Codes	As at March 31, 2025	As at March 31, 2024
Acquisition value at the end of the period	8192P		3.633.784,40
Movements during the period			
Acquisitions, including produced fixed assets	8162	**104.668,85**	
Sales and disposals	8172		
Transfers from one heading to another (+)/(-)	8182		
Acquisition value at the end of the period	8192	**3.738.453,25**	
Revaluation surpluses at the end of the period	8252P		
Movements during the period			
Recorded	8212		
Acquisitions from third parties	8222		
Cancelled	8232		
Transferred from one heading to another (+)/(-)	8242		
Revaluation surpluses at the end of the period	8252		
Amortisations and amounts written down at the end of the period	8322P		3.584.831,92
Movements during the period			

(EUR)

	Codes	As at March 31, 2025	As at March 31, 2024
Recorded	8272	**50.172,39**	
Written back	8282		
Acquisitions from third parties	8292		
Cancelled owing to sales and disposals	8302		
Transferred from one heading to another (+)/(-)	8312		
Amortisations and amounts written down at the end of the period	8322	**3.635.004,31**	
NET BOOK VALUE AT THE END OF THE PERIOD	(23)	**103.448,94**	

FURNITURE AND VEHICLES

(EUR)

	Codes	As at March 31, 2025	As at March 31, 2024
Acquisition value at the end of the period	8193P		1.376.739,98
Movements during the period			
Acquisitions, including produced fixed assets	8163	**104.525,82**	
Sales and disposals	8173	**14.761,40**	
Transfers from one heading to another (+)/(-)	8183		
Acquisition value at the end of the period	8193	**1.466.504,40**	
Revaluation surpluses at the end of the period	8253P		
Movements during the period			
Recorded	8213		
Acquisitions from third parties	8223		
Cancelled	8233		
Transfers from one heading to another (+)/(-)	8243		
Revaluation surpluses at the end of the period	8253		
Amortisations and amounts written down at the end of the period	8323P		904.865,25
Movements during the period			
Recorded	8273	**212.162,95**	
Written back	8283		
Acquisitions from third parties	8293		
Cancelled owing to sales and disposals	8303	**14.373,20**	
Transfers from one heading to another (+)/(-)	8313		
Amortisations and amounts written down at the end of the period	8323	**1.102.655,00**	
NET BOOK VALUE AT THE END OF THE PERIOD	(24)	**363.849,40**	

OTHER TANGIBLE FIXED ASSETS

(EUR)

	Codes	As at March 31, 2025	As at March 31, 2024
Acquisition value at the end of the period	8195P		405.486,49
Movements during the period			
Acquisitions, including produced fixed assets	8165		
Sales and disposals	8175		
Transfers from one heading to another (+)/(-)	8185		
Acquisition value at the end of the period	8195	**405.486,49**	
Revaluation surpluses at the end of the period	8255P		
Movements during the period			
Recorded	8215		
Acquisitions from third parties	8225		
Cancelled	8235		
Transferred from one heading to another (+)/(-)	8245		
Revaluation surpluses at the end of the period	8255		
Amortisations and amounts written down at the end of the period	8325P		405.486,49
Movements during the period			
Recorded	8275		
Written back	8285		
Acquisitions from third parties	8295		
Cancelled owing to sales and disposals	8305		
Transfers from one heading to another (+)/(-)	8315		
Amortisations and amounts written down at the end of the period	8325	**405.486,49**	
NET BOOK VALUE AT THE END OF THE PERIOD	(26)	**—**	

STATEMENT OF FINANCIAL FIXED ASSETS

(EUR)

	Codes	As at March 31, 2025	As at March 31, 2024
AFFILIATED COMPANIES - PARTICIPATING INTERESTS AND SHARES			
Acquisition value at the end of the period	8391P		1.000,00
Movements during the period			
Acquisitions	8361		
Sales and disposals	8371		
Transfers from one heading to another (+)/(-)	8381		
Acquisition value at the end of the period	8391	**1.000,00**	
Revaluation surpluses at the end of the period	8451P		
Movements during the period			
Recorded	8411		
Acquisitions from third parties	8421		
Cancelled	8431		
Transferred from one heading to another (+)/(-)	8441		
Revaluation surpluses at the end of the period	8451		
Amounts written down at the end of the period	8521P		
Movements during the period			
Recorded	8471		
Written back	8481		
Acquisitions from third parties	8491		
Cancelled owing to sales and disposals	8501		
Transferred from one heading to another (+)/(-)	8511		
Amounts written down at the end of the period	8521		
Uncalled amounts at the end of the period	8551P		
Movements during the period (+)/(-)	8541		
Uncalled amounts at the end of the period	8551		
NET BOOK VALUE AT THE END OF THE PERIOD	(280)	**1.000,00**	
AFFILIATED COMPANIES - AMOUNTS RECEIVABLE			
NET BOOK VALUE AT THE END OF THE PERIOD	281P		
Movements during the period			
Appropriations	8581		
Repayments	8591		
Amounts written down	8601		
Amounts written back	8611		
Exchange differences (+)/(-)	8621		
Other movements (+)/(-)	8631		
NET BOOK VALUE AT THE END OF THE PERIOD	(281)		
ACCUMULATED AMOUNTS WRITTEN DOWN ON AMOUNTS RECEIVABLE AT END OF THE PERIOD	8651		

PARTICIPATING INTERESTS INFORMATION

PARTICIPATING INTERESTS AND OTHER RIGHTS IN OTHER COMPANIES

The following list mentions the companies in which the company holds a participating interest (recorded in headings 280 and 282 of assets), as well as the companies in which the company holds rights (recorded in headings 284 and 51/53 of assets) for an amount of at least 10% of the capital, the equity or a class of shares of the company.

NAME, full address of the REGISTERED OFFICE and, for an entity governed by Belgian law, the COMPANY REGISTRATION NUMBER	Rights held				Data extracted from the most recent annual accounts			
	Nature	Directly		Subrsidiaries	Annual accounts as per	Currrency code	Equity	Net result
		Number	%	%			(+) or (-) (in units)	
Tata Consultancy Services Luxembourg SA Public limited liability company Rue Pafebruch 89D 8308 Capellen Luxembourg	Ordinary shares	1	0,01	0,00	31/03/2024	EUR	13.787.377	6.948.668

CURRENT INVESTMENTS AND ACCRUALS AND DEFERRED INCOME

(EUR)

	Codes	As at March 31, 2025	As at March 31, 2024
CURRENT INVESTMENTS-OTHER INVESTMENTS			
Shares and investments other than fixed income investments	51		
Shares – Book value increased with the uncalled amount	8681		
Shares – Uncalled amount	8682		
Precious metals and works of art	8683		
Fixed-income securities	52		
Fixed income securities issued by credit institutions	8684		
Term accounts with credit institutions	53		0,26
With a remaining term or notice			
up to one month	8686		
between one month and one year	8687		0,26
over one year	8688		
Other investments not mentioned above	8689		

(EUR)

	As at March 31, 2025
ACCRUALS AND DEFERRED INCOME	
Allocation of account 490/1 of assets if the amount is significant	
Deferred operating expenses	**1.061.772,53**
Deferred project related expenses	**4.715.928,99**

STATEMENT OF CAPITAL AND SHAREHOLDERS' STURCTURE

(EUR)

	Codes	As at March 31, 2025	As at March 31, 2024
STATEMENT OF CAPITAL			
Capital			
Issued capital at the end of the period	100P		325.000,00
Issued capital at the end of the period	(100)	**325.000,00**	

(EUR)

Modifications during the period	Codes	As at March 31, 2025	Number of shares
Composition of the capital Share types			
Without face value		**325.000,00**	1.300
Registered shares	8702		1.300
Shares dematerialized	8703		

(EUR)

	Codes	Uncalled amount	Called up amount, unpaid
Unpaid capital			
Uncalled capital	(101)	136.341,44	
Called up capital, unpaid	8712		
Shareholders that still need to pay up in full			
Tata Consultancy Services Ltd		136.341,44	

(EUR)

	Codes	As at March 31, 2025
Own shares		
Held by the Company itself		
Amount of capital held	8721	
Number of shares	8722	
Held by a subsidiary		
Amount of capital held	8731	
Number of shares	8732	
Commitments to issuing shares		
Owing to the exercise of conversion rights		
Amount of outstanding convertible loans	8740	
Amount of capital to be subscribed	8741	
Corresponding maximum number of shares to be issued	8742	

(EUR)

	Codes	As at March 31, 2025
Owing to the exercise of subscription rights		
Number of outstanding subscription rights	8745	
Amount of capital to be subscribed	8746	
Corresponding maximum number of shares to be issued	8747	
Authorised capital not issued	8751	
Shares issued, non-representing capital		
Distribution		
Number of shares	8761	
Number of voting rights attached thereto	8762	
Allocation by shareholder		
Number of shares held by the Company itself	8771	
Number of shares held by its subsidiaries	8781	

(EUR)

	As at March 31, 2025
ADDITIONAL NOTES REGARDING CONTRIBUTIONS (INCLUDING CONTRIBUTIONS IN THE FORM OF SERVICES OR KNOW-HOW)	

SHAREHOLDERS' STRUCTURE OF THE COMPANY AT YEAR-END CLOSING DATE

As reflected in the notifications received by the company pursuant to article 7:225 of the Belgian Companies and Associations Code, article 14 fourth paragraph of the law of 2 May 2007 on the publication of major holdings and article 5 of the Royal Decree of 21 August 2008 on further rules for certain multilateral trading facilities.

TATA CONSULTANCY SERVICES LTD. : 1.300 shares

PROVISIONS FOR OTHER LIABILITIES AND CHARGES

(EUR)

	As at March 31, 2025
ALLOCATION OF ACCOUNT 164/5 OF LIABILITIES IF THE AMOUNT IS SIGNIFICANT	
Provision for other costs	**354.298,34**
Provision for foreseeable losses	**5.224,01**

STATEMENT OF AMOUNTS PAYABLE AND ACCRUALS AND DEFERRED INCOME (LIABILITIES)

(EUR)

	Codes	As at March 31, 2025
BREAKDOWN OF AMOUNTS PAYABLE WITH AN ORIGINAL TERM OF MORE THAN ONE YEAR, ACCORDING TO THEIR RESIDUAL MATURITY		
Current portion of amounts payable after more than one year falling due within one year		
Financial debts	8801	
Subordinated loans	8811	
Unsubordinated debentures	8821	
Leasing and other similar obligations	8831	
Credit institutions	8841	
Other loans	8851	
Trade debts	8861	
Suppliers	8871	
Bills of exchange payable	8881	
Advance payments on contracts in progress	8891	
Other amounts payable	8901	
Total current portion of amounts payable after more than one year falling due within one year	(42)	
Amounts payable with a remaining term of more than one year, yet less than 5 years		
Financial debts	8802	
Subordinated loans	8812	
Unsubordinated debentures	8822	
Leasing and other similar obligations	8832	
Credit institutions	8842	
Other loans	8852	
Trade debts	8862	
Suppliers	8872	
Bills of exchange payable	8882	
Advance payments on contracts in progress	8892	
Other amounts payable	8902	
Total amounts payable with a remaining term of more than one year, yet less than 5 years	8912	
Amounts payable with a remaining term of more than 5 years		
Financial debts	8803	
Subordinated loans	8813	
Unsubordinated debentures	8823	
Leasing and other similar obligations	8833	
Credit institutions	8843	
Other loans	8853	
Trade debts	8863	
Suppliers	8873	
Bills of exchange payable	8883	

(EUR)

	Codes	As at March 31, 2025
Advance payments on contracts in progress	8893	
Other amounts payable	8903	
Amounts payable with a remaining term of more than 5 years	8913	
AMOUNTS PAYABLE GUARANTEED (included in accounts 17 and 42/48 of liabilities)		
Amounts payable guaranteed by the Belgian government agencies		
Financial debts	8921	
Subordinated loans	8931	
Unsubordinated debentures	8941	
Leasing and other similar obligations	8951	
Credit institutions	8961	
Other loans	8971	
Trade debts	8981	
Suppliers	8991	
Bills of exchange payable	9001	
Advance payments on contracts in progress	9011	
Remuneration and social security	9021	
Other amounts payable	9051	
Total of the amounts payable guaranteed by the Belgian government agencies	9061	
Amounts payable guaranteed by real securities given or irrevocably promised by the company on its own assets		
Financial debts	8922	
Subordinated loans	8932	
Unsubordinated debentures	8942	
Leasing and other similar obligations	8952	
Credit institutions	8962	
Other loans	8972	
Trade debts	8982	
Suppliers	8992	
Bills of exchange payable	9002	
Advance payments on contracts in progress	9012	
Taxes, remuneration and social security	9022	
Taxes	9032	
Remuneration and social security	9042	
Other amounts payable	9052	
Total amounts payable guaranteed by real securities given or irrevocably promised by the company on its own assets	9062	

TAXES, Remuneration and Social Security

(EUR)

	Codes	As at March 31, 2025
TAXES (HEADINGS 450/3 and 178/9 of liabilities)		
Outstanding tax debts	9072	
Accruing taxes payable	9073	**8.844.532,66**
Estimated taxes payable	450	
Remuneration and social security (headings 454/9 and 178/9 of liabilities)		
Amounts due to the National Social Security Office	9076	
Other amounts payable in respect of remuneration and social security	9077	**5.246.919,94**

ACCRUALS AND DEFERRED INCOME

(EUR)

	As at March 31, 2025
Allocation of heading 492/3 of liabilities if the amount is significant	
Accrued operating expenses	**119.753,01**

OPERATING RESULTS

(EUR)

	Codes	Year ended March 31, 2025	Year ended March 31, 2024
OPERATING INCOME			
Net turnover			
Allocation by categories of activity			
Allocation by geographical market			
Other operating income			
Operating subsidies and compensatory amounts received from public authorities	740		
OPERATING CHARGES			
Employees for whom the company submitted a DIMONA declaration or who are recorded in the general personnel register			
Total number at the closing date	9086	**209**	338
Average number of employees calculated in full-time equivalents	9087	**269,2**	330,9
Number of actual hours worked	9088	**479.284**	590.300
Personnel costs			
Remuneration and direct social benefits	620	**63.295.386,47**	61.115.835,39
Employers' contribution for social security	621	**8.469.353,38**	8.115.609,50
Employers' premiums for extra statutory insurance	622	**7.724,82**	5.957,48
Other personnel costs	623	**12.006.528,99**	13.719.962,93
Retirement and survivors' pensions	624		

Back to content

(EUR)

	Codes	Year ended March 31, 2025	Year ended March 31, 2024
Provisions for pensions and similar obligations			
Appropriations (uses and write-backs) (+)/(-)	635		
Depreciations			
On stock and contracts in progress			
Recorded	9110		
Written back	9111		
On trade debtors			
Recorded	9112		4.820,49
Written back	9113	**3.877,66**	
Provisions for liabilities and charges			
Appropriations	9115		8.067,49
Uses and write-backs	9116	**8.826,88**	
Other operating charges			
Taxes related to operation	640	**46.486,82**	86.140,93
Other	641/8		
Hired temporary staff and personnel placed at the company's disposal			
Total number at the closing date	9096		
Average number calculated in full-time equivalents	9097		
Number of actual hours worked	9098		
Costs to the Company	617		

FINANCIAL RESULTS

(EUR)

	Codes	Year ended March 31, 2025	Year ended March 31, 2024
RECURRING FINANCIAL INCOME			
Other financial income			
Subsidies paid by public authorities, added to the profit and loss account			
Capital subsidies	9125		
Interest subsidies	9126		
Allocation of other financial income			
Exchange differences realized	754		
Other			
Exchange differences		**484.889,20**	526.756,65
RECURRING FINANCIAL CHARGES			
Depreciation of loan issue expenses	6501		
Capitalised interests	6502		

Back to content

(EUR)

	Codes	Year ended March 31, 2025	Year ended March 31, 2024
Depreciations on current assets			
Recorded	6510		
Written back	6511		
Other financial charges			
Amount of the discount borne by the company, as a result of negotiating amounts receivable	653		
Provisions of a financial nature			
Appropriations	6560		
Uses and write-backs	6561		
Allocation of other financial costs			
Exchange differences realized	654		
Results from the conversion of foreign currencies	655		
Other			
Bank charges		**15.207,17**	28.708,17
Exchange differences		**474.203,90**	535.838,47
Other financial expenses		**1.170,11**	

INCOME AND CHARGES OF EXCEPTIONAL SIZE OR FREQUENCY

(EUR)

	Codes	Year ended March 31, 2025	Year ended March 31, 2024
NON-RECURRING INCOME	76	**0,41**	3.176,80
Non-recurring operating income	(76A)	**0,41**	3.176,80
Write-back of depreciation and of amounts written off intangible and tangible fixed assets	760		
Write-back of provisions for extraordinary operating liabilities and charges	7620		
Capital profits on disposal of intangible and tangible fixed assets	7630		
Other non-recurring operating income	764/8	**0,41**	3.176,80
Non-recurring financial income	(76B)		
Write-back of amounts written down financial fixed assets	761		
Write-back of provisions for extraordinary financial liabilities and charges	7621		
Capital profits on disposal of financial fixed assets	7631		
Other non-recurring financial income	769		
NON-RECURRING CHARGES	66	**388,53**	4.001,72
Non-recurring operating charges	(66A)	**388,53**	4.001,72
Non-recurring depreciation of and amounts written off formation expenses, intangible and tangible fixed assets	660		
Provisions for extraordinary operating liabilities and charges: appropriations (uses) (+)/(-)	6620		

(EUR)

	Codes	Year ended March 31, 2025	Year ended March 31, 2024
Capital losses on disposal of intangible and tangible fixed assets	6630	**388,53**	771,72
Other non-recurring operating charges	664/7		3.230,00
Non-recurring operating charges carried to assets as restructuring costs (-)	6690		
Non-recurring financial charges	(66B)		
Amounts written off financial fixed assets	661		
Provisions for extraordinary financial liabilities and charges - appropriations (uses) (+)/(-)	6621		
Capital losses on disposal of financial fixed assets	6631		
Other non-recurring financial charges	668		
Non-recurring financial charges carried to assets as restructuring costs (-)	6691		

TAXES

(EUR)

	Codes	Year ended March 31, 2025
INCOME TAXES		
Income taxes on the result of the period	9134	**1.954.716,48**
Income taxes paid and withholding taxes due or paid	9135	**2.135.593,64**
Excess of income tax prepayments and withholding taxes paid recorded under assets	9136	**180.877,16**
Estimated additional taxes	9137	
Income taxes on the result of prior periods	9138	
Additional income taxes due or paid	9139	
Additional income taxes estimated or provided for	9140	
Major reasons for the differences between pre-tax profit, as it results from the annual accounts, and estimated taxable profit		
Disallowed expenses		**1.567.732,01**
Other tax impact		**(154.687,27)**

(EUR)

	Year ended March 31, 2025
Influence of non-recurring results on income taxes on the result of the period	

(EUR)

	Codes	Year ended March 31, 2025
Sources of deferred taxes		
Deferred taxes representing assets	9141	
Accumulated tax losses deductible from future taxable profits	9142	
Deferred taxes representing liabilities	9144	
Allocation of deferred taxes representing liabilities		

(EUR)

	Codes	Year ended March 31, 2025	Year ended March 31, 2024
VALUE-ADDED TAXES AND TAXES BORNE BY THIRD PARTIES			
Value-added taxes charged			
To the company (deductible)	9145	**49.631.065,97**	53.944.212,04
By the Company	9146	**104.617.044,61**	111.135.661,50
Amounts withheld on behalf of third party by way of			
Payroll withholding taxes	9147	**29.222.534,71**	24.689.160,59
Withholding taxes on investment income	9148		

RIGHTS AND COMMITMENTS NOT REFLECTED IN THE BALANCE SHEET

(EUR)

	Codes	Year ended March 31, 2025
PERSONAL GUARANTEES PROVIDED OR IRREVOCABLY PROMISED BY THE COMPANY AS SECURITY FOR DEBTS AND COMMITMENTS OF THIRD PARTIES	9149	
Of which		
Bills of exchange in circulation endorsed by the company	9150	
Bills of exchange in circulation drawn or guaranteed by the company	9151	
Maximum amount for which other debts or commitments of third parties are guaranteed by the company	9153	
REAL GUARANTEES		
Real guarantees provided or irrevocably promised by the company on its own assets as security of debts and commitments of the company		
Mortgages		
Book value of the immovable properties mortgaged	91611	
Amount of registration	91621	
For irrevocable mortgage mandates, the amount for which the agent can take registration	91631	
Pledging of goodwill		
Maximum amount up to which the debt is secured and which is the subject of registration	91711	
For irrevocable mandates to pledge goodwill, the amount for which the agent can take the inscription	91721	

(EUR)

	Codes	Year ended March 31, 2025
Pledging of other assets or irrevocable mandates to pledge other assets		
Book value of the immovable properties mortgaged	91811	
Maximum amount up to which the debt is secured	91821	
Guarantees provided or irrevocably promised on future assets		
Amount of assets in question	91911	
Maximum amount up to which the debt is secured	91921	
Vendor's privilege		
Book value of sold goods	92011	
Amount of the unpaid price	92021	
Real guarantees provided or irrevocably promised by the company on its own assets as security of debts and commitments of third parties		
Mortgages		
Book value of the immovable properties mortgaged	91612	
Amount of registration	91622	
For irrevocable mortgage mandates, the amount for which the agent can take registration	91632	
Pledging of goodwill		
Maximum amount up to which the debt is secured and which is the subject of registration	91712	
For irrevocable mandates to pledge goodwill, the amount for which the agent can take the inscription	91722	
Pledging of other assets or irrevocable mandates to pledge other assets		
Book value of the immovable properties mortgaged	91812	
Maximum amount up to which the debt is secured	91822	
Guarantees provided or irrevocably promised on future assets		
Amount of assets in question	91912	
Maximum amount up to which the debt is secured	91922	
Vendor's privilege		
Book value of sold goods	92012	
Amount of the unpaid price	92022	

(EUR)

	Codes	Year ended March 31, 2025
GOODS AND VALUES, NOT REFLECTED IN THE BALANCE SHEET, HELD BY THIRD PARTIES IN THEIR OWN NAME BUT FOR THE BENEFIT AND AT THE RISK OF THE COMPANY		
SUBSTANTIAL COMMITMENTS TO ACQUIRE FIXED ASSETS		
SUBSTANTIAL COMMITMENTS TO DISPOSE OF FIXED ASSETS		
FORWARD TRANSACTIONS		
Goods purchased (to be received)	9213	
Goods sold (to be delivered)	9214	
Currencies purchased (to be received)	9215	
Currencies sold (to be delivered)	9216	

(EUR)

	Year ended March 31, 2025
COMMITMENTS RELATING TO TECHNICAL GUARANTEES IN RESPECT OF SALES OR SERVICES	

(EUR)

	Year ended March 31, 2025
AMOUNT, NATURE AND FORM CONCERNING LITIGATION AND OTHER IMPORTANT COMMITMENTS	
Client bank guarantee	**1.300.000,00**
Rental guarantee	**123.480,00**

SETTLEMENT REGARDING THE COMPLEMENTARY RETIREMENT OR SURVIVORS' PENSION FOR PERSONNEL AND BOARD MEMBERS

Brief description

The companies foresee in an additional system of employee pension benefits plan, not in management, calculated on the basis of the number of years of service and the salary of the concerned person. This commitment is a group insurance of the type defined contribution.

Since the new regulations, this insurance type is subject to a minimum return guaranteed by the employer.

As at closing date, the minimum return is still covered by the insurance company.

Measures taken to cover the related charges

(EUR)

	Codes	Year ended March 31, 2025
PENSIONS FUNDED BY THE COMPANY ITSELF		
Estimated amount of the commitments resulting from past services	9220	
Methods of estimation		

(EUR)

	Year ended March 31, 2025
NATURE AND FINANCIAL IMPACT OF SIGNIFICANT EVENTS AFTER THE CLOSING DATE not reflected in the balance sheet or income statement	

(EUR)

	Year ended March 31, 2025
COMMITMENTS TO PURCHASE OR SALE AVAILABLE TO THE COMPANY AS ISSUER OF OPTIONS FOR SALE OR PURCHASE	

(EUR)

	Year ended March 31, 2025
NATURE, COMMERCIAL OBJECTIVE AND FINANCIAL CONSEQUENCES OF TRANSACTIONS NOT REFLECTED IN THE BALANCE SHEET If the risks and benefits resulting from such transactions are of any meaning and if publishing such risks and benefits is necessary to appreciate the financial situation of the Company	

(EUR)

	Year ended March 31, 2025
OTHER RIGHTS AND COMMITMENTS NOT REFLECTED IN THE BALANCE SHEET (including those that cannot be calculated)	
Rental agreemenet office space untim 31st of December 2032	**1.913.940,00**

RELATIONSHIPS WITH AFFILIATED COMPANIES, ASSOCIATED COMPANIES AND OTHER COMPANIES LINKED BY PARTICIPATING INTERESTS

(EUR)

	Codes	Year ended March 31, 2025	Year ended March 31, 2024
AFFILIATED COMPANIES			
Financial fixed assets	(280/1)	**1.000,00**	1.000,00
Participating interests	(280)	**1.000,00**	1.000,00
Subordinated amounts receivable	9271		
Other amounts receivable	9281		
Amounts receivable	9291	**11.847.619,70**	9.459.661,90
Over one year	9301		
Within one year	9311	**11.847.619,70**	9.459.661,90
Current investments	9321		
Shares	9331		
Amounts receivable	9341		
Amounts payable	9351	**17.275.343,41**	18.221.971,50
Over one year	9361		
Within one year	9371	**17.275.343,41**	18.221.971,50

(EUR)

	Codes	Year ended March 31, 2025	Year ended March 31, 2024
Personal and real guarantees			
Provided or irrevocably promised by the company as security for debts or commitments of affiliated companies	9381		
Provided or irrevocably promised by affiliated companies as security for debts or commitments of the company	9391		
Other significant financial commitments	9401		
Financial results			
Income from financial fixed assets	9421		1.160,72
Income from current assets	9431		
Other financial income	9441		
Debt charges	9461		
Other financial charges	9471		
Disposal of fixed assets			
Capital profits realised	9481		
Capital losses realised	9491		

RELATIONSHIPS WITH AFFILIATED COMPANIES, ASSOCIATED COMPANIES AND OTHER COMPANIES LINKED BY PARTICIPATING INTERESTS

(EUR)

	Codes	Year ended March 31, 2025	Year ended March 31, 2024
ASSOCIATED COMPANIES			
Financial fixed assets	9253		
Participating interests	9263		
Subordinated amounts receivable	9273		
Other amounts receivable	9283		
Amounts receivable	9293		
Over one year	9303		
Within one year	9313		
Amounts payable	9353		
Over one year	9363		
Within one year	9373		
Personal and real guarantees			
Provided or irrevocably promised by the company as security for debts or commitments of affiliated companies	9383		
Provided or irrevocably promised by affiliated companies as security for debts or commitments of the company	9393		
Other significant financial commitments	9403		

(EUR)

	Codes	Year ended March 31, 2025	Year ended March 31, 2024
COMPANIES LINKED BY PARTICIPATING INTERESTS			
Financial fixed assets	9252		
Participating interests	9262		
Subordinated amounts receivable	9272		
Other amounts receivable	9282		
Amounts receivable	9292		
Over one year	9302		
Within one year	9312		
Amounts payable	9352		
Over one year	9362		
Within one year	9372		

RELATIONSHIPS WITH AFFILIATED COMPANIES, ASSOCIATED COMPANIES AND OTHER COMPANIES LINKED BY PARTICIPATING INTERESTS

(EUR)

TRANSACTIONS WITH AFFILIATED PARTIES BEYOND NORMAL MARKET CONDITIONS	Year ended March 31, 2025
Mention of these transactions if they are significant, including the amount of the transactions, the nature of the link, and all information about the transactions that should be necessary to get a better understanding of the financial situation of the company Nihil Due to the lack of legal criteria allowing the inventory of related party transactions outside normal market conditions, no information could be included in statement C6.15	

FINANCIAL RELATIONSHIPS WITH

(EUR)

	Codes	Year ended March 31, 2025
DIRECTORS AND MANAGERS, INDIVIDUALS OR LEGAL PERSONS WHO CONTROL THE COMPANY DIRECTLY OR INDIRECTLY WITHOUT BEING ASSOCIATED THEREWITH, OR OTHER COMPANIES CONTROLLED DIRECTLY OR INDIRECTLY BY THESE PERSONS		
Amounts receivable from these persons	9500	
Principal conditions regarding amounts receivable, rate of interest, duration, any amounts repaid, cancelled or written off		
Guarantees provided in their favour	9501	
Other significant commitments undertaken in their favour	9502	
Amount of direct and indirect remunerations and pensions, reflected in the income statement, as long as this disclosure does not concern exclusively or mainly, the situation of a single identifiable person		
To directors and managers	9503	
To former directors and former managers	9504	

Back to content

(EUR)

	Codes	Year ended March 31, 2025
THE AUDITOR(S) AND THE PERSONS WHOM HE (THEY) IS (ARE) COLLABORATING WITH		
Auditors' fees	9505	
Fees for exceptional services or special assignments executed within the company by the auditor		
Other audit assignments	95061	
Tax consultancy assignments	95062	
Other assignments beyond the audit	95063	
Fees for exceptional services or special assignments executed within the company by people the auditor(s) is (are collaborating with		
Other audit assignments	95081	
Tax consultancy assignments	95082	
Other assignments beyond the audit	95083	

Mentions related to article 3:64, § 2 and § 4 of the Belgian Companies and Associations Code

The audit committee, decides in accordance with article 133 § 6, 1° of the Companies Code, to depart from the limitations imposed on the auditor and on persons with whom he has concluded an employment contract or with whom he is aligned vis-à-vis a professional relationship or the companies or persons aligned to the auditor as stipulated in article 11 of the Companies Code, regarding the remuneration allowed for non-audit services.

DECLARATION WITH REGARD TO THE CONSOLIDATED ANNUAL ACCOUNTS

INFORMATION TO DISCLOSE BY EACH COMPANY GOVERNED BY THE BELGIAN COMPANIES AND ASSOCIATIONS CODE ON THE CONSOLIDATED ANNUAL ACCOUNTS

The company has not prepared consolidated annual accounts and a consolidated annual report, because of an exemption for the following reason(s)*

The company and its subsidiaries exceed, on a consolidated basis, not more than one of the criteria mentioned in article 1:26 of the Belgian Companies and Associations Code*

The company only has subsidiaries that, considering the evaluation of the consolidated capital, the consolidated financial position or the consolidated result, individually or together, are of negligible interest Error! Bookmark not defined. (article 3:23 of the Belgian Companies and Associations Code)

The company itself is a subsidiary of a parent company that prepares and publishes consolidated annual accounts, in which the annual accounts are integrated by consolidation*

INFORMATION TO BE PROVIDED BY THE COMPANY IN CASE IT IS A SUBSIDIARY OR A JOINT SUBSIDIARY

Name, full address of the registered office and, if it concerns companies under Belgian law, the company registration number of the parent company(ies) and the indication if this (these) parent company(ies) prepares (prepare) and publishes (publish) consolidated annual accounts, in which the annual accounts are included by means of consolidation**:

Tata Consultancy Services Ltd
9th Floor Nirmal Building, Nariman Point
400 021 MUMBAI, India

The enterprise draws up consolidated annual accounts data for the major part of the enterprise

If the parent company(ies) is (are) (a) company(ies) governed by foreign law, the location where the above mentioned annual accounts are available**:

Tata Consultancy Serivces Ltd,
9th Floor Nirmal Building, Nariman Point,
400 021 Mumbai, India

* Strike out what does not apply.

** Where the annual accounts of the company are consolidated at different levels, the information should be given, on the one hand at the highest and on the other at the lowest level of companies of which the company is a subsidiary and for which consolidated accounts are prepared and published.

VALUATION RULES

1. Principle

The valuation rules are determined according to the provisions of the Royal Decree of 29 april 2019 in implementation of the Belgian Companies and Associations Code.

In respect of the requirement of a true and fair view the valuation rules of this Decree shall be deviated from in the following exceptional cases:

Reasons for the deviation:

The effects of the deviation on assets and liabilities, financial position and the result before taxation of the enterprise are as follows:

The valuation rules are (not changed) in wording and application as compared to the preceding financial period; if so, the change related to:

and has a (positive) (negative) effect on the result for the financial period before taxation to the amount of EUR.

The income statement (is not) significantly effected by income or charges relating to a previous financial period; if so, the material effect results from:

The figures of the financial period are not comparable with those of the preceding financial period for the following reason:

(In order to maintain comparability the figures of the preceding financial period are adjusted regarding to following reasons) (To compare the annual accounts of both financial periods involved following information should be taken into account):

In absence of objective standards of appraisal following valuation of foreseeable liabilities, contingent losses and diminuations in value is inevitably uncertain:

Other information necessary to give a true and fair view of the enterprise's liabilities, financial position and result:

1) Revenue recognition

The company earns revenue primarily from providing information technology and consulting services, including services under contracts for software development, implementation and other related services, licensing and sale of its own software and business process services.

The company recognises revenue as follows:

Revenue from contracts priced on a time and material basis is recognised as services are rendered and as related costs are incurred.

Revenue from Business Process Services contracts priced on the basis of time and material or unit of delivery is recognised as services are rendered or the related obligation is performed.

Revenue from maintenance contracts is recognised on a pro rata basis over the period of the contract.

Revenue is recognised only when evidence of an arrangement is obtained and the other criteria to support revenue recognition are met, including the price is fixed or determinable, services have been rendered and collectability of the resulting receivables is reasonably assured.

2) Presentation of costs related to seconded employees from TCSL

Account Code 62 includes remuneration, social security costs and pensions incurred towards local Belgian employees (269,2 FTE in 2025 and 330,9 FTE in 2024). Costs incurred towards the seconded employees of TCS Limited (TCSL), (2025:37.581.022,91 EUR; 2024:34.929.526,14 EUR) the parent company of TCS Belgium have also been accounted under this classification. The employees of TCSL (607,5 FTE in 2025 and 701,4 FTE in 2024) are not employees of TCS Belgium as they remain bound by the employment contract with TCSL and seconded to TCS Belgium. Account Code 62 reflects the aggregate of all such costs, including the cost of the seconded employees as management believes that this better reflects the substance of the arrangement for the deputation of the personnel and consequently provides a true and fair view.

2. Fixed assets

Formation expenses:

Formation expenses are charged against income except for following costs capitalised:

VALUATION RULES

Reorganization costs:

The reorganization costs are (not capitalised) during the financial period; if so, this is justified as follows:

Intangible fixed assets:

The amount of intangible assets includes EUR research and development costs. Depreciation of these costs and the depreciations for goodwill are charged over a period of (more than) (not more than) 5 years; if more than 5 years the period involved is justified as follows :

Tangible fixed assets:

During the financial period the tangible assets (are not) revalued; if so, the revaluation if justified are as follows:

VALUATION RULES

Depreciation recorded during the financial period:

Assets	Method S (straightline R (reducing balance) O (other)	Basis NR (non¬revalued) R (revalued)	Depreciation rate	
			Principal costs Min. - Max.	Ancillary costs Min. - Max.
1. Formation expenses				
2. Intangible fixed assets				
Software	**S**	**NR**	**20,00 - 20,00**	**20,00 - 20,00**
3. Buildings*				
4. Plant, machinery and equipments *				
5. Vehicles*				
Company cars	**S**	**NR**	**25,00 - 25,00**	**25,00 - 25,00**
6. Office furniture *				
Office equipment	**S**	**NR**	**10,00 - 20,00**	**10,00 - 20,00**
7. Other tangible fixed assets				
Fitting-out expenses rented prop	**S**	**NR**	**10,00 - 21,05**	**10,00 - 21,05**

* Including leased assets which should be disclosed on a separate line.

Tax deductible accelerated depreciation in excess of depreciation based on economic circumstances:

- amount for the financial period: EUR

- cumulative amount regarding tangible assets acquired as of the financial period beginning after December 31, 1983: EUR

Financial fixed assets:

During the financial period investments (are not) revalued; if so, the revaluation is justified as follows:

3. Current assets

Inventories:

Inventories are valued at **acquisition cost** determined according to the method (to be disclosed) of the weighted average price method, Fifo, Lifo, by identifying individually the price of each element or by the **lower market value**

1. Raw materials and consumables:
2. Work in progress - finished goods:
3. Goods purchased for resale:
4. Immovable property intended for sale:

Products:

- Production costs (include) (do not include) costs that are only indirectly attributable to the product.
- Production costs of stock and work in progress the production of which exceeds more than one year (includes) (does not include) on capital borrowed to finance the production.

Stocks total valued at market value amount to % of its book value at the end of the financial period.

(This information is only required in the event of a substantial difference).

Contracts in progress:

Contracts in progress are valued

(at production cost increased by a portion of the profit according to the state of completion of the contract)

VALUATION RULES

4. Liabilities

Debts:

Liabilities (do not include) long-term debts, bearing no interests or at an unusual low interest; if so, a discount (has) (has not) been recognised and capitalised.

Foreign currencies:

Debts, liabilities and commitments denominated in foreign currencies are translated in EUR using following criteria: Exchange rate as per closing date

Exchange differences have been disclosed in the annual accounts as follows:

All exchange differences are taken into P&L

Leasing agreements:

Concerning the rights to use property not capitalised *(relating to immovable property and concluded before 1 January 1980)*, consideration and rental relating to the financial period if the leased immovable property, amount to: EUR.

OTHER INFORMATION TO DISCLOSE

The company does not have any impact due to the war in Ukraine or due to sanctions on Russia and Belarus as the company neither has any customers nor any dependencies on Russia, Ukraine and Belarus.

SOCIAL BALANCE SHEET

Numbers of the joint industrial committees competent for the company:

STATEMENT OF THE PERSONS EMPLOYED

EMPLOYEES FOR WHOM THE COMPANY SUBMITTED A DIMONA DECLARATION OR WHO ARE RECORDED IN THE GENERAL PERSONNEL REGISTER

During the period	Codes	Total	1. Men	2. Women
Average number of employees				
Full-time	1001	**269,3**	**217,6**	**51,7**
Part-time	1002	**3,4**	**1,9**	**1,5**
Total in full-time equivalents (FTE)	1003	**269,2**	**216,9**	**52,3**
Number of actual hours worked				
Full-time	1011	**474.532**	**386.240**	**88.292**
Part-time	1012	**4.752**	**2.440**	**2.312**
Total	1013	**479.284**	**388.680**	**90.604**
Personnel costs				
Full-time	1021	**83.470.882,88**	**66.635.968,45**	**16.834.914,43**
Part-time	1022	**308.110,78**	**165.754,08**	**142.356,70**
Total	1023	**83.778.993,66**	**66.801.722,53**	**16.977.271,13**
Benefits in addition to wages	1033			

During the preceding period	Codes	P. Total	1P. Men	2P. Women
Average number of employees in FTE	1003	330,9	271,4	59,5
Number of actual hours worked	1013	590.300	489.468	100.832
Personnel costs	1023	82.957.365,30	67.022.360,89	15.935.004,41
Benefits in addition to wages	1033			

At the closing date of the period	Codes	1. Full-time	2. Part-time	3. Total in full-time equivalents
Number of employees	105	**205**	**4**	**208,3**
By nature of the employment contract				
Contract for an indefinite period	110	**204**	**4**	**207,3**
Contract for a definite period	111	**1**		**1,0**
Contract for the execution of a specifically assigned work	112			
Replacement contract	113			
According to gender and study level				
Men	120	**163**	**2**	**164,7**
primary education	1200	**138**	**2**	**139,7**
secondary education	1201			
higher non-university education	1202	**12**		**12,0**
university education	1203	**13**		**13,0**

Back to content

At the closing date of the period	Codes	1. Full-time	2. Part-time	3. Total in full-time equivalents
Women	121	**42**	**2**	**43,6**
primary education	1210	**31**		**31,0**
secondary education	1211			
higher non-university education	1212	**6**		**6,0**
university education	1213	**5**	**2**	**6,6**
By professional category				
Management staff	130			
Salaried employees	134	**205**	**4**	**208,3**
Hourly employees	132			
Other	133			

HIRED TEMPORARY STAFF AND PERSONNEL PLACED AT THE DISPOSAL OF THE COMPANY

During the period	Codes	1. Hired temporary staff	2. Hired temporary staff and personnel placed at the company's disposal
Average number of persons employed	150		
Number of actual hours worked	151		
Costs to the company	152		

LIST OF PERSONNEL MOVEMENTS DURING THE PERIOD

ENTRIES

	Codes	1. Full-time	2. Part-time	3. Total in full-time equivalents
Number of employees for whom the company submitted a DIMONA declaration or who have been recorded in the general personnel register during the period	205	**47**		**47,0**
By nature of the employment contract				
Contract for an indefinite period	210	**45**		**45,0**
Contract for a definite period	211	**2**		**2,0**
Contract for the execution of a specifically assigned work	212			
Replacement contract	213			

Back to content

DEPARTURES

	Codes	1. Full-time	2. Part-time	3. Total in full-time equivalents
Number of employees whose contract-termination date has been included in the DIMONA declaration or in the general personnel register during the period	305	**168**	**1**	**168,5**
By nature of the employment contract				
Contract for an indefinite period	310	**166**		**166,0**
Contract for a definite period	311	**2**	**1**	**2,5**
Contract for the execution of a specifically assigned work	312			
Replacement contract	313			
By reason of termination of contract				
Retirement	340			
Unemployment with extra allowance from enterprise	341			
Dismissal	342	**3**		**3,0**
Other reason	343	**165**	**1**	**165,5**
Of which: the number of persons who continue to render services to the company at least half-time on a self-employment basis	350			

INFORMATION ON TRAINING PROVIDED TO EMPLOYEES DURING THE PERIOD

Total of initiatives of formal professional training at the expense of the employer	Codes	Men	Codes	Women
Number of employees involved	5801		5811	
Number of actual training hours	5802		5812	
Net costs for the company	5803		5813	
of which gross costs directly linked to training	58031		58131	
of which contributions paid and payments to collective funds	58032		58132	
of which grants and other financial advantages received (to deduct)	58033		58133	
Total of initiatives of less formal or informal professional training at the expense of the employer				
Number of employees involved	5821		5831	
Number of actual training hours	5822		5832	
Net costs for the Company	5823		5833	
Total of initial initiatives of professional training at the expense of the employer				
Number of employees involved	5841		5851	
Number of actual training hours	5842		5852	
Net costs for the company	5843		5853	

Back to content

Tata Consultancy Services Deutschland GmbH

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

For the year ended
March 31, 2025

FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

CONTENT	PAGE
Independent Auditor's Report	13.2
Statement of Financial Position	13.4
Statement of Profit or Loss and Other Comprehensive Income	13.5
Statement of Changes in Equity	13.6
Statement of Cash Flow	13.7
Notes to Financial Statements	13.8

Back to main content

INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS
TATA CONSULTANCY SERVICES DEUTSCHLAND GMBH
SPECIAL PURPOSE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying special purpose financial statements of Tata Consultancy Services Deutschland GmbH ('the Company'), which comprise the statement of financial position as of 31st March 2025, and the related statement of profit or loss and other comprehensive income, changes in equity, and cash flow for the year then ended, and the related notes to the special purpose financial statements. The special purpose financial statements have been prepared by the management as described in Note 2 to the Special Purpose financial statements in accordance with the International Financial Reporting Standards (IFRS).

In our opinion, the special purpose financial statements referred to above present fairly, in all material respects, the financial position of the Company as of 31st March 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standard Board.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) generally accepted in India. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Special purpose financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Special purpose financial statements under the provisions of the Act and the Rules there under and fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide basis for our opinion.

Management's Responsibility for special purpose Financial Statements

The Company's management and Board of Directors are responsible for the preparation of these Special purpose financial statements that give a true and fair view of the state of affairs, profit/ loss and (including other comprehensive income), changes in equity cash flows of the Company in accordance with the International Financial Reporting Standards. 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 Special purpose financial statements that give a true and fair view and are free from misstatement, whether due to fraud or error.

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

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

Auditors' Responsibility

Our objectives are to obtain reasonable assurance about whether the Special purpose 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 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 Special purpose financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. We are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue going concern.
- Evaluate the overall presentation, structure statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Restriction on Distribution and Use

Audit of this special purpose financial statements, in accordance with International Financial Reporting Standards of the Company for the year ended 31st March 2025 have been prepared for the limited purpose of consolidated financial statements, to comply with the Section 129(3) of the Companies Act 2013, of TCSL for the year ended 31st March 2025. Our report is strictly intended solely for the information and use by TCSL for the preparation of consolidated financial statements and for the use at their annual general meetings for the information of their members. It is not intended to be and should not be used by anyone other than specified parties.

For **K B J & ASSOCIATES**
(Chartered Accountants)
(ICAI Firm Registration No. 114934W)

Kaushik B. Joshi
Proprietor
(ICAI Membership No.48889)

Place: Mumbai
Date: 8th May 2025

Statement of Financial Position

(Amount in EUR)

	Note	As at March 31, 2025	As at March 31, 2024
ASSETS			
Current assets			
Cash and cash equivalents	7(a)	**25,283,294**	25,880,165
Investments	7(b)	**19,927,666**	-
Trade receivables			
Billed	7(c)	**146,225,654**	153,260,377
Unbilled		**17,557,568**	21,644,734
Other financial assets	7(d)	**3,411,670**	3,669,213
Income tax assets (net)		**15,571,581**	6,551,998
Other assets	9(c)	**37,024,749**	38,438,006
Total current assets		**265,002,182**	249,444,492
Non-current assets			
Other financial assets	7(d)	**424,463**	424,463
Property, plant and equipment	9(a)	**4,044,480**	6,884,426
Right-of-use assets	8	**2,484,674**	3,643,585
Other intangible assets	9(b)	**316,264**	578,686
Other assets	9(c)	**925,354**	1,941,821
Deferred tax assets (net)		**152,081**	-
Total non-current assets		**8,347,316**	13,472,981
TOTAL ASSETS		**273,349,498**	262,917,473
LIABILITIES AND EQUITY			
Liabilities			
Current liabilities			
Lease liabilities		**1,297,311**	1,550,960
Trade payables	7(f)	**138,873,918**	113,994,234
Other financial liabilities	7(e)	**9,392,336**	10,127,681
Unearned and deferred revenue	10	**9,353,380**	14,587,487
Other liabilities	9(d)	**13,942,567**	13,139,930
Provisions	9(e)	**6,801**	46,313
Employee benefit obligations	14	**688,462**	478,955
Income tax liabilities (net)		**-**	414,214
Total current liabilities		**173,554,775**	154,339,774
Non-current liabilities			
Lease liabilities		**1,482,604**	2,488,173
Other financial liabilities	7(e)	**24,197**	23,881
Employee benefit obligations	14	**1,668,351**	1,179,871
Deferred tax liabilities (net)		**4,628,734**	3,895,706
Total non-current liabilities		**7,803,886**	7,587,631
TOTAL LIABILITIES		**181,358,661**	161,927,405
Equity			
Share capital	7(i)	**150,000**	150,000
Share premium			
Retained earnings		**91,822,076**	100,821,307
Accumulated other comprehensive (losses) / income			
Share premium		**18,761**	18,761
Total equity		**91,990,837**	100,990,068
TOTAL LIABILITIES AND EQUITY		**273,349,498**	262,917,473

See accompanying notes forming part of the financial statements.

As per our report of even date attached

For **KBJ & ASSOCIATES**
Chartered Accountants
Firm's registration No:. 114934W

Kaushik B. Joshi
Proprietor
Membership No:. 48889
Mumbai, 8 May 2025

For and on behalf of the Board

Lakshminarayanan Gomatam Seshadri
Managing Director

S. Chapalapalli
Managing Director

Milind Lakkad
Managing Director

Bhuwan Agrawal
Managing Director

Back to content

Statement of Profit or Loss and Other Comprehensive income

(Amount in EUR)

	Note	Year ended March 31, 2025	Year ended March 31, 2024
Revenue	10	**747,447,189**	752,150,063
Operating expenses			
Employee benefit expenses	14	**179,749,986**	176,152,189
Depreciation and amortisation expenses	9(a) & 9(b)	**3,673,206**	4,543,394
Right of use assets depreciation	8	**1,485,636**	1,620,903
Other operating expenses	11	**554,327,529**	553,948,037
TOTAL OPERATING EXPENSES		**739,236,356**	736,264,523
Operating profit		**8,210,832**	15,885,540
Other income / (expense)			
Finance and other income	12(a)	**1,147,260**	894,074
Finance costs	12(b)	**(166,797)**	(182,851)
Other non-operating income / (loss), net	12(c)	**145,237**	(33,478)
Profit before taxes		**9,336,532**	16,563,285
Income tax expense	13	**(3,006,228)**	(5,303,266)
Profit for the year		**6,330,304**	11,260,019
Remeasurement of defined employee benefit plans		**(329,536)**	(156,342)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**6,000,769**	11,103,677

See accompanying notes forming part of the financial statements.

As per our report of even date attached

For **KBJ & ASSOCIATES**
Chartered Accountants
Firm's registration No:. 114934W

Kaushik B. Joshi
Proprietor
Membership No:. 48889
Mumbai, 8 May 2025

For and on behalf of the Board

Lakshminarayanan Gomatam Seshadri
Managing Director

S. Chapalapalli
Managing Director

Milind Lakkad
Managing Director

Bhuwan Agrawal
Managing Director

Statement of Changes in Equity

(Amount in EUR)

	Share capital	Share premium	Retained earnings	Total equity
Balance as at April 1, 2024	**150,000**	**18,761**	**100,821,307**	**100,990,068**
Profit for the year	**-**	**-**	**6,330,304**	**6,330,304**
Other comprehensive income for the year	**-**	**-**	**(329,536)**	**(329,536)**
Dividend	**-**	**-**	**(15,000,000)**	**(15,000,000)**
Balance as at March 31, 2025	**150,000**	**18,761**	**91,822,076**	**91,990,836**
			-	
Balance as at 1st Apr, 2023	150,000	18,761	89,717,630	89,886,391
Profit for the year	-	-	11,260,019	11,260,019
Other comprehensive income for the year	-	-	(156,342)	(156,342)
Dividend	-	-	-	-
Balance as at March 31, 2024	150,000	18,761	100,821,307	100,990,069

See accompanying notes forming part of the financial statements.

As per our report of even date attached

For **KBJ & ASSOCIATES**
Chartered Accountants
Firm's registration No:. 114934W

Kaushik B. Joshi
Proprietor
Membership No:. 48889

Mumbai, 8 May 2025

For and on behalf of the Board

Lakshminarayanan Gomatam Seshadri
Managing Director

S. Chapalapalli
Managing Director

Milind Lakkad
Managing Director

Bhuwan Agrawal
Managing Director

Statement of Cash Flows

(Amount in EUR)

	Note	Year ended March 31, 2025	Year ended March 31, 2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the year		**6,330,304**	11,260,019
Adjustment to reconcile profit or loss to net cash provided by operating activities:			
Income tax expense	13	**3,006,228**	5,303,266
Depreciation and amortisation expenses	9(a) & 9(b)	**3,673,206**	4,543,394
Right of use assets depreciation	8	**1,485,636**	1,620,903
Finance cost	12(b)	**56,477**	71,588
Net loss/(gain) on disposal of property, plant and equipment	12(c)	**393**	1,758
Interest Income		**(1,030,682)**	(782,811)
Provision of allowance for doubtful trade receivables (net)	7(b)	**45,592**	(77,042)
Net change in working capital			
Trade receivables		**6,989,131**	(832,223)
Unbilled revenues		**4,087,166**	(2,457,331)
Other financial assets		**257,543**	684,245
Other assets		**2,429,724**	(8,251,851)
Trade and other payables		**24,879,684**	16,337,594
Unearned and deferred revenues		**(5,234,107)**	(1,650,907)
Other financial liabilities		**1,103,241**	(5,861,589)
Other liabilities		**802,636**	(156,736)
Provisions		**(39,512)**	(41,837)
Employee benefit obligations		**216,370**	(80,132)
Cash generated from operating activities		**49,059,029**	19,630,308
Income taxes paid		**(11,706,998)**	(23,526,061)
Net cash generated from / (used in) operating activities		**37,352,032**	(3,895,752)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for purchase of property, plant and equipment (includes CWIP)	9(a)	**(2,409,505)**	(874,590)
Payment for purchase of intangible assets	9(b)	**-**	(388,581)
Purchase of investment		**(19,927,666)**	-
Interest Income		**1,030,682**	782,811
Net cash used in investing activities		**(21,306,488)**	(480,359)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of lease liabilities		**(1,642,414)**	(1,788,160)
Payment of dividend		**(15,000,000)**	-
Net cash used in financing activities		**(16,642,414)**	(1,788,160)
Net change in cash and cash equivalents		**(596,871)**	(6,164,272)
Cash and cash equivalents, beginning of the year		**25,880,165**	32,044,437
Cash and cash equivalents, end of the year	7(a)	**25,283,294**	25,880,165

See accompanying notes forming part of the financial statements.

As per our report of even date attached

For **KBJ & ASSOCIATES**
Chartered Accountants
Firm's registration No:. 114934W

Kaushik B. Joshi
Proprietor
Membership No:. 48889
Mumbai, 8 May 2025

For and on behalf of the Board

Lakshminarayanan Gomatam Seshadri
Managing Director

S. Chapalapalli
Managing Director

Milind Lakkad
Managing Director

Bhuwan Agrawal
Managing Director

Back to content

Notes forming part of the financial statements

1. CORPORATE INFORMATION

Tata Consultancy Services Deutschland GmbH (the "Company") is a Company limited by shares, incorporated and orporate Information

The main business of the company is to provides services in the areas of management consulting and software development. The registered office address is Tata Consultancy Services Deutschland GmbH, Messeturm, 60308 Frankfurt am Main, Germany. As at March 31, 2025, Tata Consultancy Services Limited is the parent entity holding 100% of shares of the company.

The financial statements of the company have been drawn up as a special purpose financial statements for the distribution to the shareholder.

2. STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the international accounting standard board ("IASB"). This special purpose financial statements have been prepared for inclusion of Tata Consultancy Services Limited (Intermediate Holding Company) under the requirement of Section 129(3) of the Companies Act, 2013 ('the Act'). The principal accounting policies applied in the preparation of these financial statements have been consistently applied to all periods presented in these financial statements.

3. BASIS OF PREPARATION

The financial statements have been prepared on historical cost basis except for certain financial instruments and defined benefit plans which are measured at fair value or amortised cost at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for 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.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customer and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

Cash flows are reported using the indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The Company classifies interest paid and interest and dividend received as cash flow from operating activities. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value to be cash equivalents.

The functional and presentation currency of the Company is EURO. Foreign currency transactions are translated into functional currency at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are retranslated at the exchange rate prevailing on the dates of statement of financial position and exchange gains and losses arising on settlement and restatement are recognised in profit or loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

The significant accounting policies used in preparation of the financial statements have been discussed in the respective notes.

4. USE OF ESTIMATES AND JUDGMENTS

The preparation of these financial statements in conformity with the recognition and measurement principles of International Financial Reporting Standards (IFRS) requires management to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses for the periods presented.

Notes forming part of the financial statements

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and future periods are affected.

The Company uses the following critical accounting estimates in preparation of its financial statements:

a. Revenue Recognition

Revenue for fixed-price contracts are recognised using percentage-of-completion method. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.

The Company exercises judgement for identification of performance obligations, determination of transaction price, ascribing the transaction price to each distinct performance obligation and in determining whether the performance obligation is satisfied at a point in time or over a period of time. These judgements have been explained in detail under the revenue note (Refer note 10)

b. Useful lives of property, plant and equipment

The Company reviews the carrying amount of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

c. Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

d. Provision for income tax and deferred tax assets

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

e. Provisions and contingent liabilities

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Company uses significant judgements to assess contingent liabilities. Contingent liabilities are recognised when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

f. Employee benefits

The accounting of employee benefit plans in the nature of defined benefit requires the Company to use assumptions. These assumptions have been explained under employee benefits note.

g. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of IFRS 16. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

Notes forming part of the financial statements

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

5. NATURE AND PURPOSE OF RESERVES

a. Retained earnings

This reserve represents undistributed accumulated earnings of the Company as on the date of statement of financial position.

b. Share premium

Share premium is used to record the premium on issue of shares.

6. RECENT ACCOUNTING STANDARDS

The Group has not applied the following new and revised IFRSs that have been issued but are not yet effective.

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates-[1]
Amendments to IFRS 9 and IFRS 7-[2]
IFRS 18 – Presentation and Disclosures in Financial Statements-[3]
IFRS 19 –Subsidiaries without Public Accountability: Disclosures-[3]

[1]Effective for annual periods beginning on or after January 1, 2025.

[2]Effective for annual periods beginning on or after January 1, 2026.

[3]Effective for annual periods beginning on or after January 1, 2027.

IFRS 16 – Lease Liability in a Sale and Leaseback

In September 2022, the IASB issued 'Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)' with amendments that clarify how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. The Group does not expect this amendment to have any significant impact in its financial statements.

IAS 1 – Non-current Liabilities with Covenants

In October 2022, IASB issued 'Non-current Liabilities with Covenants (Amendments to IAS 1)' to clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The Group does not expect the amendments to have any significant impact on its classification of non-current liabilities in its statement of financial position.

IAS 1 – Classification of Liabilities

In January 2020, IASB issued the final amendments in Classification of Liabilities as Current or Non-Current, which affect only the presentation of liabilities in the statement of financial position. They clarify that classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and align the wording in all affected paragraphs to refer to the "right" to defer settlement by at least twelve months. The classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability. They make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services. The Group does not expect the amendments to have any significant impact on its presentation of liabilities in its statement of financial position.

Notes forming part of the financial statements

IAS 7 and IFRS 7 – Supplier Finance Arrangements

In May 2023, the IASB issued 'Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)' which require an entity to provide additional disclosures about supplier finance arrangements. Solely credit enhancements for the entity or instruments used by the entity to settle their dues, are not supplier finance arrangements. Entity will have to disclose information that enables users of financial statements to assess how these arrangements affect its liabilities and cash flows and to understand their effect on its exposure to liquidity risk and how it might be affected if the arrangements were no longer available to it. The Group does not expect the amendments to have any significant impact on its presentation of liabilities.

IAS 21 – The Effects of Changes in Foreign Exchange Rates

In August 2023, the IASB issued 'Lack of Exchangeability (Amendments to IAS 21)' to provide guidance to specify which exchange rate to use when the currency is not exchangeable. An entity must estimate the spot exchange rate as the rate that would have applied to an orderly transaction between market participants at the measurement date and that would faithfully reflect the economic conditions prevailing. The Group does not expect this amendment to have any significant impact in its financial statement.

IFRS 18 – Presentation and Disclosures in Financial Statements

In April 2024, the IASB issued its new standard IFRS 18 – Presentation and Disclosures in Financial Statements that will replace IAS 1 – Presentation of Financial Statements. The new standard aims at improving how entities communicate in their financial statements. The Group will evaluate the standard and implement it accordingly.

IFRS 19 – Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued a new standard IFRS 19 - Subsidiaries without Public Accountability: Disclosures. The standard allows a subsidiary which does not have public accountability and has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards, to elect IFRS 19. Such an entity applies the requirements in other IFRS Accounting Standards, except for the disclosure requirements, instead the entity applies the requirements in IFRS 19.

7. FINANCIAL ASSETS, FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and 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 measured on initial recognition of financial asset or financial liability.

The Company derecognises a financial asset only 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 entity. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

Cash and cash equivalents

The company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Notes forming part of the financial statements

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments recognised by the Company are recognised at the proceeds received net of direct issue cost.

Impairment of financial assets (other than at fair value)

The Company assesses at each date of statement of financial position whether a financial asset or a group of financial assets is impaired. IFRS 9 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. In determining the allowances for doubtful trade receivables the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

a. Cash and cash equivalents

(Amount in EUR)

	As at March 31, 2025	As at March 31, 2024
Cash at banks and in hand	**4,283,298**	8,880,165
Bank deposits (original maturity less than three months)	**21,000,000**	17,000,000
Total	**25,283,298**	25,880,165

b. Investments - Current

(Amount in EUR)

	As at March 31, 2025	As at March 31, 2024
Investment Carried at fair value through profit or loss	**-**	-
Mutual Fund units(quoted)	**19,927,666**	-
Total	**19,927,666**	-

Notes forming part of the financial statements

Aggregate value of quoted investments is as follows:

(Amount in EUR)

	As at March 31, 2025	As at March 31, 2024
Aggregate value of quoted investments	**19,927,666**	-
Aggregate market value of quoted investments	**19,927,666**	-

c. Trade receivables - Billed

(Amount in EUR)

	As at March 31, 2025	As at March 31, 2024
Trade receivables - Billed - Current		
Trade receivables - Billed	**146,275,499**	153,264,630
Less: Allowance for doubtful trade receivables - Billed	**(49,844)**	(4,253)
Total	**146,225,654**	153,260,377

Movement in the allowance for doubtful trade receivables

(Amount in EUR)

	As at March 31, 2025	As at March 31, 2024
At April 1,	**4,252**	81,294
Add: Charge to profit and Loss account	**47,504**	-
Less: Bad debts written off	**-**	(68,110)
Less: Provision written back	**(1,911)**	(8,932)
At March 31,	**49,845**	4,252

d. Other financial assets

(Amount in EUR)

	As at March 31, 2025	As at March 31, 2024
Other financial assets - Current		
Employee advances, net of allowances	**816,936**	838,681
Premises security deposit	**136,236**	136,236
Volume discount receivable	**2,458,498**	2,694,296
Total	**3,411,670**	3,669,213

Other financial assets – Non-current

(Amount in EUR)

	As at March 31, 2025	As at March 31, 2024
Premises security deposit	**117,192**	117,192
Restricted cash*	**307,271**	307,271
Total	**424,463**	424,463

* Restricted cash pertains to deposit in commerze bank against bank guarantee.

Notes forming part of the financial statements

e. Other financial liabilities

Other financial liabilities – Current

(Amount in EUR)

	As at March 31, 2025	As at March 31, 2024
Other financial liabilities - current		
Accrued payroll	**8,420,462**	7,313,848
Volume discount - current	**808,650**	812,338
Capital creditors - current	**163,225**	2,001,495
Total	**9,392,336**	10,127,681

Other financial liabilities - Non Current

(Amount in EUR)

	As at March 31, 2025	As at March 31, 2024
Decommissioning liabilities	**24,197**	23,881
Total	**24,197**	23,881

f. Trade payables

(Amount in EUR)

	As at March 31, 2025	As at March 31, 2024
Trade payables	**96,022,924**	66,831,942
Accrued expenses	**42,850,994**	47,162,292
Total	**138,873,918**	113,994,234

g. Financial instruments by category

The carrying value of financial instruments by categories as at March 31, 2025 is as follows:

(Amount in EUR)

	Amortised cost	Total carrying value
Assets:		
Cash and cash equivalents	**25,283,298**	**25,283,298**
Trade receivables		
Billed	**146,225,654**	**146,225,654**
Unbilled	**17,557,568**	**17,557,568**
Other financial assets	**3,836,133**	**3,836,133**
Total Assets	**192,902,653**	**192,902,653**
Liabilities:		
Trade payables	**138,873,918**	**138,873,918**
Lease liabilities	**2,779,914**	**2,779,914**
Other financial liabilities	**9,416,533**	**9,416,533**
Total Liabilities	**151,070,366**	**151,070,366**

Notes forming part of the financial statements

The carrying value of financial instruments by categories as at March 31, 2024 is as follows:

(Amount in EUR)

	Amortised cost	Total carrying value
Assets:		
Cash and cash equivalents	**25,880,165**	25,880,165
Trade receivables		
Billed	**153,260,377**	153,260,377
Unbilled	**21,644,734**	21,644,734
Other financial assets	**4,093,675**	4,093,675
Total Assets	**204,878,951**	204,878,951
Liabilities:		
Trade payables	**113,994,234**	113,994,234
Lease liabilities	**4,039,133**	4,039,133
Other financial liabilities	**10,151,562**	10,151,562
Total Liabilities	**128,184,929**	128,184,929

Carrying amounts of cash and cash equivalents, trade receivables and trade payables as at March 31, 2025 and 2024, approximate the fair value due to their nature. Carrying amounts of other financial assets and other financial liabilities which are subsequently measured at amortised cost also approximate the fair value due to their nature in each of the periods presented. Fair value measurement of lease liabilities is not required.

h. 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.

i. Financial risk management

The Company is exposed primarily to fluctuations in foreign currency exchange rates, credit, liquidity and interest rate risks, which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which covers risks associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors. The focus of the risk management committee is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the Company.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

- **Foreign currency exchange rate risk**

  The fluctuation in foreign currency exchange rate may have potential impact on the statement of financial statement, where any transaction references more than one currency or where assets/ liabilities are denominated in a currency other than functional currency of the company. Considering the countries and economic environment

Notes forming part of the financial statements

in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries.

The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

The foreign exchange rate sensitivity is calculated by aggregation of the net foreign exchange rate exposure and a simultaneous parallel foreign exchange rates shift of all the currencies by 10% against the functional currency of the Company.

The following table sets forth information relating to foreign currency exposure as at March 31, 2025:

(Amount in EUR)

	USD	CHF	Others
Net financial assets	**5,820,602**	**737,285**	**649,939**
Net financial liabilities	**5,572,097**	**1,079,432**	**2,400,126**

10% appreciation / depreciation of the respective foreign currencies with respect to functional currency of Company would result in increase / decrease in the Company's profit before taxes by approximately EUR 184,383 for the year ended March 31, 2025.

The following table sets forth information relating to foreign currency exposure as at March 31, 2024:

(Amount in EUR)

	USD	CHF	Others
Net financial assets	7,578,918	327,264	365,345
Net financial liabilities	4,753,133	579,893	1,714,646

10% appreciation / depreciation of the respective foreign currencies with respect to functional currency of Company would result in increase / decrease in the Company's profit before taxes by approximately EUR 122,386 for the year ended March 31, 2024.

- **Interest rate risk**

  Interest rate risk is the risk of changes in market interest rates affecting the overall return of the Company. The Company not significantly exposed to interest rate risk.

Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, unbilled receivables, cash and cash equivalents, and other financial assets.

- **Exposure to credit risk**

  The carrying amount of financial assets and contract assets represents the maximum credit exposure. The maximum exposure to credit risk was EUR 218,137,008 and EUR 231,564,113 as of March 31, 2025 and March 31, 2024, respectively being the total of the carrying amount of balance with bank, trade receivables, unbilled receivables, contract assets and other financial assets. Balance with bank is placed with a bank with high credit ratings. As of March 31, 2025, there were no indications that any defaults will occur on trade receivables, unbilled receivables, contract assets or other financial assets.

Notes forming part of the financial statements

The Company's exposure to customers is diversified and major customer's outstanding trade receivables, unbilled receivables and contract assets as at March 31, 2025 and March 31, 2024 was as below:

(Amount in EUR)

	As at March 31, 2025		As at March 31, 2024	
Client Name	**Total trade receivables and unbilled revenue**	**Percentage**	**Total trade receivables and unbilled revenue**	**Percentage**
Customer A	**36,750,291**	**19.49%**	38,162,559	18.65%
Customer B	**13,034,090**	**6.91%**	13,109,153	6.40%

- **Geographic concentration of credit risk**

Geographic concentration of trade receivables (net of allowances), unbilled receivables and contract assets is as follows:

	As at March 31, 2025	As at March 31, 2024
Europe	**97.84%**	95.26%
Others	**2.16%**	4.74%

Geographical concentration of trade receivables and unbilled receivables and contract assets is allocated based on the location of the customers.

The Company uses an allowance matrix to measure the expected credit loss of trade receivable from customers. The expected credit loss allowance is based on the ageing of the days the receivables are due and are as follows:

Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company consistently generates sufficient cash flows from operations to meet its financial obligations as and when they fall due.

The tables below provide details regarding the contractual maturities of significant financial liabilities as at:

(Amount in EUR)

March 31, 2025	Due in 1st year	Due in 2nd to 5th year	Total
Non derivative financial liabilities			
Trade payables	**138,873,918**	**-**	**138,873,918**
Lease liabilities	**1,297,311**	**1,482,604**	**2,779,914**
Other financial liabilities	**9,392,336**	**24,197**	**9,416,533**
Total	**149,563,565**	**1,506,801**	**151,070,365**

(Amount in EUR)

March 31, 2024	Due in 1st year	Due in 2nd to 5th year	Total
Non derivative financial liabilities			
Trade payables	113,994,234	-	113,994,234
Lease liabilities	1,690,212	5,463,353	7,153,565
Other financial liabilities	10,127,681	23,881	10,151,562
Total	125,812,127	5,487,234	131,299,361

Notes forming part of the financial statements

j. Equity instruments

(Amount in EUR)

	As at March 31, 2025	As at March 31, 2024
Issued, Subscribed and Fully paid up		
Ordinary shares	**150,000**	150,000
Total	**150,000**	150,000

Share holding	Percentage	Percentage
Tata Consultancy Services Limited	**100%**	100%

Capital management

The Company's objective for capital management is to maximize shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. The Company is not subject to any externally imposed capital requirements.

8. LEASES

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right- of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of- use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in profit or loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease-by-lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and profit or loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in

Notes forming part of the financial statements

the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in profit or loss.

The Company has elected not to apply the requirements of IFRS 16 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

The details of the right-of-use asset held by the Company is as

(Amount in EUR)

	Additions for the year ended March 31, 2025	Net carrying amount as at March 31, 2025
Leasehold building	**-**	**1,995,460**
Automobiles	**3 26 725**	**489,214**
Total	**326,725**	**2,484,674**

(Amount in EUR)

	Additions for the year ended March 31, 2024	Net carrying amount as at March 31, 2024
Leasehold building	-	3,225,271
Automobiles	201,852	418,314
Total	201,852	3,643,585

Depreciation on right-of-use asset is as follows:

(Amount in EUR)

	Year ended March 31, 2025	Year ended March 31, 2024
Leasehold building	**1,229,811**	1,347,842
Automobiles	**255,825**	273,061
Total	**1,485,636**	1,620,903

Interest on lease liabilities is EUR 56,477 and EUR 71,588 for the year ended on March 31, 2025 and March 31, 2024, respectively.[Refer Note 12(b)]

The Company incurred EUR 1,334,657 and EUR 1,236,252 for the year ended March 31, 2025 and 2024, respectively, towards expenses relating to short-term leases and leases of low-value assets.

The total cash outflow for leases is EUR 2,977,071 and EUR 3,024,412 for the year ended March 31, 2025, and 2024, respectively, including cash outflow for short-term leases and leases of low-value assets.

The Company does not have lease term extension options that are not reflected in the measurement of lease liabilities.

Lease contracts entered by the Company majorly pertains for buildings taken on lease to conduct its business in the ordinary course. The Company does not have any lease restrictions and commitment towards variable rent as per the contract.

9. NON-FINANCIAL ASSETS AND LIABILITIES

a. Property, plant and equipment

Property, plant and equipment are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use, less accumulated depreciation (other than freehold land) and impairment loss, if any.

Notes forming part of the financial statements

Depreciation is provided for property, plant and equipment on a straight line basis so as to expense the cost less residual values over their estimated useful lives based on a technical evaluation. The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

The estimated useful lives are as mentioned below:

Type of asset	Method	Useful life (in years)
Computer equipment	Straight Line Method	4 years
Electrical Installations	Straight Line Method	10 years
Office Equipments	Straight Line Method	5 years
Furnitures and Fixtures	Straight Line Method	5 years
Leasehold Improvements	Straight Line Method	6 years

Depreciation is not recorded on capital work in progress until construction and installation are complete and the asset is ready for its intended use. Capital work-in-progress includes capital advances.

Property, plant and equipment with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss.

Property, Plant and equipment consist of the following:

(Amount in EUR)

	Leasehold improvements	Computer equipment	Furniture and fixtures	Office equipment	Electrical installations	Total
Cost as at April 1, 2024	**898,271**	**43,347,667**	**1,164,074**	**754,318**	**402,487**	**46,566,817**
Additions	**10,802**	**2,358,943**	**9,743**	**4,141**	**3,314**	**2,386,944**
Disposals	**-**	**(2,240)**	**-**	**-**	**-**	**(2,240)**
Cost as at March 31, 2025	**909,073**	**45,704,370**	**1,173,816**	**758,459**	**405,801**	**48,951,521**
Accumulated depreciation as at April 1, 2024	**829,946**	**38,837,556**	**1,132,061**	**667,234**	**253,269**	**41,720,067**
Depreciation for the year	**41,077**	**3,269,479**	**25,203**	**36,803**	**38,222**	**3,410,784**
Disposals	**-**	**(1,847)**	**-**	**-**	**-**	**(1,847)**
Accumulated depreciation as at March 31, 2025	**871,023**	**42,105,189**	**1,157,264**	**704,037**	**291,491**	**45,129,004**
Net carrying amount as at March 31, 2025	**38,051**	**3,599,182**	**16,552**	**54,422**	**114,310**	**3,822,518**
Capital work-in-progress						**221,966**
Total						**4,044,484**

Notes forming part of the financial statements

(Amount in EUR)

	Leasehold improvements	Computer equipment	Furniture and fixtures	Office equipment	Electrical installations	Total
Cost as at April 1, 2023	896,351	42,500,708	1,157,230	702,832	402,487	45,659,607
Additions	1,920	873,372	6,844	51,486	-	933,621
Disposals	-	(26,414)	-	-	-	(26,414)
Cost as at March 31, 2024	898,271	43,347,667	1,164,074	754,318	402,487	46,566,815
Accumulated depreciation as at April 1, 2023	796,145	34,699,286	1,108,434	632,464	214,958	37,451,287
Depreciation for the year	33,801	4,162,926	23,627	34,770	38,311	4,293,435
Disposals	-	(24,656)	-	-	-	(24,656)
Accumulated depreciation as at March 31, 2024	829,946	38,837,556	1,132,061	667,234	253,269	41,720,066
Net carrying amount as at March 31, 2024	68,325	4,510,111	32,013	87,084	149,218	4,846,751
Capital work-in-progress						2,037,675
Total						6,884,426

b. Other intangible assets

Intangible assets purchased including acquired in business combination, are measured at cost as at the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

Intangible assets consist of rights under licensing agreement and software licences and customer-related intangibles.

Following table summarises the nature of intangibles and their estimated useful lives:

Type of asset	Useful lives
Rights under licensing agreement and software licences	Lower of licence period and 2-5 years
Customer-related intangibles	3 years

Intangible assets are amortised on a straight line basis over the period of its economic useful life.

Intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss.

Notes forming part of the financial statements

Intangible assets consist of the following:

(Amount in EUR)

	Software Licences	Total
Cost as at April 1, 2024	**1,760,036**	**1,760,036**
Additions	**-**	**-**
Cost as at March 31, 2025	**1,760,036**	**1,760,036**
Accumulated amortisation as on April 1, 2024	**1,181,349**	**1,181,349**
Amortisation for the year	**262,423**	**262,423**
Accumulated amortisation as on March 31, 2025	**1,443,771**	**1,443,771**
Net carrying amount as at March 31, 2025	**316,264**	**316,264**

(Amount in EUR)

	Software Licences	Total
Cost as at April 1, 2023	1,371,455	1,371,455
Additions	388,581	388,581
Cost as at March 31, 2024	1,760,036	1,760,036
Accumulated amortisation as on April 1, 2023	931,390	931,390
Amortisation for the year	249,959	249,959
Accumulated amortisation as on March 31, 2024	1,181,349	1,181,349
Net carrying amount as at March 31, 2024	578,686	578,686

c. Other assets

(Amount in EUR)

	As at March 31, 2025	As at March 31, 2024
Other assets consist of the following:		
Other assets – Current		
Advance to suppliers	**(23)**	22
Contract assets (Refer Note 10)	**25,550,248**	26,518,869
Prepaid expenses	**9,083,437**	10,435,010
Prepaid rent	**1,299**	2,345
Contract fulfillment costs	**2,324,701**	1,421,799
Others	**65,087**	59,961
Total	**37,024,749**	38,438,006

Notes forming part of the financial statements

Other assets – Non-current

(Amount in EUR)

	As at March 31, 2025	As at March 31, 2024
Contract assets (Refer Note 10)	**13,820**	166,293
Prepaid expenses	**517,765**	1,114,846
Contract fulfillment costs	**393,769**	660,682
Total	**925,354**	1,941,821

Contract fulfillment costs of EUR 2,696,779 and EUR 2,626,259 for the years ended March 31, 2025 and 2024, respectively, have been amortised in the profit or loss. Refer Note 10 for changes in contract assets.

d. Other liabilities

(Amount in EUR)

	As at March 31, 2025	As at March 31, 2024
Other liabilities consist of the following		
Other liabilities – Current		
Advances received from customers	**51,754**	53,140
Indirect tax payable and other statutory liabilities	**13,890,512**	13,086,490
Others	**300**	300
Total	**13,942,567**	13,139,930

e. Provisions

(Amount in EUR)

	As at March 31, 2025	As at March 31, 2024
Provisions consist of the following:		
Provisions - Current		
Provision for foreseeable loss	**6,801**	46,313
Total	**6,801**	46,313

10. REVENUE RECOGNITION

The Company earns revenue primarily from providing IT services, consulting and business solutions. The Company offers a consulting-led, cognitive powered, integrated portfolio of IT, business and engineering services and solutions.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.
- In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract cost incurred determining the degree of completion of the performance obligation. The contract cost used in computing the revenues include cost of fulfilling warranty obligations.

Notes forming part of the financial statements

- Revenue from the sale of distinct internally developed software and manufactured systems and third party software is recognised upfront at the point in time when the system / software is delivered to the customer. In cases where implementation and / or customisation services rendered significantly modifies or customises the software, these services and software are accounted for as a single performance obligation and revenue is recognised over time on a POC method.
- Revenue from the sale of distinct third party hardware is recognised at the point in time when control is transferred to the customer.
- The solutions offered by the Company may include supply of third-party equipment or software. In such cases, revenue for supply of such third party products are recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent of the customer. The Company recognises revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Transaction price attributed in case of contracts with subsidiary is arrived at on the basis of arm's length price. Revenue also excludes taxes collected from customers.

The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract and to ascribe the transaction price to each distinct performance obligation. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Contract fulfilment costs are generally expensed as incurred except for certain software licence costs which meet the criteria for capitalisation. Such costs are amortised over the contractual period or useful life of the licence, whichever is less. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

The billing schedules agreed with customers include periodic performance based payments and/or milestone based progress payments. Invoices are payable within contractually agreed credit period.

In accordance with IAS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Notes forming part of the financial statements

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Company disaggregates revenue from contracts with customers by nature of services, industry verticals and geography.

Revenue from operations is EUR 747,447,188.76 for year ended March 31, 2025 (March 31, 2024: EUR 752,150,063).

Revenue disaggregation by nature of services is as follows:

(Amount in EUR)

	Year ended March 31, 2025	Year ended March 31, 2024
Consultancy services	**744,505,990**	749,386,698
Sale of equipment and software licences	**2,941,198**	2,763,365
Total	**747,447,189**	752,150,063

Revenue disaggregation by industry vertical is as follows:

(Amount in EUR)

Industry vertical	Year ended March 31, 2025	Year ended March 31, 2024
Life Sciences and Healthcare	**208,906,780**	198,743,691
Banking, Financial Servies and Insurance	**190,390,319**	194,475,184
Manufacturing	**86,600,601**	109,638,885
Hitech	**111,692,879**	101,162,493
Others	**149,856,611**	148,129,810
Total	**747,447,189**	752,150,063

Revenue disaggregation by geography is as follows:

(Amount in EUR)

Geography	Year ended March 31, 2025	Year ended March 31, 2024
Europe	**732,049,694**	734,234,460
Others	**15,397,495**	17,915,603
Total	**747,447,189**	752,150,063

Geographical revenue is allocated based on the location of the customers.

While disclosing the aggregate amount of transaction price yet to be recognized as revenue towards unsatisfied or partially satisfied performance obligations, along with the broad time band for the expected time to recognize those revenues, the Company has applied the practical expedient in IFRS 15. Accordingly, the Company has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognized corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts.

Unsatisfied (or partially satisfied) performance obligations are futuristic and therefore subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc). The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is EUR 357,518,570 out of which EUR 193,159,167 (54.03%) is expected to be recognized as revenue within the next year and the balance thereafter. No consideration from contracts with customers is excluded from the amount mentioned above.

Notes forming part of the financial statements

Changes in contract assets are as follows:

(Amount in EUR)

	Year ended March 31, 2025	Year ended March 31, 2024
Balance at the beginning of the year	**26 685 162**	19 377 038
Invoices raised that were included in the contract assets balance at the beginning of the year	**(25,108,855)**	(17,628,298)
Increase due to revenue recognised during the year, excluding amounts billed during the year	**23,993,059**	24,925,558
Translation exchange difference	**(5,298)**	10,864
Balance at the end of the year	**25,564,068**	26,685,162

Changes in unearned and deffered revenue are as follows:

(Amount in EUR)

	Year ended March 31, 2025	Year ended March 31, 2024
Balance at the beginning of the year	**14,587,487**	16,238,391
Revenue recognised that was included in the unearned and deferred revenue at the beginning of the year	**(14,353,852)**	(14,743,533)
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	**9,115,203**	13,085,334
Translation exchange difference	**4,530**	7,291
Balance at the end of the year	**9,353,380**	14,587,487

11. COST RECOGNITION

Costs and expenses are recognised when incurred and have been classified according to their primary nature. The costs of the Company are broadly categorised into employee benefit expenses, depreciation and other operating expenses. Employee benefit expenses include salaries, incentives and allowances, contribution to various funds and staff welfare expenses. Other operating expenses mainly include fees to external consultants, facility expenses, travel expenses, cost of equipment and software licenses, communication expenses, bad debts and advances written off, allowance for doubtful trade receivables and advances (net) and other expenses. Other expenses is an aggregation of costs which are individually not material such as contribution to brand equity, corporate overhead allocation, commission and brokerage, recruitment and training, entertainment, etc..

Other operating expense

(Amount in EUR)

	Year ended March 31, 2025	Year ended March 31, 2024
Project expenses	**6,333,809**	6,194,460
Fees to external consultants	**509,917,729**	507,237,016
Cost of equipment and software licenses	**2,848,996**	2,701,182
Travel expenses	**4,927,066**	4,743,599
Facility running expenses	**4,166,949**	3,413,976
Communication	**10,118,535**	11,892,658
Bad debts and advances written off, allowance for doubtful trade receivable and advances (net)	**40,065**	(3,130)
Other expenses	**15,974,382**	17,768,275
Total	**554,327,529**	553,948,035

Notes forming part of the financial statements

12. OTHER INCOME / (EXPENSE)

a. Finance and other income

(Amount in EUR)

	Year ended March 31, 2025	Year ended March 31, 2024
Interest income is recognised using effective interest method.		
Interest on bank deposits	**1,147,260**	894,074
Total	**1,147,260**	894,074

b. Finance costs

(Amount in EUR)

	Year ended March 31, 2025	Year ended March 31, 2024
Interest on lease liabilities	**56,477**	71,588
Other interest expense	**110,320**	111,263
Total	**166,797**	182,851

c. Finance and other non-operating income / (loss), net

(Amount in EUR)

	Year ended March 31, 2025	Year ended March 31, 2024
Net foreign exchange gains/(losses)	**139,372**	(31,720)
Gain/(loss) on disposal of property, plant and equipment	**(393)**	(1,758)
Gain/(loss) on Sale of Securities carried at Fair value through P&L	**6,258**	-
Total	**145,237**	(33,478)

13. INCOME TAXES

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current income taxes

Current tax is based on the taxable profit for the year and is calculated using tax rates that have been enacted by the end of the reporting period. Advance taxes and provisions for current income taxes are presented in the statement of financial position after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying unit intends to settle the asset and liability on a net basis.

Deferred income taxes

Deferred income taxes is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

Notes forming part of the financial statements

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

The income tax expense consists of the following:

(Amount in EUR)

	Year ended March 31, 2025	Year ended March 31, 2024
Current tax		
Current tax expense	**2,273,200**	4,981,290
Deferred tax expense	**733,028**	321,976
Total	**3,006,228**	5,303,266

The reconciliation of estimated income tax expense at the Statutory income tax rate to income tax expense reported in statement of profit or loss and other comprehensive income is as follows:-

(Amount in EUR)

	Year ended March 31, 2025	Year ended March 31, 2024
Current tax expenses		
Income before taxes	**9,336,532**	16,563,285
Statutory tax rate	**31.62%**	31.62%
Expected income tax expense	**2,951,828**	5,236,631
Tax effect of adjustments to reconcile expected income tax expense to reported		
Tax pertaining to prior years:		
Current tax	**-**	(18,010)
Disallowed expenses	**53,085**	84,090
Other permanent differences	**1,315**	555
Total income tax expense	**3,006,228**	5,303,266

Significant components of net deferred tax assets and liabilities for the year ended March 31, 2025 are as follows:

(Amount in EUR)

Deferred tax liabilities	Opening balance	Recognised / reversed through profit or loss	Recognised in other comprehensive income	Closing balance as at March 31, 2024
Deferred tax assets / (liabilities) in relation to				
Provision for employee benefits	**170,232**	**-**	**152,081**	**322,313**
Property, plant and equipment	**285,203**	**-**	**-**	**285,203**
Lease liabilities	**(1,286,757)**	**(733,028)**	**-**	**(2,019,785)**
Right-of-use assets	**1,153,923**	**-**	**-**	**1,153,923**
Deferred Revenue	**3,573,104**	**-**	**-**	**3,573,104**
Total deferred tax assets / (liabilities)	**3,895,706**	**(733,028)**	**152,081**	**3,314,759**

Notes forming part of the financial statements

Significant components of net deferred tax assets and liabilities for the year ended March 31, 2024 are as follows:

(Amount in EUR)

Deferred tax liabilities	Opening balance	Recognised / reversed through profit or loss	Recognised in other comprehensive income	Closing balance as at March 31, 2024
Deferred tax assets / (liabilities) in relation to				
Provision for employee benefits	(887,611)	948,367	109,476	170,232
Property, plant and equipment	360,218	(75,014)	-	285,203
Lease liabilities	(1,763,579)	476,822	-	(1,286,757)
Right-of-use assets	1,496,972	(343,048)	-	1,153,923
Deferred revenue	4,258,253	(685,149)	-	3,573,104
Total deferred tax assets / (liabilities)	3,464,253	321,977	109,476	3,895,706

14. EMPLOYEE BENEFITS

Defined benefit plans

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the date of each statement of financial position. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Past service cost, both vested and unvested, is recognised as an expense at the earlier of (a) when the plan amendment or curtailment occurs; and (b) when the entity recognises related restructuring costs or termination benefits.

The retirement benefit obligations recognised in the statement of financial position represents the present value of the defined benefit obligations reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

Defined contribution plans

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits.

Compensated absences

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as undiscounted liability at the date of statement of financial position.

Employee cost consist of the following:

(Amount in EUR)

	As at March 31, 2025	As at March 31, 2024
Salaries, incentives and allowances	**161,604,531**	158,958,994
Contributions to provident and other funds	**17,320,259**	15,989,443
Staff welfare expenses	**825,195**	1,203,752
Total	**179,749,986**	176,152,189

Notes forming part of the financial statements

Employee benefit obligations consist of the following:

(Amount in EUR)

Employee benefit obligations – Current	As at March 31, 2025	As at March 31, 2024
Compensated absences	**634,520**	424,175
Other employee benefit obligations	**53,941**	54,780
Total	**688,462**	478,955

Employee benefit obligations – Non-current

(Amount in EUR)

	As at March 31, 2025	As at March 31, 2024
Net defined benefit pension obligations	**1,668,351**	1,179,871
Total	**1,668,351**	1,179,871

Employee benefit plans

The Company operates a defined benefit pension scheme for the benefit of certain employees. The following table sets out the details of the defined benefit retirement plans and the amount recognised in the financial statements.

(Amount in EUR)

Change in defined benefit obligations	Year ended March 31, 2025	Year ended March 31, 2024
Defined benefit obligation at the beginning of the year	**6,692,384**	6,342,250
Service cost	**169,446**	167,375
Interest cost	**256,469**	246,745
Actuarial loss / (gain) on liabilities	**445,283**	(44,892)
Benefits paid from plan assets	**(18,312)**	(19,094)
Defined benefit obligation at the end of the year	**7,545,270**	6,692,384

(Amount in EUR)

Change in plan assets	Year ended March 31, 2025	Year ended March 31, 2024
Fair value of assets at the beginning of the year	**5,464,609**	5,177,283
Interest income	**213,051**	205,130
Actuarial return on assets	**(36,333)**	(91,758)
Employer contributions	**206,000**	193,048
Benefits paid	**(18,312)**	(19,094)
Fair value of assets at the end of the year	**5,829,015**	5,464,609

The amount included in the balance sheet arising from the Company's obligations in respect of its defined benefit retirement benefit schemes is as follows:

(Amount in EUR)

	As at March 31, 2025	As at March 31, 2024
Fair value of plan assets	**5,829,015**	5,464,609
Present value of defined benefit obligations	**(7,545,270)**	(6,692,384)
Net defined benefit obligation	**(1,716,255)**	(1,227,775)

Notes forming part of the financial statements

The amounts charged to the profit and loss account in the year are:

(Amount in EUR)

	Year ended March 31, 2025	Year ended March 31, 2024
Service cost	**169,446**	167,375
Net interest on defined benefit obligation	**43,418**	41,615
Total	**212,864**	208,990

The amount recognised in the other comprehensive income are:

(Amount in EUR)

	Year ended March 31, 2025	Year ended March 31, 2024
Actuarial (gains) and losses arising from changes in financial assumptions	**497,154**	77,933
Actuarial (gains) and losses arising from changes in experience adjustments	**(51,871)**	(122,825)
Actuarial (gains) and losses on plan assets	**(36,333)**	(91,758)
	408,950	(136,650)

The assumptions used in accounting for the defined benefit plan are set out below:

	Year ended March 31, 2025	Year ended March 31, 2024
Discount rate	**3.48%**	3.84%
Rate of increase of pensions in payment	**2.00%**	2.00%
Rate of increase in compensation levels of covered employees	**3.50%**	3.50%
Weighted average duration of defined benefit plan	**19.8 Years**	20.3 Years

Future mortality assumptions are taken based on the published statistics by the Richttafeln 2018 G by K.Heubeck. The Company is expected to contribute EUR 206,000 to defined benefit plan obligations funds for the year ending March 31, 2025.

The significant actuarial assumptions for the determination of the defined benefit obligations are discount rate, expected salary increase and expected pension increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

(Amount in EUR)

Sensitivity Analysis	Year ended March 31, 2025	Year ended March 31, 2024
Disount rate increased by 100 basis points	**6,268,242**	5,537,255
Disount rate decreased by 100 basis points	**9,198,019**	8,190,557
Salary increase increased by 50 basis points	**7,566,451**	6,716,193
Salary increase decreased by 50 basis points	**7,524,616**	6,669,203
Pension increase increased by 50 basis points	**8,087,377**	7,162,854
Pension increase decreased by 50 basis points	**7,054,302**	6,265,811

Notes forming part of the financial statements

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Expected benefits payable in future years from the end of the current year:

(Amount in EUR)

	Year ended March 31, 2025	Year ended March 31, 2024
1st Following Year	**34,656**	25,820
2nd Following Year	**49,681**	32,421
3rd Following Year	**64,060**	48,042
4th Following Year	**102,764**	62,443
5th Following Year	**161,019**	100,721
Sum of Years 6 To 10	**1,512,067**	1,271,390

15. RELATED PARTY TRANSACTIONS

The Company's principal related parties consist of its ultimate holding company Tata Sons Private Limited and its subsidiaries, parent company Tata Consultancy Services Limited and its subsidiaries, affiliates and key managerial personnel. The Company routinely enters into transactions with its related parties in the ordinary course of business.

Transactions with related parties for the year ended March 31, 2025

(Amount in EUR)

Particulars	With Tata Sons Private Limited, Ultimate Holding Company	With Subsidiaries/ Associates of Tata Sons Limited	With Tata Consultancy Services Limited, Parent Company	With Subsidiaries of Tata Consultancy Services Limited	Total
Revenue from sale of services and licenses	**-**	**972,828**	**15,268,471**	**30,838,295**	**47,079,594**
Purchases of goods and services (including reimbursement)	**-**	**49,051**	**436,893,116**	**78,278,504**	**515,220,671**
Brand equity contribution	**1,751,173**	**-**	**-**	**-**	**1,751,173**

Transactions with related parties for the year ended March 31, 2024

(Amount in EUR)

Particulars	With Tata Sons Private Limited, Ultimate Holding Company	With Subsidiaries/ Associates of Tata Sons Limited	With Tata Consultancy Services Limited, Parent Company	With Subsidiaries of Tata Consultancy Services Limited	Total
Revenue from sale of services and licenses	-	406,239	16,590,694	33,330,180	50,327,113
Purchases of goods and services (including reimbursement)	-	114,658	419,668,420	72,901,693	492,684,771
Brand equity contribution	1,769,683	-	-	-	1,769,683

Notes forming part of the financial statements

Balances with related parties as at March 31, 2025

(Amount in EUR)

Particulars	With Tata Sons Private Limited, Ultimate Holding Company	With Subsidiaries/ Associates of Tata Sons Limited	With Tata Consultancy Services Limited, Parent Company	With Subsidiaries of Tata Consultancy Services Limited	Total
Trade receivables and contract assets	-	99,923	7,985,355	7,534,632	15,619,911
Other financial assets and other assets	-	-	8,641,007	219,164	8,860,171
Trade payables, accrued expenses, unearned and deferred revenue	1,751,173	12,870	93,138,499	25,922,636	120,825,177
Other financial liabilities and Other liabilities	-	-	225,761	169,922	395,683

Balances with related parties as at March 31, 2024

(Amount in EUR)

Particulars	With Tata Sons Private Limited, Ultimate Holding Company	With Subsidiaries/ Associates of Tata Sons Limited	With Tata Consultancy Services Limited, Parent Company	With Subsidiaries of Tata Consultancy Services Limited	Total
Trade receivables and contract assets	-	219,771	10,213,732	6,454,026	16,887,529
Other financial assets and other assets	-	-	9,924,525	768,472	10,692,997
Trade payables, accrued expenses, unearned and deferred revenue	1,756,427	15,000	68,874,975	25,599,652	96,246,054
Other financial liabilities and Other liabilities	-	-	153,314	260,967	414,281

No compensation was paid to key managerial personnel for the year ended March 31, 2025 and March 31, 2024, respectively.

16. SUBSEQUENT EVENTS

There have been no circumstances of a material nature that have occurred between the financial year end and the date of approval of these financial statements that require adjustment or disclosure in the financial statements.

17. COMPARATIVE INFORMATION

The comparative figures presented for the year ended March 31, 2024 have been reclassified where necessary to preserve consistency with the year ended March 31, 2025 figures. However, such reclassifications did not have any effect on the comprehensive income or the total equity for the year ended March 31, 2025.

As per our report of even date attached

For **KBJ & ASSOCIATES**
Chartered Accountants
Firm's registration No:. 114934W

Kaushik B. Joshi
Proprietor
Membership No:. 48889
Mumbai, 8 May 2025

For and on behalf of the Board

Lakshminarayanan Gomatam Seshadri
Managing Director

S. Chapalapalli
Managing Director

Milind Lakkad
Managing Director

Bhuwan Agrawal
Managing Director

Back to content

Tata Consultancy Services Sverige Aktiebolag

556559-4008

ANNUAL REPORT AND FINANCIAL STATEMENTS

Financial Year
2024 - 25

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

CONTENTS **PAGE**

Directors' Report	14.2
Auditors' Report	14.5
Income Statement	14.8
Balance Sheet	14.9
Changes of Equity	14.10
Cash Flow Statement	14.10
Notes forming part of the Financial Statements	14.11

Back to main content

Certificate of approval

The undersigned member of the board of the Tata Consultancy Services Sverige Aktiebolag 556559-4008 hereby certifies that this copy of the Annual Report is a true duplicate, and that the Income Statement and Balance Sheet were adopted by the AGM on 2025.The meeting also decided to approve the Board of Directors's proposal for distribution of profits.

Stockholm 2025

Sapthagiri Chapalapalli
Chairman of the board

Directors' Report

The board of directors of Tata Consultancy Services Sverige Aktiebolag hereby presents the financial statement for financial year 2024-04-01 - 2025-03-31. The company's headquarters are in Stockholm.

Business operations

TCS continues to invest and strengthen its market position with offerings that are relevant, contextual and differentiated. In Financial Year 2025, Customers have focused on cost efficiency programs and on streamlining their operations. At the same time there has been an uptick in acceptance and deployment of new technologies that lead to improved customer experience and higher profitability. TCS has addressed such sourcing demands by enhancing its portfolio with (Gen)AI, Robotics, Mobility, Hybrid Cloud, Cybersecurity and Sustainability services and solutions.

The year has seen wins for TCS in integrated services programs, core transformation, vendor consolidation and cloud services. Such end-to-end play at a leading industrial manufacturing company demonstrates TCS strength to combine contextual industry knowledge with superior technology capabilities.

Our commitment to customer and employee excellence continues to be recognized by the market and analysts. TCS Sweden has been named Top Employer in Sweden by The Top Employers Institute for the twelfth consecutive year. Microsoft Sweden recognized us with "Azure Partner of the Year" award.

Keeping innovation core to our business, we launched the TCS Stockholm Pace Studio in September 2024. This innovation hub and research centre will enable enterprises to leverage the latest advancements in AI, robotics, and more, and deploy them at scale to accelerate their digital transformation journeys.

With deep market understanding, appreciation of market sensitivities, collaborating with ecosystems, and creating inclusive and empowered workforce is enabling our continued success in the market as continue to develop trustful relationships. Today more than 9000 TCS associates work for Swedish customers (domiciled in Sweden) in a combination of onsite staff in Sweden and those deputed outside Sweden in TCS delivery centers.

Ownership

The company is a wholly-owned affiliate of Tata Consultancy Services Limited org no L22210MH1995PLC084781, with its headquarter in Mumbai, India, is preparing the consolidated financial statement for the group company. Tata Consultancy Services Limited is a publicly listed company on the National Stock Exchange of India Limited and BSE Limited in India. Tata Consultancy Services Limited is owned with 72.27% of the shares by the ultimate holding company Tata Sons Private Limited org no 478, in Mumbai with adress; Bombay House, 24, Homi Mody Street, Mumbai 400 001 India which is the headquarter of Tata.

Significant events during the financial year

No significant events are deemed to have taken place during the financial year.

Development of company operations, result and position

	2025-03-31	2024-03-31	2023-03-31	2022-03-31
Net sales (in thousdands)	**5,622,378**	5,410,651	5,359,804	4,633,207
Profit/ loss after financial items (in thousdands)	**419,970**	432,053	325,124	239,598
Equity ratio, % (1)	**69.8**	81.2	69	71.9
Operating profit (in thousdands)	**4,233,676**	4,445,375	3,385,342	2,456,061
Total assets (in thousdands)	**18,108,577**	18,259,386	1,654,793	15,099,903
Average number of employees	**173**	167	157	172

(1) Adjusted equity/total assets. By adjusted equity means equity + untaxed reservs with deduction of deferred tax liability.

Significant risks and uncertainties

In the course of its business activities, the Company is exposed to risks and uncertainties arising from exogenous factors related to the overall macroeconomic framework or the specific environment the Company operates in, as well as risks related to strategic decisions and internal risk management. The identification and mitigation of these risks were carried out on a regular basis through consistent monitoring and the process is continuously improved and adapted to the changing global risk scenario.

The Company can count on a central risk management, although it allows its supervisors to take care of identification, monitoring and mitigation of the risks themselves. The aim is to estimate the impact of each risk according to going concern premises, reduce risks occurrence and/or moderate their effect in proportion to the determining factor (controllable by the Company or not).

On the topic of business risks, the main risks identified, monitored and managed by the company are as follows:

- risks dependent on exogenous variables;
- risk related to competitiveness;
- risks related to the demand / macro-economic cycles.

The company is exposed to foreign exchange risk as it deals in multi currencies. However, the risk is hedged to a great extent as the expenses are incurred in the respective foreign currency.

The company operates in highly competitive industry, which is reflected in intense price competition of products and services.

In the course of its business activities, the Company is exposed to risks and uncertainties arising from exogenous factors related to the overall macroeconomic framework and the consequent reduction in IT spending by the companies, in containing their costs, could impact the Companys business.

Expected future business activities

Factors such as macro-economic developments (including evolving trade relations), geo-political uncertainty, dependencies on resources outside of EU, vulnerable supply chains and continued talent shortage are influencing the business priorities of Swedish companies. We believe we have a meaningful role to play to help the companies become more resilient, realign and transform. With a strong and diversified customer base we are confident of managing sectoral risk. Our core solutions on tech and business optimization remain relevant. With investments in creating horizontal as well as industry verticalized solutions we can differentiate from competition, position ourselves as a long-term partner and grow our base. Most companies are moving towards asset-lite environments with differentiated focus on high performing business units. To manage cost pressures, we see our customers and prospects in Manufacturing, Retail & Consumer Packaged Goods, Financial Services sectors embark on restructuring, vendor consolidation, use of industrialized services and AI. Security, Enterprise Solutions and Platform solutions are gaining traction. On the growth and customer experience front we will continue to engage with them and leverage our PaceStudio Stockholm innovation environment.

Sustainability information

The assets of a company are not only measured in quantifiable values but also consist of elements that can only be described in qualitative terms. The employees of Tata Consultancy Services Sweden AB are among the most important building blocks of the company's success. The attrition rate of is below the level of comparable companies.

The company has been certified as a Top Employer in Sweden since 2013. We are currently recruiting trainees and interns from universities in Sweden and collaborating with student bodies.

The company is holder of ISO 45001:2018 certificate and ISO 14001:2015 certificate.

The company also contributes to the social causes as stated below:

- Astrid Lindgren's Children's Hospital: Supporting with monetary funds (SEK 180000 in 2024) , investments to make the stay at the hospital easier.
- Hope Awards were introduced in Sweden in December 2024 to recognize extraordinary efforts by our employees dedicating time to social causes.
- Leaders with Purpose was launched in Sweden for the entire Nordics in January 2025 - a leadership program helping individuals fulfil their aspirations to contribute to society through a project of their choice.
- Tent Mentorship program - mentoring female refugees from the Ukraine during a 6 month period to help them get into employment. 20+ employees have signed up and more than half have completed their mentor-mentee journey.
- TCS Participated in the Tidy Sweden initiative.

The company uses 100% renewable energy in its office in Stockholm whose origin has been verified under the Guarantee of Origin System.

Sustainability report

The company's sustainability report is prepared by the parent company TCS Ltd and is available on: https://www.tcs.com/investor-relations/esg

Proposed allocation of company profit or loss

The board proposes that free equity, SEK 1,264,046,418 be disposed of as follows:

	Amounts in SEK
Profit brought forward from previous years	931,799,979
Profit for the year	332,246,439
Sum	1,264,046,418
The board proposes that the following be carried forward	1,264,046,418
Total	1,264,046,418

Concerning earnings and financial position, please view the attached documentation on Income Statement, Balance Sheet and Cash flow analysis together with additional information in notes.

Auditor's Report

To the general meeting of the shareholders of Tata Consultancy Services Sverige AB, corp. id 556559-4008

REPORT ON THE ANNUAL ACCOUNTS

Opinions

We have audited the annual accounts of Tata Consultancy Services Sverige AB for the financial year 2024-04-01—2025-03-31.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act, and present fairly, in all material respects, the financial position of Tata Consultancy Services Sverige AB as of 31 March 2025 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of Tata Consultancy Services Sverige AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors

The Board of Directors is responsible for the preparation of the annual accounts and that they give a fair presentation in accordance with the Annual Accounts Act. The Board of Directors is also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts The Board of Directors is responsible for the assessment of the company's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden 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 annual accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, 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 opinions. 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 the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors', use of the going concern basis of accounting in preparing the annual accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any 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 annual accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts. 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 annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Opinions

In addition to our audit of the annual accounts, we have also audited the administration of the Board of Directors of Tata Consultancy Services Sverige AB for the financial year 2024-04-01—2025-03-31 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of Tata Consultancy Services Sverige AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's type of operations, size and risks place on the size of the company's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

Stockholm 19 May 2025

KPMG AB

Fredrik Wollmann

Authorized Public Accountant

Income Statement

Amounts in SEK

	Note	Year ended March31, 2025	Year ended March31, 2024
Net sales	3	**5,622,377,861**	5,410,650,853
Other operating income		**8,049,032**	74,348,145
		5,630,426,893	5,484,998,998
Operating expenses			
Sales/Service costs		**(3,465,932,663)**	(3,360,542,834)
Other external costs	4,7	**(1,455,709,668)**	(1,383,388,323)
Employee benefit expenses	8	**(242,811,608)**	(249,887,632)
Depreciation of intangible and tangible assets	10,11,12	**(42,605,346)**	(46,642,701)
Operating profit		**423,367,608**	444,537,508
Profit from financial items			
Interest income and similar income	5	**7,975,806**	8,410,568
Interest expenses and similar expenses	6	**(11,373,132)**	(20,895,327)
Profit after financial items		**419,970,282**	432,052,749
PROFIT BEFORE TAX		**419,970,282**	432,052,749
Tax on profit for the year	9	**(87,723,843)**	(91,691,156)
NET PROFIT FOR THE YEAR		**332,246,439**	340,361,593

Balance Sheet

Amounts in SEK

	Note	As at March 31, 2025	As at March 31, 2024
ASSETS			
Fixed assets			
Intangible assets			
Concessions, patents, licences, trademarks and similar rights	10	**3,833**	484,993
		3,833	484,993
Tangible assets			
Equipment, tools, fixtures and fittings	11,12	**93,734,502**	84,670,584
Construction in progress and advance payments for property, plant and equipment	12	**5,272,910**	2,191,143
		99,007,412	86,861,727
Financial assets			
Deferred tax asset	14	**4,402,797**	-
		4,402,797	-
Total fixed assets		**103,414,042**	87,346,720
Current receivables			
Accounts receivable - trade		**974,643,326**	896,189,783
Receivables from group companies	13	**1,243,397**	279,997,620
Current tax assets		**3,058,459**	2,008,540
Other receivables		**23,753,257**	1,952,519
Receivables due from customers	15	**280,581,562**	231,860,270
Prepaid expenses and accrued income	16	**63,464,529**	90,841,631
		1,346,744,530	1,502,850,363
Cash and bank balances		**360,699,116**	235,741,547
Total current assets		**1,707,443,646**	1,738,591,910
TOTAL ASSETS		**1,810,857,688**	1,825,938,630
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	17	**100,000**	100,000
Statutory reserve		**20,000**	20,000
		120,000	120,000
Non-restricted equity			
Result brought forward		**931,799,979**	1,141,438,386
Profit for the year		**332,246,439**	340,361,593
		1,264,046,418	1,481,799,979
Total equity		**1,264,166,418**	1,481,919,979
Current liabilities			
Accounts payable - trade		**30,834,386**	42,798,905
Liabilities to group companies	19	**220,270,871**	37,887,542
Other current liabilities		**134,375,782**	118,146,458
Liabilities due from customers	20	**48,280,834**	32,878,762
Accrued expenses and deferred income	21	**112,929,397**	112,306,984
		546,691,270	344,018,651
TOTAL EQUITY AND LIABILITIES		**1,810,857,688**	1,825,938,630

Back to content

Changes of equity

Amounts in SEK

	Share capital	Statutory reserve	Balance Sheet profit	Year's profit
At beginning of year	**100,000**	**20,000**	**1,141,438,386**	**340,361,593**
Transfer of previous year's profit			**340,361,593**	**(340,361,593)**
Dividend			**(550,000,000)**	
Profit for the year				**332,246,439**
At year-end	**100,000**	**20,000**	**931,799,979**	**332,246,439**

Cash flow statement

Amounts in SEK

	Note	Year ended March 31, 2025	Year ended March 31, 2024
OPERATING ACTIVITIES			
Profit after financial items		**419,970,282**	432,052,749
Adjustments for items not included in cash flow, etc.		**42,605,346**	46,642,701
		462,575,628	478,695,450
Tax paid		**(93,176,558)**	(138,658,833)
Cash flow from operating activities before changes in working capital		**369,399,070**	340,036,617
Cash flow from changes in working capital			
Increase(-)/Decrease (+) in operating receivables		**157,155,752**	(112,505,816)
Increase (+)/Decrease (-) in operating liabilities		**202,672,617**	(124,256,869)
Cash flow from operating activities		**729,227,439**	103,273,932
Investing activities			
Acquisition of tangible assets		**(48,996,960)**	(15,573,878)
Acquisition of administrative properties		**(5,272,910)**	(2,191,143)
Cash flow from investing activities		**(54,269,870)**	(17,765,021)
Financing activities			
Dividend distributed to parent company		**(550,000,000)**	-
Cash flow from financing activities		**(550,000,000)**	-
Cash flow for the year		**124,957,569**	85,508,911
Cash and cash equivalents at the beginning of the year		**235,741,547**	150,232,636
Cash and cash equivalents at the end of the year		**360,699,116**	235,741,547

Back to content

Notes forming part of the Financial Statements

1. ACCOUNTING PRINCIPLES

Accounting and valuation principles

The company applies the Swedish Annual Accounts Act (1995: 1554) and the Accounting Standards Board BFNAR 2012: 1 Annual report and consolidated financial statements ("K3"). The accounting principles are unchanged compared to previous years.

Valuation principles etc

Assets, provisions and liabilities are valued based on cost unless otherwise stated.

Intangible assets

Intangible assets acquired by the company are recorded at acquisition cost less accumulated depreciation and impairment.

Depreciation

Depreciation takes place lineally over the asset's useful life. Depreciation is reported as a cost in the Profit and Loss Account. Depreciation is included in the reported for the intangible asset value.

Intangible assets	Year
Acquired intangible assets	
Licenses	4

Revenue

Revenue is recognized at the fair value of the consideration received or receivable, net of value added tax, rebates, returns and other similar allowances.

Sales of services

Revenue from the sale of services on an ongoing basis are recognized as revenue in the period the work is performed and materials supplied or consumed.

Revenue from sales of services to fixed price contracts is recognized using the so-called percentage of completion method. This means that revenues and costs are recognized in proportion to the stage of completion at the balance sheet date. Completion is determined by calculating the ratio of contract costs incurred for work performed to date bear to the estimated total contract costs. An expected loss on an assignment is recognized immediately as an expense. When the outcome of a transaction cannot be estimated reliably, revenue is recognized only to the extent of contract costs incurred that are likely to be recoverable. Contract costs are recognized as expenses in the period in which they arise.

Leases

A finance lease is a contract under which the risks and rewards incidental to ownership of an asset are essentially transferred from the lessor to the lessee. Other leases are classified as operating leases. All leases are accounted for as operating leases.

Lessees

Lease payments under operating leases are expensed on a straight-line basis over the lease term unless another systematic approach better reflects the user's benefit over time.

Foreign currency

The company's reporting currency is the Swedish krona (SEK).

Translation of foreign currency items

At each balance sheet date, monetary items are denominated in foreign currencies at the closing rate. Non-monetary items are measured in terms of historical cost in foreign currency at the purchase date rate. Exchange differences are recognized in operating income or financial item based on the underlying transaction, in the period incurred, except for transactions that constitute hedges and qualify for hedge accounting of cash flow or net investment.

Notes forming part of the Financial Statements

Employee Benefits

Employee benefits in the form of salaries, bonuses, paid holidays, paid sick leave, etc. and pensions is recognized as earned. Pensions and other post-employment benefits are classified as defined contribution or defined benefit pension plans. The company has only defined contribution pension plans.

Defined contribution plans

For defined contribution plans, the company pays fixed contributions into a separate independent legal entity and has no obligation to pay further contributions. The company's earnings are charged with costs as the benefits are earned, which normally coincides with the time when premiums are paid.

Income Taxes

The tax expense represents the sum of current and deferred tax.

Current tax

Current tax is calculated on the taxable profit for the period. Taxable profit differs from the result reported in the income statement when it is adjusted for non-taxable income and non-deductible expenses and income and expense that are taxable or deductible in other periods. Current tax is calculated using tax rates applicable at the balance sheet date.

Deferred taxes

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the tax bases used in the computation of taxable profit. Deferred tax is recognized using the liability method. Deferred tax liabilities are recognized for practically all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that the amounts can be utilized against future taxable income. Untaxed reserves are reported including deferred tax liabilities.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to be used, wholly or partly, against the deferred tax asset.

The valuation of deferred tax is based on how the company, the balance sheet date, expects to recover the carrying value of the corresponding asset or settle the carrying amount of the associated liabilities. Deferred tax is calculated using tax rates and tax laws that have been enacted by the balance sheet date.

Current and deferred tax for the period

Current and deferred tax are recognized as an expense or income in the income statement, except when the tax relates to items recognized directly in equity. In such cases, the tax is also recognized directly in equity.

Tangible assets

Tangible fixed assets are stated at cost less accumulated depreciation and any impairment losses.

The cost consists of the purchase price and costs directly attributable to the acquisition to put it in place and condition for use. Subsequent costs are included only in the asset or recognized as a separate asset when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the same item can be measured reliably. All other repairs and maintenance, and additional expenses are recognized in the income statement in the period in which they arise.

Depreciation of tangible fixed assets are expensed as cost of the asset, possibly, less estimated residual value at the end of useful life is amortized over its estimated useful life. If an asset has been divided into different components are written each component separately over its useful life.

Depreciation commences is the tangible fixed asset can be put to use. Tangible fixed assets' useful lives are estimated at:

Tangible assets	Year
Machinery and other technical equipment	5
Equipment, tools and installations	5
Computers	4

Notes forming part of the Financial Statements

Estimated useful lives and amortization methods are reviewed if there are indications that the expected consumption has changed significantly compared with the estimate at the previous balance sheet date. As the company changes the assessment of useful lives are reviewed including asset any residual value. The effect of these changes are accounted for prospectively.

Impairment of tangible assets

At each balance sheet the company analyzes the carrying values of tangible fixed assets and intangible assets to determine whether there is any indication that those assets have declined in value. If so, the assets recoverable amount in order to determine the value of any impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is estimated.

The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value less costs to sell is the price that the company expects to obtain in a sale between knowledgeable, independent parties and who have an interest in the transaction, less the costs that are directly attributable to the sale. The calculation of value in use discounted estimated future cash flows to present value using a pre-tax rate that reflects current market assessments of the time value of money and the risks associated with the asset. To calculate the future cash flows, the company used the budget and forecasts for the next five years.

If the recoverable amount of an asset (or cash-generating unit) is fixed at a value lower than the carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is immediately expensed in the income statement.

At each balance sheet date, the company makes an assessment of the earlier impairment is no longer justified. If so, it is reversed partially or completely. Where an impairment loss subsequently reverses, increase the asset (cash-generating unit) carrying value. The carrying value after reversal of impairment loss shall not exceed the carrying amount that would be determined if no impairment loss been recognized by the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the income statement.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and demand deposits at banks and other credit institutions and other short-term highly liquid investments that are readily convertible into cash and are subject to an insignificant risk of changes in value. To be classified as cash and cash equivalents duration may not exceed three months from the date of acquisition.

Contingent liabilities

A contingent liability is:

- a possible obligation which, as a result of events that have occurred and the occurrence of which will only be confirmed by one or more uncertain future events, which is not entirely within the company's control, occurs or does not occur, or
- An existing obligation which, as a result of events that have occurred, but which is not reported as a liability or provision because it is not probable that an outflow of resources will be required to settle the obligation or the size of the obligation can not be calculated with sufficient reliability.

  Contingent liabilities are a summary term for such guarantees, financial commitments and any liabilities that are not recognized in the balance sheet.

Cash Flow Statement

The cash flow statement shows the company's changes in the company's cash and cash equivalents during the financial year. The cash flow statement has been prepared using the indirect method. The reported cash flow includes only transactions that involve receipts and disbursements.

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

In order to prepare annual accounts in accordance K3 requires management to make estimates and assumptions that affect reported amounts of assets, liabilities, income and expenses. These estimates are based on historical experience and other factors deemed to be reasonable under the circumstances. Actual results could differ from these estimates under different assumptions or conditions exist. Estimates and assumptions are reviewed regularly. Changes in estimates

Notes forming part of the Financial Statements

are recognized in the period the change is made if the revision affects only that period, or the period of the revision and future periods if the revision affects both current and future periods. No estimates have been made that may have a significant effect on the amounts recognized in the financial statements. No assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date have been made that involve a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

In FY 2024-2025. 81% (80%) of the total purchases and 7% (7%) of the total sales respectively in SEK was from affiliate companies within the group.

The Company believes that it has the financial strength and a portfolio of technology and business solutions which are even more relevant in partnering with its customers to make them realize their goals. The Company has assessed its cost budgets required to complete its performance obligations in respect of fixed price projects and incorporated the impact of likely delays/increased cost in meetings its obligations, revision of Service Level Agreements etc.

The company is regularly monitoring its trade receivables with close attention to the customers who might be undergoing financial stress. The Company does not foresee any large-scale contraction in demand which could result in significant employee down-sizing, rendering the physical infrastructure redundant. Accordingly, no changes are anticipated in the long term leases for the premises taken on lease.

3. NET SALES BY BUSINESS SEGMENT AND GEOGRAPHIC MARKET

Net sales by geographic market

	Year ended March 31, 2025	Year ended March 31, 2024
Nordic countries	**5,440,493,194**	5,258,712,331
Europe, excluding the Nordic countries	**165,266,579**	130,911,940
USA	**16,618,088**	21,026,582
Total	**5,622,377,861**	5,410,650,853

4. OPERATIONAL LEASING - LESSEE

	Year ended March 31, 2025	Year ended March 31, 2024
Future minimum leasing fees with respect to non-redeemable operational leasing agreement:		
Within one year	**8,618,439**	8,949,633
Between one and five years	**4,623,936**	10,366,008
	13,242,375	19,315,641
The financial year's expensed leasing fees	**11,272,090**	11,711,189

Of the lease payments represent 9 796 202 SEK rents for offices.

5. INTEREST INCOMES AND SIMILAR RESULT ITEMS

	Year ended March 31, 2025	Year ended March 31, 2024
Other	**7,975,806**	8,410,568
Total	**7,975,806**	8,410,568

Notes forming part of the Financial Statements

6. INTEREST EXPENSES AND SIMILAR RESULT ITEMS

	Year ended March 31, 2025	Year ended March 31, 2024
Interest costs, other	**11,373,132**	20,895,327
Total	**11,373,132**	20,895,327

7. REMUNERATION TO, AND EXPENSES OF, AUDITORS

	Year ended March 31, 2025	Year ended March 31, 2024
KPMG		
Audit assignments	**260,000**	260,200
	260,000	260,200

8. EMPLOYEES AND PERSONNEL COSTS

Average number of employees

	Year ended March 31, 2025	Year ended March 31, 2024
Men	**146**	148
(Men in board)	**3**	4
Women	**27**	24
(Women in Board)	**-**	-
	173	172

Salaries, other remuneration and social costs

	Year ended March 31, 2025	Year ended March 31, 2024
Salaries and other remuneration		
Board of Directors	**(2,303,362)**	(3,816,145)
Other employees	**(160,316,028)**	(164,196,627)
	(162,619,390)	(168,012,772)
Social costs	**(59,874,047)**	(64,251,890)
(of which pension expenses) 1)	**(16,342,808)**	(14,186,079)

Of the company's pension costs 399 837 SEK, (576 723 SEK) relates to management.

Notes forming part of the Financial Statements

9. TAX ON ANNUAL PROFIT

	Year ended March 31, 2025	Year ended March 31, 2024
Current tax expense	**(90,111,303)**	(91,691,156)
Adjustment of previous year's tax expense	**(2,015,336)**	-
Deferred tax	**4,402,796**	-
	(87,723,843)	(91,691,156)

Reconciliation of effective tax

	Year ended March 31, 2025	Year ended March 31, 2024
Result before tax	**419,970,282**	432,052,749
Tax according to applicable tax rate for parent company	**(86,513,878)**	(89,002,866)
Non-deductible expenses	**(3,597,425)**	(2,828,463)
Non-deductible income	**-**	140,173
Additional tax for prior years	**(2,015,336)**	-
Deferred tax attributable to timing differences on fixed assets Tax attributable to higher tax rates in branches in Norway and Denmark	**4,402,796**	-
Reported effective tax	**(87,723,843)**	(91,691,156)
Effective tax rate	**20.9%**	21.2%
Current tax rate	**20.6%**	20.6%

10. INTANGIBLE ASSETS

	Year ended March 31, 2025	Year ended March 31, 2024
Accumulated cost of acquisitions		
- At beginning of year	**13,158,197**	13,158,197
At the end of the year	**13,158,197**	13,158,197
Accumulated depreciation		
- At beginning of year	**(12,673,204)**	(10,688,138)
-Depreciation for the year	**(481,160)**	(1,985,066)
At the end of the year	**(13,154,364)**	(12,673,204)
Carrying amount at year-end	**3,833**	484,993

Notes forming part of the Financial Statements

11. EQUIPMENT, TOOLS AND INSTALLATIONS

	Year ended March 31, 2025	Year ended March 31, 2024
Accumulated cost of acquisitions		
- At beginning of year	**315,912,596**	300,338,718
- New acquisitions	**48,996,960**	15,573,878
- Reclassification regards capital work in progress	**2,191,143**	-
Opening difference from FY23/24	**(405,816)**	-
At the end of the year	**366,694,883**	315,912,596
Accumulated depreciation		
- At beginning of year	**(231,242,012)**	(186,584,376)
-Depreciation for the year	**(42,124,185)**	(44,657,636)
Opening difference from FY23/24	**405,816**	-
At the end of the year	**(272,960,381)**	(231,242,012)
Carrying amount at year-end	**93,734,502**	84,670,584

12 CONSTRUCTION IN PROGRESS AND ADVANCE PAYMENTS FOR PROPERTY, PLANT AND EQUIPMENT.

	Year ended March 31, 2025	Year ended March 31, 2024
At beginning of year	**2,191,143**	-
- New Aquisitions		
Capital Work in Progress - Computers	**5,272,909**	2,041,558
Capital Work in Progress - Software Licenses	**1**	32,585
Capital Work in Progress - Furnitures and fixtures	**-**	117,000
-Deduction for reclassification to equipments, tools and installations	**(2,191,143)**	-
- At the end of the year	**5,272,910**	2,191,143
Carrying amount at year-end	**5,272,910**	2,191,143

Notes forming part of the Financial Statements

13. RECEIVABLES FROM GROUP COMPANIES

	As at March 31, 2025	As at March 31, 2024
Tata Consultancy Services France	**255,393**	-
Tata Consultancy Services Danmark ApS	**-**	1
Tata Consultancy Services Limited Belgium S.A./N.V.	**-**	1,100,123
Tata Consultancy Services Limited	**-**	270,013,422
Tata Consultancy Services Italia srl	**122,355**	92,534
Tata Consultancy Services Osterreich GmbH	**653,949**	842,955
Tata Consultancy Services Switzerland Ltd	**-**	5,663,448
Tata Consultancy Services Deutschland GmbH	**-**	2,033,854
Tata Consultancy Services Luxembourg S.A.	**211,700**	251,283
Total	**1,243,397**	279,997,620

14. DEFERRED TAX

March 31, 2025	Deferred tax assets	Deferred tax liabilities	Net
Significant temporary differences			
Miscellaneous temporary differences	**4,402,797**	**-**	**4,402,797**
Deferred tax asset/liability	**4,402,797**	**-**	**4,402,797**
Deferred tax asset/liability (net)	**4,402,797**	**-**	**4,402,797**

March 31, 2024	Deferred tax assets	Deferred tax liabilities	Net
Significant temporary differences			
Miscellaneous temporary differences	-	-	-
Deferred tax asset/liability	-	-	-
Deferred tax asset/liability (net)	-	-	-

Temporary difference

March 31, 2025	Carrying value	Tax base	Temporary difference
Significant temporary differences attributable to deferred tax asset		**4,402,797**	**-**
Miscellaneous temporary differences		**4,402,797**	**-**

Notes forming part of the Financial Statements

15. RECEIVABLES DUE FROM CUSTOMERS

	As at March 31, 2025	As at March 31, 2024
Accrued income	**2,009,529,415**	2,080,731,566
Invoiced amount	**(1,728,947,853)**	(1,848,871,296)
Sum	**280,581,562**	231,860,270

16. PREPAYMENTS AND ACCRUED INCOME

	As at March 31, 2025	As at March 31, 2024
Prepaid rent	**3,816,137**	20,455,655
Prepayment Supplier	**540,977**	540,977
Prepaid project costs	**14,134,543**	15,419,591
Prepaid License costs	**28,255,880**	33,183,010
Prepaid maintenance costs	**9,447,939**	11,806,358
Others	**7,269,053**	9,436,040
	63,464,529	90,841,631

17. EQUITY

The share capital amounts to 1000 shares with a share value of 100 SEK. The share capital is unchanged from the previous year.

18. ALLOCATION OF COMPANY PROFIT OR LOSS

The board proposes that free equity, SEK1 264 046 418, be disposed of as follows:

	Amounts in SEK
Profit brought forward from previous years	**931,799,979**
Profit for the year	**332,246,439**
Total	**1,264,046,418**
The board proposes that	
the following be carried forward	**1,264,046,418**
Sum	**1,264,046,418**

Notes forming part of the Financial Statements

19. SHORT-TERM LIABILITIES

	As at March 31, 2025	As at March 31, 2024
Tata Sons Private Limited	**13,123,975**	12,652,816
Tata Consultancy Services Brasil Ltd	**16,718,403**	210,186
Tata Consultancy services Japan Ltd	**-**	89,436
Tata Consultancy Services Canada Inc.	**730,379**	179,126
Tata Consultancy Services China Co. Ltd.	**4,029,416**	2,842,533
Tata Consultancy Services Asia Pacific Pte Ltd	**700,807**	493,681
Tata Consultancy Services Portugal, Unipessoal Lda	**1,032,692**	655,461
Tata Consultancy Services Netherlands B.V.	**14,328,258**	1,723,590
Tata Consultancy Services de Mexico SA de CV	**1,639,949**	795,692
Tata Consultancy Services France	**-**	573,645
Tata Consultancy Services Limited Belgium S.A./N.V.	**739,586**	-
Tata Consultancy Services Deutschland GmbH	**2,233,558**	-
Tata Consultancy Services Limited	**148,433,290**	-
Tata Consultancy Services Switzerland Ltd	**2,419,148**	-
Tata Consultancy Services de Espana SA	**14,141,410**	17,671,376
Total	**220,270,871**	37,887,542

20. LIABILITIES DUE FROM CUSTOMERS

	As at March 31, 2025	As at March 31, 2024
Invoiced amount	**554,873,291**	238,476,763
Accrued income	**(506,592,457)**	(205,598,001)
Sum	**48,280,834**	32,878,762

21. ACCRUALS AND PREPAID INCOME

	As at March 31, 2025	As at March 31, 2024
Bonus and final salaries	**7,438,661**	7,015,916
Other personnel costs	**39,448,693**	38,855,064
Other accrued costs	**66,042,043**	66,436,004
	112,929,397	112,306,984

Notes forming part of the Financial Statements

22. MISCELLANEOUS INFORMATION FOR CASH FLOW ANALYSIS

	As at March 31, 2025	As at March 31, 2024
Adjustments for items not included in cash flow etc.		
Depreciation	**42,605,346**	46,642,701
	42,605,346	46,642,701

23. PLEDGED ASSETS, CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

SECURITIES PLEDGED

	As at March 31, 2025	As at March 31, 2024
Securities pledged		
Securities pledged	**None**	None

Capital commitments

The company has capital commitments of a total amount of SEK 4 445 715 (6 593 093), where the amount of SEK 4 445 715 is of fixed assets, (6 593 093).

24. INFORMATION ABOUT THE GROUP

The company is a wholly-owned affiliate of Tata Consultancy Services Limited org no L22210MH1995PLC084781, with its headquarter in Mumbai, India, is preparing the consolidated financial statement for the group company. Tata Consultancy Services Limited is a publicly listed company on the National Stock Exchange of India Limited and BSE Limited in India. Tata Consultancy Services Limited is owned with 72.27% of the shares by the ultimate holding company Tata Sons Private Limited org no 478, in Mumbai with address; Bombay House, 24, Homi Mody Street, Mumbai 400 001 India which is the headquarter of Tata.

25. SIGNIFICANT EVENTS AFTER THE END OF THE FINANCIAL YEAR

There were no significant subsequent events that have occurred after the end of the financial year under review.

Signatures

Stockholm 2025 -May-19

Sapthagiri Chapalapalli	Vennimalai Rabindran	Shreerang Shrikant Talekar
Chairman of the Board	Board Member	Board Member

Our Audit Report was submitted on 2025-May-19

KPMG

Fredrik Wollman

Authorized public accountant

Tata Consultancy Services Netherlands B.V.
Amsterdam

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended
March 31, 2025

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

CONTENT	PAGE
Independent auditor's report	15.2
Balance sheet	15.4
Statement of profit and loss	15.5
Statement of changes in equity	15.6
Statement of cash flows	15.7
Notes forming part of financial statements	15.8

Back to main content

INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS
TATA CONSULTANCY SERVICES NETHERLANDS B.V.
REPORT ON THE SPECIAL PURPOSE IND AS FINANCIAL STATEMENTS

Opinion

We have audited the accompanying Special purpose Ind AS financial statements of Tata Consultancy Services Netherlands B.V. ('the Company), which comprises the Balance Sheet as at 31st March 2025, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and the summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the special purpose Ind AS financial statements"). The special purpose Ind AS financial statements have been prepared by the management as described in Note 2 to the Special Purpose Ind AS financial statements.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Special purpose Ind AS financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2025, and it's Profit (including other Comprehensive Income), Changes in Equity and its Cash Flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Special purpose Ind AS financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Special purpose Ind AS financial statements under the provisions of the Act and the Rules there under and fulfilled our other ethical responsibilities in accordance with these Requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the Special purpose Ind AS financial Statements

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Special purpose Ind AS financial statements that give a true and fair view of the state of affairs, profit/ loss and (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (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 Special purpose Ind AS financial statements that give a true and fair view and are free from misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Special purpose Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Special purpose Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is 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 Special purpose Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of. accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our v auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the' overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have compiled 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

(To the extent applicable to a Company incorporated outside India)

1. As required by Section 143(3) of the Act, we report that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   b) In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books.
   c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.
   d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

Restriction on Distribution and Use

These Special purpose Ind AS financial statements have been prepared to comply with the Section 129(3) of the Companies Act 2013, of Tata Consultancy Services Limited for the year ended 31st March 2025 in accordance with Accounting Standard specified in section 133 of the Companies Act 2013. Our report is intended solely for the information and use of Board of Directors of the company and Tata Consultancy Services Limited for the preparation of this Special purpose Ind AS financial statements as aforesaid and for the use at their annual general meetings for the information of their members. It is not intended to be and should not be used by anyone other than specified parties.

For **KBJ & ASSOCIATES**
(Chartered Accountants)
(Firm Registration No. 114934W)

Kaushik B. Joshi
Proprietor
(Membership No.48889)

Date: 15th May, 2025.
Place: Mumbai

Balance sheet

Amount in EUR

	Note	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
(a) Property, plant and equipment	8(a)	**3,237,002**	4,632,708
(b) Capital work-in-progress	8(a)	**362,639**	125,705
(c) Right-of-use Assets	7	**7,061,468**	10,720,763
(d) Intangible assets	8(b)	**17,236**	40,584
(e) Financial assets			
(i) Investments	6(a)	**194,984,361**	194,984,360
(ii) Other financial assets	6(e)	**852,451**	927,801
(iii) Unbilled receivables		**-**	128,694
(f) Income tax assets (net)	15	**-**	113,571
(g) Deferred tax assets	15	**2,083,298**	2,922,274
(h) Other assets	8(c)	**4,392,678**	4,462,704
Total non-current assets		**212,991,133**	219,059,165
Current assets			
(a) Financial assets			
(i) Investments	6(e)	**11,416,374**	-
(ii) Trade receivables	6(b)	**193,034,195**	219,751,936
(iii) Unbilled receivables		**31,634,761**	43,858,316
(iv) Cash and cash equivalents	6(c)	**29,622,147**	36,572,838
(v) Loans receivables	6(d)	**2,407,405**	2,498,265
(vi) Other financial assets	6(e)	**5,856,404**	5,636,479
(b) Other assets	8(c)	**43,794,565**	30,859,466
Total current assets		**317,765,851**	339,177,301
TOTAL ASSETS		**530,756,985**	558,236,467
EQUITY AND LIABILITIES			
Equity			
(a) Share capital	6(k)	**66,000,000**	66,000,000
(b) Other equity	9	**295,797,736**	311,475,241
Equity attributable to shareholders of the company		**361,797,736**	377,475,241
Non-controlling interests			
Total Equity		**361,797,736**	377,475,241
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Lease Liability		**4,184,627**	7,588,865
(ii) Other financial liabilities		**47,847**	47,094
(b) Deferred tax liabilities	15	**3,306,655**	4,033,142
Total non-current liabilities		**7,539,129**	11,669,102
Current liabilities			
(a) Financial liabilities			
(i) Lease Liability		**4,285,789**	4,311,116
(ii) Trade payables	6(f)	**102,547,143**	107,482,159
(iii) Other financial liabilities	6(g)	**28,194,853**	35,054,345
(b) Other liabilities	8(e)	**1,057,874**	125,940
(c) Unearned and deferred revenue	10	**20,675,503**	16,297,582
(d) Income tax liabilities (net)	15	**658,942**	1,759,204
(e) Employee benefit obligations	12	**3,739,282**	3,858,538
(f) Provisions	8(d)	**260,736**	203,241
Total current liabilities		**161,420,120**	169,092,124
TOTAL EQUITY AND LIABILITIES		**530,756,985**	558,236,467
NOTES FORMING PART OF FINANCIAL STATEMENTS			

As per our report of even date attached

For KBJ & Associates
Chartered Accountants
Firm registration no.114934W

Kaushik B. Joshi
Proprietor
Membership number : 48889
Mumbai, June 27, 2024

For and on behalf of the Board of Directors
of **Tata Consultancy Services Netherlands B.V.**

Rabindran Vennimalai
Director
Mumbai

Sapthagiri Chapalapalli
Director
Frankfurt , Germany

Back to content

Statement of Profit and Loss

Amount in EUR

		Note	Year ended March 31, 2025	Year ended March 31, 2024
I.	Revenue	10	**926,316,111**	935,927,441
II.	Other income	11	**27,436,542**	28,364,261
III.	**TOTAL INCOME**		**953,752,654**	964,291,702
IV.	**Expenses**			
	(a) Employee benefit expenses	12	**285,136,398**	260,299,572
	(b) Cost of equipment and software licences	13(a)	**25,756,561**	23,359,729
	(c) Depreciation and amortisation expense		**7,019,422**	6,975,240
	(d) Other expenses	13(b)	**564,114,876**	596,970,226
	(e) Finance costs	14	**304,016**	404,776
TOTAL EXPENSES			**882,331,273**	888,009,544
V.	**PROFIT/(LOSS) BEFORE TAX**		**71,421,381**	76,282,158
VI.	**Tax expenses**			
	(a) Current tax	15	**11,986,396**	12,590,416
	(b) Deferred tax	15	**112,489**	862,869
TOTAL TAX EXPENSES			**12,098,885**	13,453,285
VII.	**PROFIT/(LOSS) FOR THE YEAR**		**59,322,496**	62,828,873
VIII.	Prior Period Expense		**-**	-
IX.	Comprehensive Income for the Year		**-**	233,939
X.	**TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR**		**59,322,496**	63,062,812
	Earnings per equity share:- Basic and diluted (EUR)			
	Weighted average number of equity shares			
XI	**NOTES FORMING PART OF FINANCIAL STATEMENTS**			

As per our report of even date attached

For KBJ & Associates
Chartered Accountants
Firm registration no.114934W

Kaushik B. Joshi
Proprietor
Membership number : 48889
Mumbai, June 27, 2024

For and on behalf of the Board of Directors
of **Tata Consultancy Services Netherlands B.V.**

Rabindran Vennimalai
Director
Mumbai

Sapthagiri Chapalapalli
Director
Frankfurt , Germany

Statement of Changes in Equity

A. EQUITY SHARE CAPITAL

Amount in EUR

Balance as at April 1, 2023	Change in Equity share capital during the year	Balance as at March 31, 2024
66,000,000	-	66,000,000

Amount in EUR

Balance as at April 1, 2024	Change in Equity share capital during the year	Balance as at March 31, 2025
66,000,000	-	**66,000,000**

B. OTHER EQUITY

Amount in EUR

	Reserves and surplus	
	Retained earnings	Total equity
Balance as at April 1, 2023	278,412,429	278,412,429
Profit for the year	6 3,062,812	6 3,062,812
Dividend	(30,000,000)	(30,000,000)
Balance as at March 31, 2024	**311,475,241**	**311,475,241**
Balance as at April 1, 2024	311,475,241	311,475,241
Profit for the year	5 9,322,496	5 9,322,496
Dividend	(75,000,000)	(75,000,000)
Balance as at March 31, 2025	**2 95,797,737**	**2 95,797,737**
NOTES FORMING PART OF FINANCIAL STATEMENTS **1-21**		

As per our report of even date attached

For KBJ & Associates
Chartered Accountants
Firm registration no.114934W

Kaushik B. Joshi
Proprietor
Membership number : 48889
Mumbai, June 27, 2024

For and on behalf of the Board of Directors
of **Tata Consultancy Services Netherlands B.V.**

Rabindran Vennimalai
Director
Mumbai

Sapthagiri Chapalapalli
Director
Frankfurt , Germany

Statement of Cash Flows

Amount in EUR

		Year ended March 31, 2025	Year ended March 31, 2024
I	**CASH FLOWS FROM OPERATING ACTIVITIES**		
	Profit before tax	**71,421,381**	76,282,158
	Depreciation expense	**7,019,422**	6,975,240
	Bad debts and advances written off, allowance for doubtful trade receivables and advances (net)	**(627)**	167,486
	Exchange difference on translation of foreign currency cash and cash equivalents	**(194,620)**	97,324
	Finance Cost	**304,017**	404,776
	Dividend income	**(26,460,349)**	(27,138,499)
	Interest income	**(1,672,156)**	(1,507,324)
	Loss on Sale of Assets	**-**	4,439
	Operating Profit/(Loss) before working capital changes	**50,417,070**	55,285,601
	Net change in:		
	Trade receivables	**26,718,367**	(14,623,520)
	Unbilled receivables	**12,223,555**	(5,248,114)
	Other Financial Assets	**1,068,107**	(1,477,637)
	Other assets	**(14,050,755)**	5,828,045
	Loans Receivable	**90,860**	97,372
	Trade & other payables	**(4,935,016)**	(30,910,103)
	Other financial liabilities	**(6,934,778)**	(2,102,742)
	Unearned and deferred revenues	**4,377,921**	86,241
	Employee benefit obligations	**(61,303)**	211,360
	Other liabilities and provisions	**989,428**	(41,593)
	Cash (used in) / generated from operations	**69,903,458**	7,104,910
	Taxes paid (net of refund)	**(12,973,086)**	(14,939,991)
	Net cash generated from operating activities	**56,930,372**	(7,835,081)
II	**CASH FLOWS FROM INVESTING ACTIVITIES**		
	Payment for purchase of property and equipment	**(957,652)**	(3,004,301)
	Receipt from Subsidiary company	**-**	233,939
	(Purchase)/ Sale of intangible assets	**-**	(15,075)
	Investment in Mutual funds	**(11,416,374)**	0
	Interest from Bank	**4,015**	303,357
	Interest on Financial Assets	**1,641,140**	1,203,968
	Dividend received	**26,460,349**	27,138,499
	Net cash generated from investing activities	**15,731,478**	25,860,386
III	**CASH FLOWS FROM FINANCING ACTIVITIES**		
	Dividend paid (including tax on dividend)	**(75,000,000)**	(30,000,000)
	Interest paid	**(4,449)**	(8,064)
	Repayment of lease liabilities	**(4,503,145)**	(4,537,837)
	Repayment of lease interest	**(299,568)**	(396,713)
	Net cash used in financing activities	**(79,807,162)**	(34,942,614)
	Net change in cash and cash equivalents	**(7,145,311)**	(16,917,309)
	Effect of foreign exchange on cash		
	Cash and cash equivalents at the beginning of the year	**36,572,839**	53,587,471
	Exchange difference on translation of foreign currency cash and cash equivalents	**194,620**	(97,324)
	Cash and cash equivalents, as at the end of the year (Refer Note 8)	**29,622,148**	36,572,839
IV	**NOTES FORMING PART OF FINANCIAL STATEMENTS** 1-21		

As per our report of even date attached

For KBJ & Associates
Chartered Accountants
Firm registration no.114934W

Kaushik B. Joshi
Proprietor
Membership number : 48889
Mumbai, June 27, 2024

For and on behalf of the Board of Directors
of **Tata Consultancy Services Netherlands B.V.**

Rabindran Vennimalai
Director
Mumbai

Sapthagiri Chapalapalli
Director
Frankfurt , Germany

Back to content

Notes forming part of the financial statements

1. CORPORATE INFORMATION

Tata Consultancy Services Netherlands B.V., ('the Company'), having its legal address in Symphony Towers, 20th and 21st floor, Gustav Mahlerplein 85-91, 1082 MS, Amsterdam, The Netherlands, is a private limited liability company under Dutch law and is registered as a financial holding under number 33237130 in the Trade Register.

The Company is a wholly-owned subsidiary of Tata Consultancy Services Limited ("Parent Company"), Mumbai, India. The financial information of the Company is included in the consolidated financial statements of the Parent Company. The consolidated financial statements can be obtained at the website of the Parent Company, at the Investors page at www.tcs.com, or at cost at the office of the Company.

The Company and its subsidiaries provide consulting-led integrated portfolio of information technology (IT) and IT-enabled services delivered through a network of locations around the globe. The Company's full services portfolio consists of Application Development, Assurance Services, Business Intelligence and Performance Management, Business Process Services, Engineering and Industrial Services, Enterprise Security and Risk Management, Enterprise Solutions, IT Infrastructure Services etc.

2. STATEMENT OF COMPLIANCE

These special purpose financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time. for soul purpose of inclusion for Tata Consultancy Services Limited (Intermediate Holding Company) under the requirement of Section 129(3) of the Companies Act, 2013 ('the Act').

3. BASIS OF PREPARATION

These special purpose financial statements have been presented in EURO which is the functional currency of the Company.

These special purpose financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for 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. All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria as set out in division II of Schedule III to the Company's Act, 2013. Based on the nature of services rendered to customer and time elapsed between deployment of resources and realisation in cash and cash equivalents of the consideration for such a services rendered, the Company has considered an operating cycle of 12 months.

The statement of cash flows have been prepared under Indirect method.

4. USE OF ESTIMATES AND JUDGEMENTS

The preparation of financial statements is in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The Company uses the following critical accounting estimates in preparation of its financial statements:

a) Revenue recognition

The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for

Notes forming part of the financial statements

the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Revenue for fixed-price contracts are recognised using percentage-of-completion method. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.

b) Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

c) Impairment of investments in subsidiaries

The Company reviews its carrying value of investments carried at cost (net of impairment, if any) annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

d) Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

e) Provisions of Income tax and deferred tax assets

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

f) Provisions and contingent liabilities

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Company uses significant judgements to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Contingent assets are neither recognised nor disclosed in the financial statements.

g) Employee benefits

The accounting of employee benefit plan is in the nature of defined contribution and have been explained under employee benefits note.

Notes forming part of the financial statements

h) Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

5. RECENT INDIAN ACCOUNTING STANDARDS (IND AS)

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

6. FINANCIAL ASSETS, FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities are initially measured at fair value, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

The Company derecognises a financial asset only 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 entity. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

Cash and cash equivalents

The Company considers all highly liquid investments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

The Company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in other comprehensive income.

Notes forming part of the financial statements

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

Investment in subsidiaries

Investment in subsidiaries are measured at cost less impairment loss, if any.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received net of direct issue cost.

Impairment of financial assets (other than at fair value)

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Derivative accounting

- **Instruments not in hedging relationship**

  Instruments not in hedging relationship The Company enters into contracts that are effective as hedges from an economic perspective, but they do not qualify for hedge accounting. The change in the fair value of such instrument is recognised in the statement of profit and loss.

6(a) Investments

Investments consists of the following:

Investments -Non-current

Amount in EUR

	As at March 31, 2025	As at March 31, 2024
Investment in subsidiaries		
Fully paid equity shares (unquoted)	**194,984,361**	1 94,984,361
	194,984,361	194,984,361

Aggregate value of unquoted investments is as follows:

Amount in EUR

	As at March 31, 2025	As at March 31, 2024
Aggregate value of unquoted investments	**1 94,984,361**	1 94,984,361

Notes forming part of the financial statements

Amount in EUR

In Numbers	Currency	Face value per share	Investment in subsidiaries	As at March 31, 2025	As at March 31, 2024
			Fully paid equity shares (unquoted)		
14,867,651	EUR	0.03	Tata Consultancy Services France S.A.	**102,265,680**	102,265,680
150,000	CHF	10	Tata Consultancy Services Switzerland Ltd	**63,648,300**	63,648,300
60,200	EUR	1	Tata Consultancy Services De Espana SA	**17,000,000**	17,000,000
5,599	EUR	1000	Tata Consultancy Services Luxembourg S.A.	**5,599,000**	5,599,000
	EUR		Tata Consultancy Services Italia SRL	**2,200,000**	2,200,000
	SAR	3750	Tata Consultancy Services Saudi Arabia	**898,381**	898,382
	EUR		Tata Consultancy Services Osterreich GmbH	**35,000**	35,000
25,000	EUR	1	TCS Business Services GmbH	**28,000**	28,000
1	EUR	3310000	TCS Technology Solutions AG	**3,310,000**	3,310,000
				194,984,361	194,984,361

Tata Consultancy Services France S.A, (TCS France) 100% Subsidiary has a negative net equity value as on 31st March 2025. The carrying value of the investment in the Company, as on 31st March 2025 has not been impaired, because the entity is believed to be able to recover from its negative net equity in the foreseeable future. The recoverable amount was estimated based on both its net realisable value and its value in use basis the assessment in 2024-25 was determined to be in excess of its carrying value of the investment, consequentially no impairment loss was recognised in the profit and loss account of the company.

The Company has also committed, vide letter dated May 2, 2024 addressed to the management and auditors of TCS France to provide sufficient financial support to enable the TCS France to meet it's liabilities fall due till September 2025.

Investments -current

Amount in EUR

	As at March 31, 2025	As at March 31, 2024
Investments carried at fair value through profit or loss		
Mutual fund units (quoted)	**11,416,374**	-
	11,416,374	-

Aggregate value of quoted and unquoted investments is as follows

Amount in EUR

	As at March 31, 2025	As at March 31, 2024
Aggregate value of quoted investments	**11,416,374**	-
Aggregate market value of quoted investments	**11,416,374**	-

Notes forming part of the financial statements

6(b) Trade Receivables

Trade receivables (unsecured) consist of following:

Trade Receivables -Current

Amount in EUR

	As at March 31, 2025	As at March 31, 2024
(a) Considered Good	**193,069,571**	219,805,232
Less : Allowance for doubtful trade receivables	**(35,376)**	(53,296)
	193,034,195	219,751,936

Above balances of trade receivables includes balance with related parties (Refer Note 20)

Ageing for trade receivables - current outstanding:

Trade Receivables

Ageing for trade receivables - billed – current outstanding as at March 31, 2025 is as follows:

Amount in EUR

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 Year	1 - 2 years	2 - 3 years	More than 3 years	
Trade receivables - Billed						
Undisputed trade receivables – considered good	**168,545,381**	**22,857,418**	**184,269**	**-**	**1,447,126**	**193,034,194**
Undisputed trade receivables – considered doubtful	**-**	**8,006**	**575**	**26,797**	**-**	**35,378**
	168,545,381	**22,865,424**	**184,844**	**26,797**	**1,447,126**	**193,069,572**
Less: Allowance for doubtful trade receivables - Billed						**(35,378)**
						193,034,194
Trade receivables - Unbilled						**31,634,770**
						224,668,964

Notes forming part of the financial statements

Ageing for trade receivables - billed – current outstanding as at March 31, 2024 is as follows:

Amount in EUR

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 Year	1 - 2 years	2 - 3 years	More than 3 years	
Trade receivables - Billed						
Undisputed trade receivables – considered good	155,587,658	62,161,472	186,800	1,044,159	825,142	219,805,232
Undisputed trade receivables – considered doubtful			26,498	26,799		53,296
	155,587,658	62,161,472	186,800	1,044,159	825,142	2 19,805,232
Less: Allowance for doubtful trade receivables - Billed						(53,296)
						219,751,936
Trade receivables - Unbilled						43,987,010
						263,738,946

6(c) Cash and cash equivalents

Cash and cash equivalents consist of the following:

Amount in EUR

	As at March 31, 2025	As at March 31, 2024
Balances with banks		
In current accounts	**15,622,147**	9,372,838
In Fixed Deposits	**14,000,000**	27,200,000
	29,622,147	36,572,838

6(d) Loans receivables

Loans receivables (unsecured) consist of the following:

Loans receivables-Current

Amount in EUR

	As at March 31, 2025	As at March 31, 2024
Considered Good		
Loans and advances to employees	**907,405**	998,266
Loans to Subsidiaries - Current	**1,500,000**	1,500,000
	2,407,405	2,498,265

Notes forming part of the financial statements

6(e) Other financial assets

Other financial assets consist of the following:

Other financial assets - Non-current

Amount in EUR

	As at March 31, 2025	As at March 31, 2024
Security deposits	**852,451**	864,417
Sub Lease Receivable	**-**	63,384
	852,451	927,801

Other financial assets - Current

Amount in EUR

	As at March 31, 2025	As at March 31, 2024
Foreign currency derivative assets	**1,421,415**	-
Accrued Interest - Other financial assets	**27,000**	-
Others	**4,407,990**	5,636,479
	5,856,404	5,636,479

6(f) Trade Payables

Trade Payables consist of the following:

Amount in EUR

	As at March 31, 2025	As at March 31, 2024
(a) Accrued expenses	**51,921,720**	51,173,681
(b) Trade & Other payables	**50,625,423**	56,308,477
	102,547,143	107,482,159

Above balances of trade payables includes balance with related parties (Refer Note 19)

Ageing for trade receivables - current outstanding:

Trade Payables

Ageing for trade payables outstanding as at March 31, 2025 is as follows

Amount in EUR

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 Year	1 - 2 years	2 - 3 years	More than 3 years	
Trade payables	**-**	**50,625,423**	**-**	**-**	**-**	**50,625,423**
	-	**50,625,423**	**-**	**-**	**-**	**50,625,423**
Accrued expenses						**51,921,720**
						102,547,143

Notes forming part of the financial statements

Ageing for trade payables outstanding as at March 31, 2024 is as follows:

Amount in EUR

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 Year	1 - 2 years	2 - 3 years	More than 3 years	
Trade payables	2,430,870	53,877,607	-	-	-	56,308,477
	2,430,870	53,877,607	-	-	-	56,308,477
Accrued expenses						51,173,681
						107,482,159

6(g) Other financial liabilities - Current

Other financial liabilities consist of the following:

Amount in EUR

		As at March 31, 2025	As at March 31, 2024
(a)	Accrued payroll	**7,402,515**	8,270,332
(b)	Capital creditors	**339,821**	263,782
(c)	Liability towards customer contracts	**677,204**	4,171,247
(d)	Indirect tax payable and other statutory liabilities	**19,775,313**	22,348,985
(e)	Others	**(0)**	0
		28,194,853	35,054,345

6(h) Financial instruments by category

The carrying value of financial instruments by categories as at March 31, 2025 is as follows:

Amount in EUR

Particulars	Fair value through P&L	Fair value through OCI	Derivative instruments in hedging relationship (CFH)	Derivative instruments not in hedging relationship (NDH)	Amortised cost	Total carrying value
Assets:						
Cash and Cash equivalents					**29,622,147**	**29,622,147**
Bank deposits						
Short-term Loans					**2,407,405**	**2,407,405**
Trade receivables					**193,034,195**	**193,034,195**
Investments (Other than in Subsidiary)	**11,416,374**					**11,416,374**
Unbilled receivables					**31,634,761**	**31,634,761**
Other financial assets				**1,421,415**	**5,287,441**	**6,708,855**
Total	**11416374**	**0**	**0**	**1,421,415**	**261,985,949**	**274,823,738**
Liabilities:						
Trade payables					**102,547,143**	**102,547,143**
Borrowings						
Lease liabilities					**8,470,416**	**8,470,416**
Mandatorily redeemable preference shares						
Other financial liabilities					**28,242,700**	**28,242,700**
Total	**0**	**0**	**0**	**0**	**139,260,259**	**139,260,259**

Notes forming part of the financial statements

The carrying value of financial instruments by categories as at March 31, 2024 is as follows

Amount in EUR

Particulars	Fair value through P&L	Fair value through OCI	Derivative instruments in hedging relationship (CFH)	Derivative instruments not in hedging relationship (NDH)	Amortised cost	Total carrying value
Assets:						
Cash and Cash equivalents					**36,572,838**	**36,572,838**
Bank deposits						
Short-term Loans					**2,498,265**	**2,498,265**
Trade receivables					**219,751,936**	**219,751,936**
Investments (Other than in Subsidiary)						
Unbilled receivables					**43,858,316**	**43,858,316**
Other financial assets					**6,564,280**	**6,564,280**
Total	**0**	**0**	**0**	**0**	**309,245,636**	**309,245,636**
Liabilities:						
Trade payables					**107,482,159**	**107,482,159**
Borrowings						
Lease liabilities					**11,899,982**	**11,899,982**
Mandatorily redeemable preference shares						
Other financial liabilities					**35,101,439**	**35,101,439**
Total	**0**	**0**	**0**	**0**	**154,483,579**	**154,483,579**

6(i) 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 consist 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 for assets or liabilities that are not based on observable market data (unobservable inputs).

There are no financial liabilities or assets measured at fair value at the end of each reporting period.

Amount in EUR

As at March 31, 2025	Level 1	Level 2	Level 3	Total
Financial assets:				
Mutual fund units	**11,416,374**	**-**	**-**	**11,416,374**
Equity Shares	**-**	**-**	**-**	**-**
Preference Securities	**-**	**-**	**-**	**-**
Corporate debentures and bonds	**-**	**-**	**-**	**-**
Government bonds and securities	**-**	**-**	**-**	**-**
Certificate of deposit	**-**	**-**	**-**	**-**
Commercial Paper	**-**	**-**	**-**	**-**
Treasury Bill	**-**	**-**	**-**	**-**
Derivative financial assets	**-**	**1,421,415**	**-**	**1,421,415**
Total	**11,416,374**	**1,421,415**	**-**	**12,837,789**
Financial liabilities:				
Derivative financial liabilities	**-**	**-**	**-**	**-**
Total	**-**	**-**	**-**	**-**

Back to content

Notes forming part of the financial statements

Amount in EUR

As at March 31, 2024	Level 1	Level 2	Level 3	Total
Financial assets:				
Mutual fund units	-	-	-	-
Equity Shares	-	-	-	-
Preference Securities	-	-	-	-
Corporate debentures and bonds	-	-	-	-
Government bonds and securities	-	-	-	-
Certificate of deposit	-	-	-	-
Commercial Paper	-	-	-	-
Treasury Bill				
Derivative financial assets				
Total	-	-	-	-
Financial liabilities:				
Derivative financial liabilities				
Total	-	-	-	-

6(j) Financial risk management:

The Company is exposed primarily to fluctuations in foreign currency exchange rates, credit, liquidity and interest rate risks, which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which covers risks associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors. The focus of the risk management committee is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the Company.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

(b) Foreign currency exchange rate risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit and loss, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the Company.

Considering the countries and economic environment in which the Company operates , its operations are subject to risk arising from fluctations in exchange rates in those countries.

The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. Its hedges a part of these risks by using derivative financial instruments in line with its risk management policies.

The foreign exchange rate sensitivity is calculated by aggregation of net foreign exchange rate exposure and a simultaneous parallel foreign exchange rates shift of all currencies by 10% against the functional currency of the Company.

The following analysis has been worked out based on the net exposures of the Company as of the date of balance sheet which could affect the statements of profit and loss and equity.

The following table sets forth information relating to unhedged foreign currency exposure as of March 31, 2025

Notes forming part of the financial statements

Amount in EUR

	USD	EUR	GBP	Others	Total
Assets :					
Cash and cash equivalents	**18,932,646**	**9,558,704**	**(1,367)**	**1,132,165**	**29,622,147**
Trade receivables	**29,727,306**	**151,582,603**	**1,446,500**	**10,277,922**	**193,034,330**
Unbilled revenues	**4,651,815**	**44,528,912**	**636,563**	**106,459**	**49,923,749**
Other financial assets	**1,697,605**	**7,357,397**	**(0)**	**61,258**	**9,116,260**
Total	**55,009,371**	**213,027,616**	**2,081,696**	**11,577,804**	**281,696,487**
Liabilities :					
Trade payables	**15,928,542**	**84,620,804**	**1,590,931**	**1,377,489**	**103,517,766**
Lease liabilities	**-**	**8,562,945**		**(92,528)**	**8,470,417**
Other financial liabilities	**507,617**	**7,759,579**	**52,234**	**147,956**	**8,467,387**
Net exposure asset/(liability)	**38,573,212**	**112,084,288**	**438,531**	**10,144,887**	**161,240,918**

10% appreciation / depreciation of the respective foreign currencies with respect to functional currency of the Company would result in decrease / increase in the Company's profit before tax by approximately EUR 49,176,249 for the year ended March 31, 2025

The following table sets forth information relating to unhedged foreign currency exposure as of March 31, 2024

Amount in EUR

	USD	EUR	GBP	Others	Total
Assets :					
Cash and cash equivalents	4,383,034	31,495,166		694,638	36,572,838
Trade receivables	39,860,340	166,151,168	3,287,783	10,452,645	219,751,936
Unbilled revenues	4,295,775	38,902,164	197,278	591,793	43,987,010
Other financial assets	2,144,492	5,512,249	245	92,977	7,749,963
Total	50,683,641	242,060,748	3,485,305	11,832,052	308,061,747
Liabilities :					
Trade payables	14,686,376	89,502,047	1,589,320	1,704,416	107,482,159
Lease liabilities	-	11,899,982			11,899,982
Other financial liabilities	217,960,595	(202,165,548)	16,207,011	3,099,382	35,101,439
Total	232,646,971	(100,763,520)	17,796,331	4,803,797	154,483,579
Net exposure asset/(liability)	(181,963,329)	342,824,267	(14,311,025)	7,028,255	153,578,167

10% appreciation / depreciation of the respective foreign currencies with respect to functional currency oft EUR189,246,100 for the year ended March 31, 2024.

(c) Interest rate risk

The Company is not exposed to interest rate risk

Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Notes forming part of the financial statements

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, unbilled receivables (PY unbilled revenue), investments, cash and cash equivalents, bank deposits and other financial assets.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was EUR 281,696,487 and EUR 308,061,747 as of March 31, 2025 and March 31, 2024 , respectively, being the total of the carrying amount of balances with banks, trade receivables, unbilled receivables(previous year: Unbilled Revenue) and other financial assets excluding equity.

The following customers form more than 10% of outstanding trade receivable, unbilled receivables and contract assets as at March 31, 2025 and March 31, 2024 are as follows.

Amount in EUR

	As at March 31, 2025		As at March 31, 2024	
	Total Trade receivables, Unbilled receivables and Contact assets	Percentage	Total Trade receivables, Unbilled receivables and Contact assets	Percentage
Customer A	**27,170,251**	**14%**	29,417,340	13%
Customer B	**21,714,461**	**11%**	25,845,408	12%
Customer C	**14,520,588**	**8%**	21,024,941	10%

Geographic concentration of credit risk

The Company is not exposed to the risk as the customer base of Company is concentrated in Netherlands.

Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company consistently generated sufficient cash flows from operations to meet its financial obligations as and when they fall due.

The tables below provide details regarding the contractual maturities of significant financial liabilities as of:

Amount in EUR

As at March 31, 2025	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5th years	Total
Non-derivative financial liabilities:					
Trade payables	**51,921,720**	**50,625,423**		**-**	**102,547,143**
Lease Liabilities	**4,277,029**	**2,230,455**	**1,962,933**	**-**	**8,470,417**
Other financial liabilities	**8,419,540**	**47,847**		**-**	**8,467,387**
Total	**64,618,289**	**52,903,725**	**1,962,933**	**-**	**119,484,947**

Notes forming part of the financial statements

Amount in EUR

As at March 31, 2024	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5th years	Total
Non-derivative financial liabilities:					
Trade payables	53,604,551	53,877,607		-	107,482,159
Lease Liabilities	4,687,165	4,225,483	3,766,580	-	12,679,227
Other financial liabilities	35,101,439			-	35,101,439
Total	93,393,155	58,103,090	3,766,580	-	155,262,825

6(k) Equity Instrument

Amount in EUR

		As at March 31, 2025	As at March 31, 2024
(i)	**Authorised :**		
	66,000 equity shares of EUR 1,000 each	**66,000,000**	66,000,000
	(March 31, 2024 : 66,000 equity shares of EUR 1,000 each)		
		66,000,000	66,000,000
(ii)	**Issued, subscribed and paid up:**		
	66,000 equity shares of EUR 1,000 each	**66,000,000**	66,000,000
	(March 31, 2024 : 66,000 equity shares of EUR 1,000 each)		
		66,000,000	66,000,000

Note:

Shares held by the promoters

Amount in EUR

Promoter Name	As at March 31, 2025	As at March 31, 2024
Tata Consultancy Services Limited		
No. of Shares	**66,000**	66,000
% of total shares	**100%**	100%
% Change during the year	**0%**	0%

i) Reconciliation of number of shares

Amount in EUR

	As at March 31, 2025	As at March 31, 2024
Equity shares		
Opening balance	**66,000**	66,000
Changes during the year	**-**	-
Closing balance	**66,000**	66,000

Notes forming part of the financial statements

ii) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Amount in EUR

	As at March 31, 2025	As at March 31, 2024
Equity Shares		
Tata Consultancy Services Limted (Holding Company)	**66,000**	66,000
% of shareholding	**100%**	100%
% change during the year	**-**	-

iii) Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares which is an 100% investment by Tata Consultancy Services Limited. Since Tata Consultancy Services Limted is the only shareholder for the Company, it carry a right to dividend and also in the event of liquidation, Tata Consultancy Services Limited is eligible to receive the remaining assets of the Company.

7. LEASES

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right- of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the leasepayments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

Notes forming part of the financial statements

Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 - Revenue from contracts with customers to allocate the consideration in the contract.

The details of the right-of-use asset held by the Company is as follows:

Amount in EUR

Description	ROU Leasehold Building	ROU Leasehold Building -Sub Lease	ROU Computer equipment	ROU Automobiles	Total
Opening balance as at April 1, 2024	**8,262,075**	**(83,993)**	**8,563,281**	**5,403,954**	**22,145,316**
Additions	**-**	**-**	**-**	**1,073,584**	**1,073,584**
Disposals	**(105,036)**	**-**	**-**	**-**	**(105,036)**
Deletions due to lease modification	**-**	**83,993**	**-**	**-**	**83,993**
Cost as at March 31, 2025	**8,157,039**	**-**	**8,563,281**	**6,477,538**	**23,197,857**
Accumulated depreciation as at April 1, 2024	**(4,801,827)**	**4,421**	**(3,538,254)**	**(3,088,893)**	**(11,424,552)**
Depreciation expense for the year	**(1,338,802)**	**8,841**	**(2,360,992)**	**(1,112,657)**	**(4,803,610)**
Eliminated on disposals of assets	**105,036**	**-**	**-**	**-**	**105,036**
Deletions due to lease modification	**-**	**(13,262)**	**-**	**-**	**(13,262)**
Accumulated depreciation as at March 31, 2025	**(6,035,593)**	**-**	**(5,899,246)**	**(4,201,550)**	**(16,136,389)**
Net Carrying amount as at March 31, 2025	**2,121,446**	**-**	**2,664,035**	**2,275,988**	**7,061,468**

Amount in EUR

Description	ROU Leasehold Building	ROU Leasehold Building -Sub Lease	ROU Computer equipment	ROU Automobiles	Total
Opening balance as at April 1, 2024	8,210,656	-	8,563,281	4,124,136	20,898,072
Additions	51,419	(83,993)	-	1,279,818	1,247,244
Disposals	-	-	-	-	-
Deletions due to lease modification	-	-	-	-	-
Cost as at March 31, 2025	8,262,075	(83,993)	8,563,281	5,403,954	22,145,317
Accumulated depreciation as at April 1, 2024	(3,434,954)	-	(1,177,262)	(1,999,020)	(6,611,236)
Depreciation expense for the year	(1,366,873)	4,421	(2,360,992)	(1,089,873)	(4,813,318)
Eliminated on disposals of assets	-	-	-	-	-
Deletions due to lease modification	-	-	-	-	-
Accumulated depreciation as at March 31, 2025	**(4,801,827)**	**4,421**	**(3,538,255)**	**(3,088,893)**	**(11,424,553)**
Net Carrying amount as at March 31, 2025	**3,460,248**	**(79,572)**	**5,025,026**	**2,315,061**	**10,720,763**

Back to content

Notes forming part of the financial statements

Depreciation on right-of-use assets is as follows:

Amount in EUR

Depreciation	Year Ended March 31, 2025	Year Ended March 31, 2024
Leasehold Building	**1,338,802**	1,366,873
ROU Computer equipment	**2,360,992**	2,360,992
Automobiles	**1,112,657**	1,089,873
Total	**4,812,451**	4,817,739

Interest on lease liabilities is 299,568 Euro for the year year ended March 31, 2025

Lease contracts entered by the Company majorly pertains for buildings and vehicles taken on lease to conduct its business in the ordinary course. The Company does not have any lease restrictions and commitment towards variable rent as per the contract.

8. NON-FINANCIAL ASSETS AND NON-FINANCIAL LIABILITIES

8(a) Property, plant and equipment

The Company recognises the cost of an item of property, plant and equipment as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can measured reliably.

Property, plant and equipment are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use, less accumulated depreciation (other than freehold land) and impairment loss, if any.

Depreciation is provided for property, plant and equipment on a straight line basis so as to expense the cost less residual value over their estimated useful lives based on a technical evaluation. The estimated useful lives and residual value are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

The estimated useful lives are as mentioned below:

Type of asset	Useful lives
Leased Buildings	Lease Term
Leasehold improvements	5 years
Plant and equipment	10 years
Computer equipment	4 years
Leased Vehicles	Lease Term
Office equipment	5 years
Electrical installations	10 years
Furniture and fixtures	5 years

Depreciation is not recorded on capital work-in-progress until construction and installation is complete and the asset is ready for its intended use.

Property, plant and equipment with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the

Notes forming part of the financial statements

asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

The carrying amount of an item of property, plant and equipment shall be derecognised on disposal or when no future economic benefits are expected from its use or disposal.

Property, plant and equipment consist of the following:

Amount in EUR

Description	Computer Equipment	Leasehold Improvements	Furniture and Fixtures	Office equipment	Electrical installations	Total
	6,810,104	**2,325,511**	**1,394,143**	**1,436,027**	**474,698**	**12,440,482**
Additions	**739,029**	**9,102**	**21,323**	**27,302**	**-**	**796,757**
Disposals	**(174,241)**	**-**	**-**	**-**	**-**	**(174,241)**
Cost as at March 31, 2025	**7,374,892**	**2,334,613**	**1,415,466**	**1,463,329**	**474,698**	**13,062,999**
Accumulated depreciation as at April 1, 2024	**(3,953,574)**	**(1,528,044)**	**(1,186,035)**	**(977,423)**	**(162,700)**	**(7,807,775)**
Depreciation expense for the year	**(1,424,480)**	**(291,551)**	**(140,933)**	**(288,030)**	**(47,470)**	**(2,192,463)**
Eliminated on disposals of assets	**174,241**					**174,241**
Accumulated depreciation as at March 31, 2025	**(5,203,813)**	**(1,819,595)**	**(1,326,967)**	**(1,265,453)**	**(210,169)**	**(9,825,997)**
Net Carrying amount as at March 31, 2025	**2,171,079**	**515,019**	**88,499**	**197,876**	**264,528**	**3,237,002**

Property, plant and equipment consist of the following:

Amount in EUR

Description	Computer Equipment	Leasehold Improvements	Furniture and Fixtures	Office equipment	Electrical installations	Total
Cost as at April 1, 2023	5,569,946	2,325,511	1,339,193	1,334,112	474,698	11,043,460
Additions	1,252,883	-	54,951	101,917	-	1,409,751
Disposals	(12,725)	-	-	-	-	(12,725)
Cost as at March 31, 2024	6,810,104	2,325,511	1,394,144	1,436,029	474,698	12,440,486
Accumulated depreciation as at April 1, 2023	(2,638,498)	(1,239,803)	(1,011,582)	(702,560)	(115,230)	(5,707,673)
Depreciation expense for the year	(1,323,362)	(288,241)	(174,453)	(274,866)	(47,470)	(2,108,391)
Eliminated on disposals of assets	8,286	-	-	-	-	8,286
Accumulated depreciation as at March 31, 2024	(3,953,574)	(1,528,044)	(1,186,035)	(977,425)	(162,699)	(7,807,778)
Net Carrying amount as at March 31, 2024	2,856,529	797,467	208,108	458,604	311,999	4,632,708

Notes forming part of the financial statements

Ageing for Capital work-in-progress

Amount in EUR

	Year Ended March 31, 2025	Year Ended March 31, 2024
Less than 1 Year	**362,639**	76,637
More than 1 Year	**-**	8,287
More than 2 Year	**-**	40,782
	362,639	125,705

8(b) Intangible assets

Intangible assets purchased are measured at cost as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

Intangible assets consist of rights under licensing agreement and software licences which are amortised over licence period which equates the economic useful life ranging between 1-5 years on a straight line basis over the period of its economic useful life.

Intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

Intangible assets consist of the following:

Amount in EUR

Description	Software Licences
Cost as at April 1, 2024	**1,066,602**
Additions	**-**
Disposals	
Cost as at March 31, 2025	**1,066,602**
Accumulated amortisation as at April 1, 2024	**(1,026,017)**
Amortisation expense for the year	**(23,349)**
Reversal on Disposals	
Accumulated amortisation as at March 31, 2025	**(1,049,366)**
Net Carrying amount as at March 31, 2025	**17,236**

Notes forming part of the financial statements

Amount in EUR

Description	Software Licences
Cost as at April 1, 2023	1,051,527
Additions	15,075
Disposals	
Cost as at March 31, 2024	1,066,602
Accumulated amortisation as at April 1, 2023	(972,486)
Amortisation expense for the year	(53,531)
Reversal on Disposals	
Accumulated amortisation as at March 31, 2024	(1,026,018)
Net Carrying amount as at March 31, 2024	40,584

The estimated amortisation for the years subsequent to March 31, 2025 is as follows:

Amount in EUR

	Amortisation expenses
2026	**12,875**
2027	**4,561**
2028	**-**
2029	**-**
Total	**17,236**

8(c) Other assets - Non-current

Amount in EUR

	As at March 31, 2025	As at March 31, 2024
Contract assets	**3 7,466**	2 19,513
Prepaid expenses	**133,247**	4 78,567
Contract fulfillment costs	**4 ,221,965**	3 ,764,624
	4 ,392,678	4 ,462,704

Other assets - Current

Amount in EUR

	As at March 31, 2025	As at March 31, 2024
Considered Good		
Contract assets	**15,755,817**	8 ,148,696
Prepaid Expenses	**11,923,688**	9 ,334,005
Contract fulfillment costs	**14,927,800**	1 1,953,017
Advance to suppliers	**130,702**	1 06,754
Others	**1 ,056,558**	1 ,316,995
	43,794,565	3 0,859,466

Contract fulfillment costs of EUR 3,937,505 for the years ended March 31, 2025 have been amortised in the statement of profit and loss. Refer note 10 for the changes in contract asset.

Notes forming part of the financial statements

8(d) Provisions

Provisions consist of the following:

Provisions - Current

Amount in EUR

	As at March 31, 2025	As at March 31, 2024
Provision for foreseeable loss	**260,736**	2 03,241
	260,736	2 03,241

8(e) Other liabilities

Other liabilities consist of the following:

Other liabilities – Current

Amount in EUR

	As at March 31, 2025	As at March 31, 2024
Advance received from customers	**1 ,057,874**	1 25,940
Others	**-**	-
	1 ,057,874	1 25,940

9. Other Equity

Other equity consist of the following:

Amount in EUR

	As at March 31, 2025	As at March 31, 2024
Retained earnings		
(i) Opening balance	**311,475,241**	278,412,429
(ii) Profit for the year	**59,322,496**	63,062,812
(iv) Less : Appropriations		
(a) Dividend on equity shares	**(75,000,000)**	(30,000,000)
	295,797,738	311,475,241

10. REVENUE

The Company earns revenue primarily from providing IT services, consulting and business solutions. The Company offers a consulting-led, cognitive powered, integrated portfolio of IT, business and engineering services and solutions.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.
- In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method (POC method') of accounting with contract costs incurred determining the degree of completion of the performance obligation. The contract costs used in computing the revenues include cost of fulfilling warranty obligations.

Notes forming part of the financial statements

- Revenue from the sale of distinct internally developed software and manufactured systems and third party software is recognised upfront at the point in time when the system / software is delivered to the customer. In cases where implementation and / or customisation services rendered significantly modifies or customises the software, these services and software are accounted for as a single performance obligation and revenue is recognised over time on a POC method.
- Revenue from the sale of distinct third party hardware is recognised at the point in time when control is transferred to the customer.
- The solutions offered by the Company may include supply of third-party equipment or software. In such cases, revenue for supply of such third party products are recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent of the customer. The Company recognises revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract and to ascribe the transaction price to each distinct performance obligation. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc

Revenue from subsidiaries is recognised based on transaction price which is at arm's length.

Contract fulfilment costs are generally expensed as incurred except for certain software licence costs which meet the criteria for capitalisation. Such costs are amortised over the contractual period or useful life of licence whichever is less. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

In accordance with Ind AS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the

Notes forming part of the financial statements

event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Company disaggregates revenue from contracts with customers by nature of services, industry verticals and geography.

Revenue disaggregation by nature of services is as follows:

Amount in EUR

	Year Ended March 31, 2025	Year Ended March 31, 2024
Consultancy services	**894,550,463**	910,454,617
Sale of equipment and software licences	**31,765,648**	25,472,825
Total	**926,316,111**	935,927,441

Revenue disaggregation by industry vertical is as follows:

Amount in EUR

Industry Verticals	Year Ended March 31, 2025	Year Ended March 31, 2024
Banking, Financial Services and Insurance	**225,469,597**	220,849,860
Manufacturing	**59,221,154**	53,019,522
Retail and Consumer Business	**98,270,407**	115,809,783
Hi-Tech	**276,821,893**	289,988,398
Energy & utilities	**139,468,420**	139,029,683
Others	**127,064,640**	117,230,194
Total	**926,316,111**	935,927,441

Revenue disaggregation by geography is as follows:

Amount in EUR

Geography	Year Ended March 31, 2025	Year Ended March 31, 2024
Europe	**893,296,140**	898,320,495
America	**24,137,511**	23,290,072
Others	**8,882,461**	14,316,875
Total	**926,316,111**	935,927,441

Geographical revenue is allocated based on the location of the customers.

While disclosing the aggregate amount of transaction price yet to be recognized as revenue towards unsatisfied or partially satisfied performance obligations, along with the broad time band for the expected time to recognize those revenues, the Company has applied the practical expedient in Ind AS 115. Accordingly, the Company has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognized corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts.

Unsatisfied (or partially satisfied) performance obligations are futuristic and therefore subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc). The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is EUR 512 million out of which 48.92% is expected to be recognised as revenue in the next year and the balance thereafter. No consideration from contracts with customers is excluded from the amount mentioned above.

Notes forming part of the financial statements

Changes in contract assets are as follows:

Amount in EUR

	Year Ended March 31, 2025	Year Ended March 31, 2024
Balance at the beginning of the year	**8,368,209**	14,217,065
Revenue recognised during the year	**14,259,465**	6,385,325
Invoices raised during the year	**(6,821,719)**	(12,245,745)
Translation exchange difference	**(12,671)**	11,564
Balance at the end of the year	**15,793,284**	8,368,209

Changes in Unearned and deferred revenue are as follows :

Amount in EUR

	Year Ended March 31, 2025	Year Ended March 31, 2024
Balance at the beginning of the year		
Revenue recognised that was included in the unearned and deferred revenue at the beginning of the year	**16,297,581**	16,211,340
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	**(10,041,494)**	(9,937,711)
Translation exchange difference	**14,513,601**	9,979,314
Balance at the end of the year	**(94,186)**	44,639
	20,675,503	16,297,582

Reconciliation of revenue recognized with the Contracted price is as follows :

Amount in EUR

	Year Ended March 31, 2025	Year Ended March 31, 2024
Contracted price	**926,316,111**	935,927,441
Reductions towards variable consideration components	**-**	-
Revenue recognised	**926,316,111**	935,927,441

The Company has taken steps to assess the cost budgets required to complete its performance obligations in respect of fixed price contracts and incorporated the impact of likely delays / increased cost in meetings its obligations. Such impact could be in the form of provision for onerous contracts or re-setting of revenue recognition in fixed price contracts where revenue is recognised on percentage-completion-basis. The Company has also assessed the impact of any delays and inability to meet contractual commitments and has taken actions such as engaging with the customers to agree on revised SLAs in light of current crisis, invoking of force-majeure clause etc., to ensure that revenue recognition in such cases reflect realisable values.

Notes forming part of the financial statements

11. OTHER INCOME

Dividend income is recorded when the right to receive payment is established. Interest income is recognised using the effective interest method.

Other Income consist of the following:

Amount in EUR

	Year Ended March 31, 2025	Year Ended March 31, 2024
Interest income	**1,672,156**	1,507,324
Dividend income	**26,460,349**	27,138,499
Net foreign exchange gains	**(747,258)**	(329,535)
Miscellaneous income**	**51,297**	47,972
	27,436,542	28,364,261
Interest income consist of the following:		
Interest income on bank deposits	**1,641,140**	1,203,968
Interest income on financial assets at amortised cost	**27,000**	27,074
Bank Interest	**-**	276,283
Interest income on financial assets at Fairvalue	**4,015**	

12. EMPLOYEE BENEFIT EXPENSES

Defined contribution plans

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits.

The Company provides benefits such as superannuation and foreign defined contribution plans to its employees which are treated as defined contribution plans.

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Compensated absences

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as undiscounted liability at the balance sheet date.

Employee benefit expenses consist of the following:

Amount in EUR

	Year Ended March 31, 2025	Year Ended March 31, 2024
Salaries, incentives and allowances	**255,248,406**	231,838,616
Contributions to social security and other funds	**22,035,308**	20,754,019
Staff welfare expenses	**7,852,684**	7,706,937
	285,136,398	260,299,572

Notes forming part of the financial statements

Employee benefit obligation consist of the following:

Employee benefit obligation - Current

Amount in EUR

	Year Ended March 31, 2025	Year Ended March 31, 2024
Compensated absences	**3,647,256**	3,779,999
Other empoyee benefit obligations	**92,026**	78,539
	3,739,282	3,858,538

13. COST RECOGNITION

Costs and expenses are recognised when incurred and have been classified according to their nature.

The costs of the Company are broadly categorised in employee benefit expenses, cost of equipment and software licenses, depreciation and amortisation expense and other expenses. Other expenses mainly include fees to external consultants, facility expenses, travel expenses, communication expenses, bad debts and advances written off, allowance for doubtful trade receivable and advances (net) and other expenses. Other expenses is an aggregation of costs which are individually not material such as commission and brokerage, recruitment and training, entertainment, etc.

13(a) Cost of equipment and software licences

Cost of equipment and software licenses consist of the following:

Amount in EUR

	Year Ended March 31, 2025	Year Ended March 31, 2024
Cost of Equipment and software licences	**2 5,756,561**	2 3,359,729
	2 5,756,561	2 3,359,729

13(b) Other expenses

Other expenses consist of the following:

Amount in EUR

	Year Ended March 31, 2025	Year Ended March 31, 2024
Fees to external consultants	**508,028,602**	532,492,257
(including subcontractor cost) Facility expenses		
Travel expenses	**2,017,660**	1,624,028
Communication expenses	**5,981,534**	5,828,769
Project expenses	**8,528,390**	8,657,146
Allowance for doubtful trade receivables and advances (net)	**8,138,303**	532,972
Other expenses *	**(627)**	167,486
	31,421,013	47,667,903
	564,114,876	596,970,561

Notes forming part of the financial statements

***Other expenses**

Amount in EUR

	Year Ended March 31, 2025	Year Ended March 31, 2024
Software expenses	**8,859,787**	9,371,817
Corporate overhead allocation	**9,266,359**	11,880,701
Other expenses	**13,294,867**	26,415,385
	31,421,013	47,667,903

14. FINANCE COSTS

Amount in EUR

	Year Ended March 31, 2025	Year Ended March 31, 2024
Interest on Lease Liabilities	**299,568**	396,713
Bank Interest	**4,325**	2,314
Other Interest	**125**	5,750
	304,017	404,777

15. INCOME TAXES

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current income taxes

The current income tax expense for the entity has been computed based on the tax laws applicable in the jurisdiction in which it operates.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction provided the Company has a legally enforceable right to set off the recognised amounts and intends to settle the asset and liability on a net basis.

Deferred income taxes

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Notes forming part of the financial statements

The Income-tax expenses consist of the following:

Amount in EUR

	Year Ended March 31, 2025	Year Ended March 31, 2024
Current tax		
Current tax expense for current year	**11,986,395**	12,590,330
	11,986,395	12,590,330
Deferred tax		
Deferred tax expense/(benefit) for current year	**112,489**	862,869
	112,489	862,869
Total income tax expense recognised in current year	**12,098,884**	13,453,199

The reconciliation of estimated income-tax expenses at statutory income tax rate to the income tax expenses reported in the statement of profit and loss is as follows:

Amount in EUR

	Year Ended March 31, 2025	Year Ended March 31, 2024
Profit/(Loss) before taxes	**71,421,380**	76,282,158
Enacted Income tax rate in Netherlands	**25.80%**	25.80%
Expected Income tax expense	**18,426,716**	19,680,797
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Income exempt from tax	**(6,947,085)**	(7,001,733)
Income of Subsidiaries taxed at diff tax rates (net)	**21,316**	92,122
Tax on income at different rates	**(13,600)**	(13,600)
Operating losses carry forwards		
Tax pertaining to prior years:	**172,781**	65,562
Tax on non deductible expenses	**438,758**	625,109
Tax on CVAE / WHT on dividend from TCS SA		
Other Temporary difference	**0**	5,028
	12,098,885	13,453,285

Significant components of net Deferred tax assets and Deferred tax liabilities recognized as of 31 March 2025 and 31 March 2024

Amount in EUR

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred tax assets in relation to		
Provision for employee benefits	**116,482**	116,482
IFRS 16	**2,083,298**	2,805,792
Release of Deferred Tax		-
	2,083,298	2,922,274

Back to content

Notes forming part of the financial statements

Amount in EUR

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred tax liabilities in relation to		
Provision for employee benefits	**1,476,551**	1,296,657
IFRS 16	**1,830,104**	2,736,485
Net Deferred tax liability at the end of the year	**3,306,655**	4,033,142

15. GROSS DEFERRED TAX ASSETS AND LIABILITIES ARE AS FOLLOWS:

Amount in EUR

	Balance Sheet		Statement of profit and loss	
	As at		For the period ended	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Deferred tax assets	**2,083,298**	2,922,274	**112,489**	866,068
Deferred tax liabilities	**3,306,655**	4,033,142	**-**	3,199
Net Deferred tax assets/(liabilities) recognized	**(1,223,357)**	(1,110,868)	**112,489**	862,869

The following table provides the details of Income tax assets and income tax liabilities recognized as of 31 March 2025, 31 March 2024

Amount in EUR

Particulars	As at March 31, 2025	As at March 31, 2024
Income tax assets	**-**	113,571
Income tax liabilities	**(658,942)**	(1,759,204)
Net income tax assets / (liabilities) at the end of the year	**(658,942)**	(1,645,633)

16 EARNINGS PER SHARE (EPS)

Amount in EUR

	As at March 31, 2025	As at March 31, 2024
Profit/(loss) for the year (EUR)	**59,322,496**	63,062,812
Weighted average number of equity shares	**66,000**	66,000
Earnings per share basic and diluted (EUR)	**899**	955
Face value per equity share	**1,000**	1,000

17. AUDITORS REMUNERATION

Amount in EUR

	As at March 31, 2025	As at March 31, 2024
Services as statutory auditors	**85,370**	61,591
	85,370	61,591

Notes forming part of the financial statements

18. SEGMENT INFORMATION

The Company publishes the standalone financial statements of the Company along with the consolidated financial statements. In accordance with Ind AS 108, Operating Segments, the Company has disclosed the segment information in the consolidated financial statements.

19 COMMITMENTS AND CONTINGENCIES

Capital Commitments

The Company has contractually committed (net of advances) EUR 352,323 as at March 31, 2024 and EUR 323,575 as at March 31, 2025 for purchase of property, plant and equipment.

Notes forming part of the financial statements

20 Related party transactions

Tata Consultancy Services Netherlands B.Vs principal related Parties consist of its holding company Tata Consultancy Service Limited and its subsidiaries, its own subsidiaries and ultimate holding Company Tata Sons Private Limited. Company routinely enters into transactions with its related parties in the ordinary course of business.

Amount In EUR

		Year ended March 31, 2025				
		Tata Consultancy Services Limited	Subsidiaries of Tata Consultancy Services Limited	Subsidiaries of the Company F	Tata Sons Private Limited	Total
I	Transactions					
	Revenue	**34,859,288**	**19,065,720**	**11,468,208**	**-**	**65,393,217**
	Purchase of goods and services	**475,171.470**	**32,561,383**	**3.244.165**	**-**	**510,977,018**
	Brand equity contribution	**-**	**-**	**-**	**2,161,158**	**2.161,158**
	Rental Revenue	**-**	**9,675**	**-**	**-**	**9,675**
	Interest income	**-**	**1,472**	**-**	**-**	**1,472**
	Dividend received	**-**	**-**	**26,460,349**	**-**	**26,460,349**
	Dividend paid	**75,000,000**	**-**	**-**	**-**	**75,000,000**
	Loans and advances recovered	**-**	**-**	**-**	**-**	**-**

		Year ended March 31, 2025				
II	Balances					
	Trade receivables and unbilled receivables	**17,634,518**	**11,989,852**	**2,280,464**	**-**	**31,904,835**
	Loans given	**-**	**1,500.000**	**-**	**-**	**1,500,000**
	Other receivables	**3,790.904**	**573,049**	**34,897**	**-**	**4,398,849**
	Prepaid Assets	**11,492,405**	**186,279**	**148,001**	**-**	**11,826,684**
	Trade payables, unearned and deferred revenue and Other liabilities	**58,898,025**	**9,059,269**	**970,487**	**2,161,158**	**71,088,939**

Back to content

Notes forming part of the financial statements

Related Party Reporting for FY 2023-2024 Amount In EUR

		Year ended March 31, 2024				
		Tata Consultancy Services Limited	Subsidiaries of Tata Consultancy Services Limited	Subsidiaries of the Company F	Tata Sons Private Limited	Total
1	Transactions					
	Revenue	36,612,549	20,026,935	9,410.245	-	66.049,729
	Purchase of goods and services	492,521,261	32,205.356	6.636,805	-	531,363,422
	Brand equity contribution	-	-	-	2.174,792	2.174,792
	Rental Revenue	-	19.001	-	-	19,001
	Interest income		27,870	-	-	27.870
	Dividend received	-	-	27,138,499	-	27.138,499
	Dividend paid	30,000,000	-	-	-	30,000,000
	Loans and advances recovered	-	-	-	-	-

		Year ended March 31, 2024				
II	Balances					
	Trade receivables and unbilled receivables	24,501,493	7,859,796	4,105,468	-	36,466,757
	Loans given	-	1,500,000	-	-	1,500,000
	Other receivables	5,072,906	461,698	85,308	-	5,619,912
	Prepaid Assets	9,141,948	67,711	95,725	-	5,619,9125
	Trade payables, unearned and deferred revenue and Other liabilities	63,263,242	6,423,142	2,817,143	2,174,367	74,677,894

21 Subsequent event

There are no subsequent event post 31 March 2025. which will have material effect on the financial statement.

As per our report of even date attached

For KBJ & Associates
Chartered Accountants
Firm registration no.114934W

Kaushik B. Joshi
Proprietor
Membership number : 48889
Mumbai, May 15, 2025

For and on behalf of the Board of Directors
of **Tata Consultancy Services Netherlands B.V.**

Rabindran Vennimalai
Director
Mumbai

Sapthagiri Chapalapalli
Director
Frankfurt , Germany

Back to content

TCS Iberoamerica S.A.

Separate Financial Statements

For the year ended
December 31st 2024

SUBSIDIARY FINANCIALS FOR THE YEAR ENDED DECEMBER 31, 2024

CONTENTS **PAGE**

Independent Auditors' Report	16.2
Separate statement of financial position as at December 31st, 2024	16.4
Separate statement of profit or loss and other comprehensive income for the year ended December 31st, 2024	16.5
Separate statement of changes in equity for the year ended December 31st, 2024	16.6
Separate statement of cash flows for the year ended December 31st, 2024	16.7
Notes to the separate financial statements as at December 31st, 2024	16.8

Back to main content

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS AND BOARD OF DIRECTORS OF

TCS IBEROAMERICA S.A.

Opinion

We have audited the separate financial statements of TCS Iberoamerica S.A. (the "Company"), which comprise the separate statement of financial position as of December 31st, 2024, the separate statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying separate financial statements present fairly, in all material respects, the financial position of TCS Iberoamerica S.A. as of December 31st, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Separate Financial Statements* section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the separate financial statements in Uruguay, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Separate Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRSs), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether TCS Iberoamerica S.A.'s separate 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 ISAs 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 separate financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate 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 separate financial statements, including the disclosures, and whether the separate 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 entities or business activities within the Group to express an opinion on the separate financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

Montevideo, Uruguay
February 24th, 2025

Separate Statement of Financial Position

	Notes	As at December 31, 2024	As at December 31, 2023	As at December 31, 2024	As at December 31, 2023
		(in USD)		(equivalent in Uruguayan Pesos)	
ASSETS:					
Current assets:					
Cash and cash equivalents	8 (a)	**358.310**	846.439	**15.789.284**	33.029.725
Other current financial assets		**-**	158	**-**	6.158
Other assets	9 (a)	**16.320**	44.697	**719.158**	1.744.169
Total current assets		**374.630**	891.294	**16.508.442**	34.780.052
Non-current assets:					
Investments	8 (b)	**239.492.224**	291.697.176	**10.553.464.397**	11.382.607.204
Income tax assets (net)		**-**	3.636	**-**	141.898
Total non-current assets		**239.492.224**	291.700.812	**10.553.464.397**	11.382.749.102
TOTAL ASSETS		**239.866.854**	292.592.106	**10.569.972.839**	11.417.529.154
LIABILITIES AND EQUITY:					
Liabilities:					
Current liabilities:					
Trade and other payables	8 (c)	**10.734**	11.951	**473.080**	466.343
Income tax liabilities (net)		**31.895**	1.785	**1.405.481**	69.661
Other liabilities	9 (b)	**-**	10.341	**-**	403.536
Total current liabilities		**42.629**	24.077	**1.878.561**	939.540
TOTAL LIABILITIES		**42.629**	24.077	**1.878.561**	939.540
Equity:					
Share capital	8 (g)	**98.418.354**	98.418.354	**2.122.783.424**	2.122.783.424
Legal reserve	5 (a)	**15.044.947**	15.044.947	**424.601.685**	424.601.685
Other reserves		**(98.305.959)**	(55.010.235)	**1.499.367.807**	2.255.543.610
Retained earnings		**224.666.883**	234.114.963	**6.521.341.362**	6.613.660.895
TOTAL EQUITY		**239.824.225**	292.568.029	**10.568.094.278**	11.416.589.614
TOTAL LIABILITIES AND EQUITY		**239.866.854**	292.592.106	**10.569.972.839**	11.417.529.154

SEE ACCOMPANYING NOTES TO SEPARATE FINANCIAL STATEMENTS

Separate Statement of Profit or Loss and Other Comprehensive Income

	Notes	For the year ended December 31, 2024	For the year ended December 31, 2023	For the year ended December 31, 2024	For the year ended December 31, 2023
		(in USD)		(equivalent in Uruguayan Pesos)	
Other operating expenses	10	**48.530**	84.290	**1.988.879**	3.294.013
TOTAL OPERATING EXPENSES		**48.530**	84.290	**1.988.879**	3.294.013
TOTAL OPERATING RESULT		**48.530**	84.290	**1.988.879**	3.294.013
Investment revenue	11 (a)	**24.918**	55.833	**1.010.457**	2.160.599
Share of profit of equity – accounted investees, net of tax	8 (b)	**90.668.624**	53.374.600	**3.995.403.597**	2.083.957.878
Other gains (losses), net	11 (b)	**(397.895)**	(136.172)	**(15.397.706)**	(5.284.549)
Other income / (expense), net		**90.295.647**	53.294.261	**3.981.016.348**	2.080.833.928
PROFIT BEFORE TAXES		**90.247.117**	53.209.971	**3.979.027.469**	2.077.539.915
Income tax expense	12	**3.118.377**	3.126.981	**126.797.046**	120.461.355
PROFIT FOR THE YEAR		**87.128.740**	50.082.990	**3.852.230.423**	1.957.078.560
Items that are or may be reclassified to profit or loss:					
Translation adjustment	8 (b)	**(43.030.863)**	31.029.530	**(745.609.200)**	867.987.525
Employee benefit movement	8 (b)	**(264.861)**	957.623	**(11.671.349)**	37.389.439
Conversion adjustment		**-**	-	**1.104.746**	(4.630.740)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**43.833.016**	82.070.143	**3.096.054.620**	2.857.824.784

SEE ACCOMPANYING NOTES TO SEPARATE FINANCIAL STATEMENTS

Separate Statement of Changes in Equity

(in USD)

	Notes	Equity share capital	Legal Reserve	Other Reserves	Retained earnings	Total equity
Balance as at January 31, 2023		98.418.354	15.044.947	(86.997.388)	261.725.973	288.191.886
Profit for the year		-	-	-	50.082.990	50.082.990
Dividend	5 (c)	-	-	-	(77.694.000)	(77.694.000)
Other comprehensive income		-	-	31.987.153	-	31.987.153
Balance as at December 31, 2023		**98.418.354**	**15.044.947**	**(55.010.235)**	**234.114.963**	**292.568.029**
Balance as at January 1, 2024		**98.418.354**	**15.044.947**	**(55.010.235)**	**234.114.963**	**292.568.029**
Profit for the year		**-**	**-**	**-**	**87.128.740**	**87.128.740**
Dividend	5 (c)	**-**	**-**	**-**	**(96.576.820)**	**(96.576.820)**
Other comprehensive income		**-**	**-**	**(43.295.724)**	**-**	**(43.295.724)**
Balance as at December 31, 2024		**98.418.354**	**15.044.947**	**(98.305.959)**	**224.666.883**	**239.824.225**

(equivalent in Uruguayan Pesos)

	Notes	Equity share capital	Legal Reserve	Other Reserves	Retained earnings	Total equity
Balance as at January 1, 2023		2.122.783.424	424.601.685	1.354.797.386	7.645.954.605	11.548.137.100
Profit for the year		-	-	-	1.957.078.560	1.957.078.560
Dividend	5 (c)	-	-	-	(2.989.372.270)	(2.989.372.270)
Other comprehensive income		-	-	905.376.964	-	905.376.964
Translation		-	-	(4.630.740)	-	(4.630.740)
Balance as at December 31, 2023		2.122.783.424	424.601.685	2.255.543.610	6.613.660.895	11.416.589.614
Balance as at January 1, 2024		**2.122.783.424**	**424.601.685**	**2.255.543.610**	**6.613.660.895**	**11.416.589.614**
Profit for the year		**-**	**-**	**-**	**3.852.230.423**	**3.852.230.423**
Dividend	5 (c)	**-**	**-**	**-**	**(3.944.549.956)**	**(3.944.549.956)**
Other comprehensive income		**-**	**-**	**(757.280.549)**	**-**	**(757.280.549)**
Translation		**-**	**-**	**1.104.746**	**-**	**1.104.746**
Balance as at December 31, 2024		**2.122.783.424**	**424.601.685**	**1.499.367.807**	**6.521.341.362**	**10.568.094.278**

SEE ACCOMPANYING NOTES TO SEPARATE FINANCIAL STATEMENTS

Separate Statement of Cash Flows

	Notes	Year ended December 31, 2024	Year ended December 31, 2023	Year ended December 31, 2024	Year ended December 31, 2023
		(in USD)		(equivalent in Uruguayan Pesos)	
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit for the year		**87.128.740**	50.082.990	**3.852.230.423**	1.957.078.560
Adjustments to reconcile net income to net cash provided by operating activities:					
Income tax expense	12	**3.118.377**	3.126.981	**126.797.046**	120.461.355
Share of profit of Equity – accounted investees, net of tax and dividend		**5.829.269**	22.964.135	**(53.388.173)**	854.645.163
Unrealized exchange (gain)/ loss		**432**	385	**17.376**	15.839
Net change in:					
Other assets (current and non-current)		**28.377**	4.816	**1.025.011**	239.879
Other current financial assets		**158**	2.101.340	**6.158**	84.202.951
Trade and other payables		**(1.218)**	555	**6.736**	9.688
Other liabilities (current and non-current)		**(10.341)**	10.342	**(403.536)**	403.536
Other financial liabilities (current)		**-**	-	**-**	-
Cash generated from operations		**96.093.794**	78.291.544	**3.926.291.041**	3.017.056.971
Taxes paid		**(4.671)**	(1.892)	**(68.897)**	(73.130)
Net cash provided by operating activities		**96.089.123**	78.289.652	**3.926.222.144**	3.016.983.841
CASH FLOWS FROM FINANCING ACTIVITIES					
Dividends paid	5 (c)	**(96.576.820)**	(77.694.000)	**(3.944.549.956)**	(2.989.372.270)
Net cash used in financing activities		**(96.576.820)**	(77.694.000)	**(3.944.549.956)**	(2.989.372.270)
Net change in cash		**(487.697)**	595.652	**(18.327.812)**	27.611.571
Effect of foreign exchange on cash		**(432)**	(385)	**1.087.371**	(4.646.579)
Cash and cash equivalents, beginning of the year		**846.439**	251.172	**33.029.725**	10.064.733
Cash and cash equivalents, end of the year	8 (a)	**358.310**	846.439	**15.789.284**	33.029.725
Supplementary cash flow information:					
Dividends received		**96.497.893**	76.338.735	**3.942.015.424**	2.938.603.041
Interest received		**24.918**	12.189	**1.010.457**	471.792

SEE ACCOMPANYING NOTES TO SEPARATE FINANCIAL STATEMENTS

Notes to the Separate Financial Statements

1. CORPORATE INFORMATION

TCS Iberoamerica S.A. is a Limited Company incorporated in Uruguay on November 16th, 2001.

In accordance with article 2 of the By-laws the Company's business purpose and main activity are the investment in subsidiaries.

It is currently domiciled at Monte Caseros 2600, in Montevideo, Uruguay.

The share capital reaches USD 98.418.354 (equivalent to 2.122.783.424 Uruguayan Pesos) in the form of registered shares. As at December 31st 2024, Tata Consultancy Services Limited owned 100% of the Company's equity share capital.

The Company has no direct employees.

The Board of Directors approved the separate financial statements for the year ended December 31st 2024 and authorized for issue on February 24th, 2025.

2. STATEMENT OF COMPLIANCE

The separate financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standard Board (IASB), translated into Spanish, and interpretations prepared by the Interpretations Committee of the International Financial Reporting Standards or the previous Interpretations Committee, in accordance with the Appropriate Accounting Standards in Uruguay pursuant to Decrees 291/014, 292/014, 124/011 and 108/022.

These separate financial statements of TCS Iberoamerica S.A., for the period ended December 31st 2024 and for the period ended December 31st 2023, have been prepared in accordance with IAS 27, "Separate Financial Statements" included in International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board (IASB), applying the exception described in paragraph 4 of IFRS 10, Consolidated Financial Statements. Likewise, these financial statements are exempt from disclosure provisions contained in IFRS 12.

3. BASIS OF PREPARATION

The separate financial statements have been prepared on historical cost basis except for the investments in subsidiaries measured at Equity Method and financial instruments which are measured at fair value or amortized cost at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for 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. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realization in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

The statement of Cash flows are reported using the indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The Company classifies interest paid and interest and dividend received as cash flow from operating activities. The cash flows from operating, investing and financing activities of the company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value to be cash equivalents.

The functional currency of the Company is United States Dollar. Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are retranslated at the exchange rate prevailing on the dates of statement of financial position and exchange gains and losses arising on settlement and restatement are recognized in profit or loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

The Company followed the methodology established in IAS 21 to translate the amounts in United States Dollars (functional currency) into Uruguayan Pesos (presentation currency) which, under these circumstances, is allowed by a resolution of the Internal Audit of the Nation:

- Assets and liabilities for all balances presented (including comparative figures) were translated using exchange rates prevailing at the end of each reporting period (44,066 Uruguayan Pesos = US$ 1 and 39,022 Uruguayan Pesos = US$ 1 were used for December 31st 2024, and December 31st 2023 respectively);

Notes to the Separate Financial Statements

- Income and expense items for all statements presented were translated at the exchange rates prevailing on the dates of the transactions or at the average exchange rates for the period.
- Items of equity different from profit or loss for the year were translated at the year-end exchange rate. In particular, in order to maintain the capital in nominal terms as indicated by the legal regulations, the difference between that year end exchange rate and the ones prevailing on the dates of the transactions were recognized directly in equity as "Other reserves".

The material Policy information related to preparation of the separate financial statements have been discussed in the respective notes.

4. USE OF ESTIMATES AND JUDGMENTS

The preparation of separate financial statements in conformity with the recognition and measurement principles of International Financial Reporting Standards (IFRS) requires management to make estimates and judgments that affect the reported balances of assets and liabilities, disclosures of contingent liabilities at the date of the separate financial statements and the reported amounts of income and expenses for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.

The Company uses the following critical accounting estimates in preparation of its separate financial statements:

a. Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

b. Provision for income tax and deferred tax assets

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

c. Provisions and contingent liabilities

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Company uses significant judgement to assess contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non¬occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognized nor disclosed in the separate financial statements.

5. RESERVES

a. Legal reserve

The legal reserve is a reserve fund created in compliance with article 93 of Law 16.060 for commercial companies, which establishes that no less than 5% of the net profit for the year should be used to increase the mentioned reserve, until it reaches 20% of the paid-in capital.

As at December 31st, 2024 the balance of legal reserve is 424.601.685 Uruguayan Pesos (USD 15.044.947).

Notes to the Separate Financial Statements

b. Other reserve

The balance of the account corresponds to the difference of exchange in long-term investments, within an equity account as set forth in IAS 21.

c. Distribution of results

On February 28th, 2024, it was determined to distribute dividends for a total of $ 898.081.000 Uruguayan Pesos (USD 23.000.000).

On June 3rd, 2024, it was determined to distribute dividends for a total of $ 908.702.600 Uruguayan Pesos (USD 23.425.000).

On September 6th, 2024, it was determined to distribute dividends for a total of $ 933.782.356 Uruguayan Pesos (USD 23.151.820).

On December 19th, 2024, it was determined to distribute dividends for a total of $ 1.203.984.000 Uruguayan Pesos (USD 27.000.000).

On June 21st, 2023, it was determined to distribute dividends for a total of $ 1.005.171.500 Uruguayan Pesos (USD 26.500.000).

On September 22nd, 2023, it was determined to distribute dividends for a total of $ 771.511.770 Uruguayan Pesos (USD 20.194.000).

On December 1st, 2023, it was determined to distribute dividends for a total of $ 1.212.689.000 Uruguayan Pesos (USD 31.000.000).

6. REGISTRATION OF SEPARATE FINANCIAL STATEMENTS

According to Decree 156/16 dated May 30, 2016, commercial companies will not be able to distribute dividends as long as they do not comply with the obligation to register, within the established terms, the separate financial statements to the Auditoría Interna de la Nación (AIN), institution that regulates the commercial companies.

To date, the Company has complied with this obligation for the year ended on December 31, 2023. For the year ended on December 31, 2024 the Company has time to comply until June 30, 2025.

7. RECENT ACCOUNTING STANDARDS

Company has not applied the following new and revised IFRSs that have been issued but are not yet effective.

Amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates[1]

Amendments to IFRS 9 and IFRS 7[2]

IFRS 18 – Presentation and Disclosures in Financial Statements[3]

IFRS 19 – Subsidiaries without Public Accountability: Disclosures[3]

1 Effective for annual periods beginning on or after January 1, 2025.
2 Effective for annual periods beginning on or after January 1, 2026
3 Effective for annual periods beginning on or after January 1, 2027.

IAS 21 – The Effects of Changes in Foreign Exchange Rates

In August 2023, the IASB issued 'Lack of Exchangeability (Amendments to IAS 21)' to provide guidance to specify which exchange rate to use when the currency is not exchangeable. An entity must estimate the spot exchange rate as the rate that would have applied to an orderly transaction between market participants at the measurement date and that would faithfully reflect the economic conditions prevailing. The Company does not expect this amendment to have any significant impact in its financial statements.

Notes to the Separate Financial Statements

IFRS 9 and IFRS 7 – Financial Instruments and Financial Instruments: Disclosure

In May 2024, the IASB issued "Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) to address matters identified during the post-implementation review of IFRS 9. The amendments relate to derecognition of a financial liability settled through electronic transfer, classification of financial assets and disclosures of certain financial assets and financial liabilities. The Company will evaluate the amendments and implement them accordingly."

IFRS 18 – Presentation and Disclosures in Financial Statements

In April 2024, the IASB issued its new standard IFRS 18 – Presentation and Disclosures in Financial Statements that will replace IAS 1 – Presentation of Financial Statements. The new standard aims at improving how entities communicate in their financial statements. The Company will evaluate the standard and implement it accordingly.

IFRS 19 – Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued a new standard IFRS 19 - Subsidiaries without Public Accountability: Disclosures. The standard allows a subsidiary which does not have public accountability and has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards, to elect IFRS 19. Such an entity applies the requirements in other IFRS Accounting Standards, except for the disclosure requirements, instead the entity applies the requirements in IFRS 19.

8. FINANCIAL ASSETS, FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

The Company derecognizes a financial asset only 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 entity. The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Notes to the Separate Financial Statements

The Company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in other comprehensive income.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in profit or loss.

Financial liabilities

Financial liabilities are measured at amortized cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received net of direct issue cost.

Impairment of financial assets (other than at fair value)

The Company assesses at each date of statement of financial position whether a financial asset or a Company of financial assets is impaired. IFRS 9 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. In determining the allowances for expected credit losses the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

a. Cash and cash equivalents

Cash and cash equivalents consist of the following:

	As at December 31, 2024	As at December 31, 2023	As at December 31, 2024	As at December 31, 2023
	(in USD)		(equivalent in Uruguayan Pesos)	
Current account balances with banks	**8.310**	46.439	**366.184**	1.812.125
Deposits with banks	**350.000**	800.000	**15.423.100**	31.217.600
Total	**358.310**	846.439	**15.789.284**	33.029.725

b. Investments

Investments in TCS Mexico S.A. de C.V, MGDC SC, TCS Solution Center S.A., TCS Do Brasil Ltda., TCS Argentina S.A., TCS Uruguay S.A., TCS Chile Limitada and Tata Consultancy Services Guatemala S.A. are accounted for using the equity method. Under this method the investment is initially recorded at cost and adjusted thereafter according to the changes in the share of net assets of the investee. The income statement reflects the share of results of operations of the investee that corresponds to the Company.

These separate financial statements are the separate financial statements of TCS Iberoamerica S.A.

For the preparation of the separate financial statements, the Company has used the exemption described in paragraph 4 of IFRS 10, which provides relief whereby a parent need not present consolidated financial statements if it meets

Notes to the Separate Financial Statements

particular conditions, including the requirement that its ultimate or any intermediate parent produces consolidated financial statements that are available for public use and comply with IFRSs. The Company meets each and every of such conditions as of December 31st 2024 and December 31st 2023. The Company's financial information is included in the consolidated financial statements of its ultimate Parent, Tata Consultancy Services Limited (India), which have been prepared and presented in accordance with IFRS as issued by the IASB, and can be found at the web site: https://www.tcs.com/investor-relations.

Subsidiaries

Subsidiaries are those entities controlled by the Company. Control exists when the Company is exposed or has rights to variable returns from its involvements with the investee and has the ability to affect those returns through its power over the investee.

Investments in subsidiaries are accounted for using the equity method following the provisions of IAS 27 Separate Financial Statements (as amended).

Gains or losses arising from changes in equity of investments are recognized in the statements of profit or loss and other comprehensive income.

Changes in subsidiaries' equity that do not affect income are recognized in the Company in the same way.

Loss of control

When the Company losses control over a subsidiary, it derecognize the assets and liabilities of the subsidiary, and any related no controlled interest and other components of equity. Any resulting gain or loss is recognized in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Investments consist of the following:

	As at December 31, 2024	As at December 31, 2023	As at December 31, 2024	As at December 31, 2023
Investments carried at equity method	**(in USD)**		**(equivalent in Uruguayan Pesos)**	
Fully paid equity shares				
Investments in subsidiaries				
i. Tata Consultancy Services Uruguay S.A.	**28.109.178**	29.598.412	**1.238.659.058**	1.154.989.217
ii. Tata Consultancy Services Solution Center S.A.	**29.929.875**	40.919.831	**1.318.889.851**	1.596.773.630
iii. Tata Consultancy Services Argentina S.A.	**860.847**	(66.933)	**37.934.094**	(2.611.863)
iv. Tata Consultancy Services do Brazil Ltda.	**46.931.571**	50.771.774	**2.068.086.607**	1.981.216.184
v. Tata Consultancy Services Inversiones Chile Ltda	**54.078.416**	56.068.544	**2.383.019.489**	2.187.906.739
vi. Tata Consultancy Services de México S.A. de CV.	**81.102.217**	116.153.870	**3.573.850.299**	4.532.556.331
vii. MGDC S.C.	**(5.918.306)**	(4.763.682)	**(260.796.063)**	(185.888.418)
viii. Tata Consultancy Services Guatemala S.A.	**4.398.426**	3.015.360	**193.821.062**	117.665.384
Total Investments	**239.492.224**	291.697.176	**10.553.464.397**	11.382.607.204

Notes to the Separate Financial Statements

December 31st, 2024	TCS Solution Center SA	TCS Uruguay SA	TCS Mexico SA de CV	MGDC SC	TCS Inversiones Chile Ltda.	TCS Argentina SA	TCS Guatemala	TCS Brazil Ltda	Total
	(in USD)								
Balance as at December 31st, 2023	**40.919.831**	**29.598.412**	**116.153.870**	**(4.763.682)**	**56.068.544**	**(66.933)**	**3.015.360**	**50.771.774**	**291.697.176**
Retained Earnings	**8.274.217**	**16.841.696**	**43.282.219**	**(837.242)**	**3.261.314**	**958.232**	**1.322.944**	**17.565.245**	**90.668.624**
Translation adjustment	**(4.592.693)**	**(3.525.540)**	**(18.291.203)**	**(317.381)**	**(4.208.316)**	**(30.452)**	**60.122**	**(12.125.401)**	**(43.030.863)**
Dividends	**(14.671.481)**	**(14.805.390)**	**(60.042.669)**	**-**	**(778.266)**	**-**	**-**	**(9.280.047)**	**(99.577.853)**
Other Comprehensive Income - Movement Employee benefit	**-**	**-**	**-**	**-**	**(264.861)**	**-**	**-**	**-**	**(264.861)**
Balance as at December 31st ,2024	**29.929.875**	**28.109.178**	**81.102.217**	**(5.918.306)**	**54.078.416**	**860.847**	**4.398.426**	**46.931.571**	**239.492.224**

December 31, 2023	TCS Solution Center SA	TCS Uruguay SA	TCS Mexico SA de CV	MGDC SC	TCS Inversiones Chile Ltda.	TCS Argentina SA	TCS Guatemala	TCS Brazil Ltda	Total
	(in USD)								
Balance as at December 31st, 2022	35.780.701	25.447.846	123.608.652	(1.447.877)	53.410.090	502.237	2.159.524	46.340.051	285.801.224
Retained Earnings	9.855.085	12.664.610	22.162.229	(4.104.846)	10.306.378	(190.549)	846.689	1.835.003	53.374.600
Translation adjustment	8.045.762	479.494	19.127.463	801.094	(1.180.268)	(378.621)	9.147	4.125.460	31.029.530
Dividends	(12.761.717)	(8.993.539)	(49.822.303)	-	(6.359.502)	-	-	(1.528.740)	(79.465.801)
Other Comprehensive Income - Movement Employee benefit	-	-	1.077.830	(12.054)	(108.153)	-	-	-	957.623
Balance as at December 31st, 2023	40.919.831	29.598.412	116.153.870	(4.763.682)	56.068.544	(66.933)	3.015.360	50.771.774	291.697.176

December 31st, 2024	TCS Solution Center SA	TCS Uruguay SA	TCS Mexico SA de CV	MGDC SC	TCS Inversiones Chile Ltda.	TCS Argentina SA	TCS Guatemala	TCS Brazil Ltda	Total
	(equivalent in Uruguayan Pesos)								
Balance as at December 31st, 2023	**1.596.773.630**	**1.154.989.217**	**4.532.556.331**	**(185.888.418)**	**2.187.906.739**	**(2.611.863)**	**117.665.384**	**1.981.216.184**	**11.382.607.204**
Retained Earnings	**364.611.658**	**742.146.171**	**1.907.274.261**	**(36.893.923)**	**143.713.064**	**42.225.455**	**58.296.835**	**774.030.076**	**3.995.403.597**
Translation adjustment	**(44.982.994)**	**(52.300.664)**	**(423.751.247)**	**(38.013.722)**	**94.460.823**	**(1.679.498)**	**17.858.843**	**(297.200.741)**	**(745.609.200)**
Dividends	**(597.512.443)**	**(606.175.666)**	**(2.442.229.046)**	**-**	**(31.389.788)**	**-**	**-**	**(389.958.912)**	**(4.067.265.855)**
Other Comprehensive Income - Movement Employee benefit	**-**	**-**	**-**	**-**	**(11.671.349)**	**-**	**-**	**-**	**(11.671.349)**
Balance as at December 31st, 2024	**1.318.889.851**	**1.238.659.058**	**3.573.850.299**	**(260.796.063)**	**2.383.019.489**	**37.934.094**	**193.821.062**	**2.068.086.607**	**10.553.464.397**

December 31st, 2023	TCS Solution Center SA	TCS Uruguay SA	TCS Mexico SA de CV	MGDC SC	TCS Inversiones Chile Ltda.	TCS Argentina SA	TCS Guatemala	TCS Brazil Ltda	Total
	(equivalent in Uruguayan Pesos)								
Balance as at December 31st, 2022	1.433.768.472	1.019.720.656	4.953.122.270	(58.017.865)	2.140.195.724	20.125.131	86.534.305	1.856.892.180	11.452.340.873
Retained Earnings	384.781.933	494.477.044	865.302.085	(160.269.604)	402.402.205	(7.439.780)	33.058.121	71.645.874	2.083.957.878
Translation adjustment	269.192.901	(11.444.470)	583.803.872	32.869.673	(101.691.097)	(15.297.214)	(1.927.042)	112.480.903	867.987.525
Dividends	(490.969.676)	(347.764.014)	(1.911.754.692)	-	(248.777.357)	-	-	(59.802.772)	(3.059.068.511)
Other Comprehensive Income - Movement Employee benefit	-	-	42.082.797	(470.622)	(4.222.735)	-	-	-	37.389.439
Balance as at December 31st, 2023	1.596.773.630	1.154.989.217	4.532.556.331	(185.888.418)	2.187.906.739	(2.611.863)	117.665.384	1.981.216.184	11.382.607.204

Notes to the Separate Financial Statements

c. Trade and other payables

Trade and other payables consist of the following:

Trade and other payables – Current

	As at December 31, 2024	As at December 31, 2023	As at December 31, 2024	As at December 31, 2023
	(in USD)		(equivalent in Uruguayan Pesos)	
Accrued expenses	**10.734**	11.951	**473.080**	466.343
Total	**10.734**	11.951	**473.080**	466.343

d. Financial instruments by category

The carrying value of financial instruments by categories as at December 31st, 2024 is as follows:

	Amortised cost	Total carrying value
Financial assets	(in USD)	
Cash and cash equivalents	**358.310**	**358.310**
Total	**358.310**	**358.310**
Financial liabilities		
Trade and other payables	**10.734**	**10.734**
Total	**10.734**	**10.734**

The carrying value of financial instruments by categories as at December 31st, 2023 is as follows:

	Amortised cost	Total carrying value
Financial assets	(in USD)	
Cash and cash equivalents	846.439	846.439
Other financial assets	158	158
Total	846.597	846.597
Financial liabilities		
Trade and other payables	11.951	11.951
Total	11.951	11.951

The carrying value of financial instruments by categories as at December 31st, 2024 is as follows:

Notes to the Separate Financial Statements

	Amortised cost	Total carrying value
Financial assets	**(equivalent in Uruguayan Pesos)**	
Cash and cash equivalents	**15.789.284**	**15.789.284**
Total	**15.789.284**	**15.789.284**
Financial liabilities		
Trade and other payables	**473.080**	**473.080**
Total	**473.080**	**473.080**

The carrying value of financial instruments by categories as at December 31st, 2023 is as follows:

	Amortised cost	Total carrying value
Financial assets	**(equivalent in Uruguayan Pesos)**	
Cash and cash equivalents	33.029.725	33.029.725
Other financial assets	6.158	6.158
Total	33.035.883	33.035.883
Financial liabilities		
Trade and other payables	466.343	466.343
Total	466.343	466.343

Carrying amounts of cash and cash equivalents and trade payables as at December 31st, 2024 and December 31st, 2023 approximate the fair value due to their nature. Carrying amounts of other financial assets, other financial liabilities and borrowings which are subsequently measured at amortized cost also approximates the fair value due to their nature in each of the periods presented.

e. 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.

f. Financial risk management

The Company is exposed primarily to fluctuations in foreign currency exchange rates, credit, liquidity and interest rate risks, which may adversely impact the fair value of its financial instruments.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

Notes to the Separate Financial Statements

- **Foreign currency exchange rate risk**

  The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries.

  The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

  The foreign exchange rate sensitivity is calculated by aggregation of the net foreign exchange rate exposure and a simultaneous parallel foreign exchange rates shift of all the currencies by 10% against the respective functional currencies of the Company.

  The following analysis has been worked out based on the net exposures the Company as at the date of statement of financial position which could affect the statement of profit or loss and other comprehensive income and equity.

  The following table sets forth information relating to unhedged foreign currency exposure as at December 31st ,2024:

  (in USD)

	UYU
Net financial assets	-
Net financial liabilities	-

  The following table sets forth information relating to unhedged foreign currency exposure as at December 31st, 2023:

  (in USD)

	UYU
Net financial assets	-
Net financial liabilities	**2.177**

  10% appreciation / depreciation of the respective foreign currencies with respect to functional currency of the Company would result in decrease / increase in the Company's profit before tax by approximately Nil and USD 218 for the year ended December 31st, 2024 and December 31st, 2023 respectively.

- **Interest rate risk**

  The Company is not exposed to interest rate risk.

Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentrations of credit risk principally consist of cash and cash equivalents. Cash and cash equivalents include an amount of USD 358.310 (UYU 15.789.284) held with a bank in Uruguay having high credit rating which are individually in excess of 10% or more of the Company's total Cash and Cash Equivalent as at December 31, 2024. None of the other financial instruments of the Company result in material concentration of credit risk.

Notes to the Separate Financial Statements

- **Exposure to credit risk**

  The carrying amount of financial assets and contract assets represents the maximum credit exposure. The maximum exposure to credit risk was USD 358.310 (UYU 15.789.284) and USD 846.597 (UYU 33.035.883) as at December 31st ,2024 and December 31st, 2023, respectively being the total of the carrying amount of Cash and cash equivalent and Other financial assets.

  The Company has no credit risk due to Nil total trade receivables for the financial years ended in 2024.

  Liquidity risk

  Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company consistently generated sufficient cash flows from operations to meet its financial obligations as and when they fall due.

  The tables below provide details regarding the contractual maturities of significant financial liabilities as at:

December 31st, 2024	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5 years	Total
	(in USD)				
Non-derivative financial liabilities:					
Trade and other payables	**10.734**	**-**	**-**	**-**	**10.734**
Total	**10.734**	**-**	**-**	**-**	**10.734**

December 31st, 2023	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5 years	Total
	(in USD)				
Non-derivative financial liabilities:					
Trade and other payables	11.951	-	-	-	11.951
Total	11.951	-	-	-	11.951

December 31st, 2024	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5 years	Total
	(equivalent in Uruguayan Pesos)				
Non-derivative financial liabilities:					
Trade and other payables	**473.080**	**-**	**-**	**-**	**473.080**
Total	**473.080**	**-**	**-**	**-**	**473.080**

December 31st, 2023	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5 years	Total
	(equivalent in Uruguayan Pesos)				
Non-derivative financial liabilities:					
Trade and other payables	466.343	-	-	-	466.343
Total	466.343	-	-	-	466.343

Notes to the Separate Financial Statements

g. Equity instruments

The authorized, issued, subscribed and fully paid up share capital consist of the following:

	As at December 31, 2024	As at December 31, 2023
	(in Uruguayan Pesos)	
Autorized		
Equity shares of UYU 1 each	**3.000.000.000**	3.000.000.000
Total	**3.000.000.000**	3.000.000.000
Issued, Subscribed and Fully paid up		
Opening balance of equity shares of UYU 1	**2.122.783.424**	2.122.783.424
Shares issued during the year	**-**	-
Total	**2.122.783.424**	2.122.783.424

The Company's objective for capital management is to maximize shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. The Company is not subject to any externally imposed capital requirements.

9. NON-FINANCIAL ASSETS AND LIABILITIES

a. Other assets

Other assets consist of the following:

Other assets – Current

	As at December 31, 2024	As at December 31, 2023	As at December 31, 2024	As at December 31, 2023
	(in USD)		(equivalent in Uruguayan Pesos)	
VAT receivable	**6.953**	11.760	**306.394**	458.907
Other current assets	**9.367**	32.937	**412.764**	1.285.262
Total	**16.320**	44.697	**719.158**	1.744.169

b. Other liabilities

Other liabilities consist of the following:

Other liabilities – Current

	As at December 31, 2024	As at December 31, 2023	As at December 31, 2024	As at December 31, 2023
	(in USD)		(equivalent in Uruguayan Pesos)	
Indirect tax payable and other statutory liabilities	**-**	10.341	**-**	403.536
Total	**-**	10.341	**-**	403.536

Notes to the Separate Financial Statements

10. OPERATING EXPENSES

Costs and expenses are recognized when incurred and have been classified according to their primary functions in the following categories:

The costs of the Company are categorized into other operating expenses which includes fees to external consultants, auditors' remuneration and other expenses.

Other operating expenses

	For the year ended December 31, 2024	For the year ended December 31, 2023	For the year ended December 31, 2024	For the year ended December 31, 2023
	(in USD)		(equivalent in Uruguayan Pesos)	
Fees to external consultants	**18.295**	57.013	**729.085**	2.232.261
Auditors' remuneration	**8.980**	8.980	**380.840**	348.999
Other expenses	**21.255**	18.297	**878.954**	712.753
Total	**48.530**	84.290	**1.988.879**	3.294.013

11. OTHER INCOME

a. Finance income

Dividend income is recorded when the right to receive payment is established. Interest income is recognised using effective interest method.

	For the year ended December 31, 2024	For the year ended December 31, 2023	For the year ended December 31, 2024	For the year ended December 31, 2023
	(in USD)		(equivalent in Uruguayan Pesos)	
Interest revenue - Bank deposits	**24.918**	12.189	**1.010.457**	471.792
Interest revenue - Loan to Subsidiary	**-**	43.644	**-**	1.688.807
Total	**24.918**	55.833	**1.010.457**	2.160.599

b. Other gains (losses), net

	For the year ended December 31, 2024	For the year ended December 31, 2023	For the year ended December 31, 2024	For the year ended December 31, 2023
	(in USD)		(equivalent in Uruguayan Pesos)	
Net foreign exchange gains (losses)	**(397.895)**	(136.172)	**(15.397.706)**	(5.284.549)
Total	**(397.895)**	(136.172)	**(15.397.706)**	(5.284.549)

12. INCOME TAXES

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

Notes to the Separate Financial Statements

Current income taxes

The current income tax expense includes income taxes payable by the Company.

Current income tax payable is computed in accordance with the tax laws applicable in Uruguay.

Advance taxes and provisions for current income taxes are presented in the statement of financial position after off-setting advance tax paid and income tax provision.

The income tax expense consists of the following:

	For the year ended December 31, 2024	For the year ended December 31, 2023	For the year ended December 31, 2024	For the year ended December 31, 2023
	(in USD)		(equivalent in Uruguayan Pesos)	
Current income tax expense				
Domestic	**38.417**	(84)	**1.546.615**	(4.115)
Overseas	**3.079.960**	3.127.065	**125.250.431**	120.465.470
Total income tax expense	**3.118.377**	3.126.981	**126.797.046**	120.461.355

The reconciliation of estimated income tax expense reported in statements of profit or loss is as follows:

	For the year ended December 31, 2024	For the year ended December 31, 2023	For the year ended December 31, 2024	For the year ended December 31, 2023
	(in USD)		(equivalent in Uruguayan Pesos)	
Income before income taxes	**90.247.117**	53.209.971	**3.979.027.469**	2.077.539.915
Federal income tax rate	**25%**	25%	**25%**	25%
Expected income tax expense	**22.561.779**	13.302.493	**994.756.867**	519.384.979
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:				
Tax holidays and income exempt from tax	**(22.523.320)**	(13.300.569)	**(993.208.665)**	(519.311.253)
Tax pertaining to prior years:	**(42)**	(2.008)	**(1.588)**	(77.841)
Disallowable expenses	**3.079.960**	3.127.065	**125.250.431**	120.465.470
Total income tax expense	**3.118.377**	3.126.981	**126.797.046**	120.461.355

Direct tax contingencies

As of date of separate financial statements the Company does not have any disputes with income tax authorities of Uruguay.

13. COMMITMENTS AND CONTINGENCIES

Contingencies

- **Direct tax matters**

  Refer to note 12.

- **Indirect tax matters**

  There are no contingencies in relation to indirect taxes.

Notes to the Separate Financial Statements

14. RELATED PARTY TRANSACTIONS

Company's principal related parties consist of its ultimate holding company Tata Consultancy Services Limited and its subsidiaries, affiliates and key managerial personnel. The company's related party transactions and outstanding balances are with related parties with whom the Company routinely enter into transactions in the ordinary course of business.

Transactions with related parties are as follows:

	Year ended December 31, 2024	Year ended December 31, 2023	Year ended December 31, 2024	Year ended December 31, 2023
	(in USD)		(equivalent in Uruguayan Pesos)	
Dividend Income				
Subsidiaries of Tata Consultancy Services Limited				
Tata Consultancy Services Chile S.A.	**2**	14	**72**	529
Tata Consultancy Services De Mexico S.A.,De C.V.	**60.042.669**	49.822.303	**2.442.229.046**	1.911.754.692
TCS Inversiones Chile Limitada	**778.264**	6.359.488	**31.389.716**	248.776.828
TCS Solution Center S.A.	**14.671.481**	12.761.717	**597.512.443**	490.969.676
TCS do Brasil Ltda.	**9.280.047**	1.528.740	**389.958.912**	59.802.772
TCS Uruguay S. A.	**14.805.390**	8.993.539	**606.175.666**	347.764.014
Total	**99.577.853**	79.465.801	**4.067.265.855**	3.059.068.511
Interest Income				
Subsidiaries of Tata Consultancy Services Limited				
TCS Uruguay S. A.	**-**	43.644	**-**	1.688.807
Total	**-**	43.644	**-**	1.688.807
Services				
Subsidiaries of Tata Consultancy Services Limited				
TCS Uruguay S. A.	**-**	44.513	**-**	1.737.957
Total	**-**	44.513	**-**	1.737.957
Dividend paid				
Tata Consulatancy Services Limited	**96.576.820**	77.694.000	**3.944.549.956**	2.989.372.270
Total	**96.576.820**	77.694.000	**3.944.549.956**	2.989.372.270
Loan Recovered				
Subsidiaries of Tata Consultancy Services Limited				
TCS Uruguay S. A.	**-**	2.000.000	**-**	75.080.000
Total	**-**	2.000.000	**-**	75.080.000

Notes to the Separate Financial Statements

Transactions with related parties are as follows:

	Year ended December 31, 2024	Year ended December 31, 2023	Year ended December 31, 2024	Year ended December 31, 2023
	(in USD)		(equivalent in Uruguayan Pesos)	
Brand equity contribution				
Tata Sons Private Limited, its subsidiaries and associates				
Tata Sons Private Limited	**239**	-	**10.552**	-
Total	**239**	-	**10.552**	-

Balances payable to related parties are as follows:

	As at December 31, 2024	As at December 31, 2023	As at December 31, 2024	As at December 31, 2023
	(in USD)		(equivalent in Uruguayan Pesos)	
Trade payables, unearned and deferred revenue, other financial liabilities and other liabilities				
Tata Sons Private Limited, its subsidiaries and associates				
Tata Sons Private Limited	**119**	-	**5.229**	-
Total	**119**	-	**5.229**	-

Remuneration to the Board

The members of the Company's board are not remunerated for carrying out their duties.

15. SUBSEQUENT EVENT

There was no subsequent event that meet disclosure.

TATA CONSULTANCY SERVICES QATAR L.L.C.

(Registration Number: 53508)

FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT

December 31, 2024

FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2024

INDEX **PAGE**

Independent Auditors' Report	17.2
Statements of Financial Position	17.4
Statement of Profit or Loss and Other Comprehensive Income	17.5
Statements of Changes in Equity	17.6
Statements of Cash Flows	17.7
Notes to Financial Statements	17.8

Back to main content

INDEPENDENT AUDITORS' REPORT

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To the Shareholders of
Tata Consultancy Services Qatar L.L.C.

Opinion

We have audited the financial statements of Tata Consultancy Services Qatar L.L.C. (the 'Company'), which comprise the statement of financial position as at 31 December 2024, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in the State of Qatar, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company 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.

Auditors' Responsibilities for the Audit of the Financial Statements

Objectives are to obtain reasonable assurance about whether the 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 ISAs 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 financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal requirements

As required by the Qatar Commercial Companies Law No. 11 of 2015, whose certain provisions were subsequently amended by Law No. 8 of 2021 ("amended QCCL"), we also report that:

i) We have obtained all the information and explanations we considered necessary for the purposes of our audit.

ii) The Company has maintained proper accounting records, and its financial statements are in agreement therewith.

iii) Furthermore, the Company did not hold inventories as at reporting date, hence, physical count was not required.

iv) We are not aware of any violations of the applicable provisions of the amended QCCL or the terms of the Company's Articles of Association having occurred during the period which might have had a material effect on the Company's financial position or performance as at and for the period ended 31 December 2024.

05 May 2025
Doha
State of Qatar

Salim Khalil
KPMG
Audit registration number 472

Statement of Financial Position as at December 31, 2024

(Amount in QAR)

	Note	As at December 31, 2024	As at December 31, 2023
ASSETS			
Current assets			
Cash and cash equivalents	7(a)	**23,617,642**	20,980,474
Trade receivables	7(b)	**8,048,311**	8,287,445
Unbilled receivables		**1,004,576**	459,209
Other financial assets	7(c)	**8,291,421**	1,173,580
Other assets	9(b)	**1,535,976**	1,276,043
Total current assets		**42,497,926**	32,176,751
Non-current assets			
Other financial assets	7(c)	**49,410**	47,118
Property, plant and equipment	9(a)	**5,911**	9,289
Right-of-use assets	8	**67,543**	341,995
Deferred tax assets (net)	13	**19,407**	19,107
Other assets	9(b)	**-**	53,055
Total non-current assets		**142,271**	470,564
TOTAL ASSETS		**42,640,197**	32,647,315
LIABILITIES AND EQUITY			
Liabilities			
Current liabilities			
Lease liabilities		**-**	275,941
Trade payables	7(d)	**18,614,990**	8,968,889
Other financial liabilities	7(e)	**182,729**	-
Unearned and deferred revenue	10	**1,322,898**	1,155,292
Other liabilities	9(c)	**-**	105,598
Provisions		**-**	-
Employee benefit obligations	14(a)	**48,529**	52,497
Income tax liabilities (net)	13	**77,830**	215,947
Total current liabilities		**20,246,976**	10,774,164
Non-current liabilities			
Employee benefit obligations	14(b)	**266,674**	243,707
Total non-current liabilities		**266,674**	243,707
TOTAL LIABILITIES		**20,513,650**	11,017,871
EQUITY			
Share capital	7(i)	**2,000,000**	2,000,000
Retained earnings	5(a)	**19,126,547**	18,629,444
Legal reserve	5(b)	**1,000,000**	1,000,000
Total equity		**22,126,547**	21,629,444
TOTAL LIABILITIES AND EQUITY		**42,640,197**	32,647,315

"These financial statements were signed by the general manager of the Company Mr Devashis Goswami on 05 May 2025"

See accompanying notes on page 8 to 28 forming part of the financial statements.

Statement of Profit or Loss and Other Comprehensive Income
For the year ended December 31, 2024

(Amount in QAR)

	Note	Year ended December 31, 2024	Year ended December 31, 2023
REVENUE	10	**16,189,052**	21,375,610
Operating expenses			
Employee benefit obligations	14(a)	**3,456,660**	3,047,110
Other operating expenses	11	**12,675,811**	16,694,736
Depreciation	8, 9(a)	**277,829**	285,220
Reversal of provision for Impairment loss on trade receivables		**(21,119)**	(4,432,373)
Total operating expenses		**16,389,181**	15,594,693
Operating (loss) /profit		**(200,129)**	5,780,917
Other expenses			
Other non-operating loss	12	**758,268**	614,531
Finance costs		**(6,059)**	(14,689)
Profit before taxes		**552,080**	6,380,759
Income tax expense	13	**(54,977)**	(638,014)
PROFIT		**497,103**	5,742,745
Other comprehensive income		**-**	-
TOTAL COMPREHENSIVE INCOME		**497,103**	5,742,745

See accompanying notes on page 8 to 28 forming part of the financial statements.

Statement of Changes in Equity for the year ended December 31, 2024

(Amount in QAR)

	Share capital	Retained earnings	Legal reserve	Total equity
Balance as at January 01, 2023	2,000,000	12,886,699	1,000,000	15,886,699
Total comprehensive income for the year	-	5,742,745	-	5,742,745
Balance as at December 31, 2023	**2,000,000**	**18,629,444**	**1,000,000**	**21,629,444**
Total comprehensive income for the year	**-**	**497,103**	**-**	**497,103**
Balance as at December 31, 2024	**2,000,000**	**19,126,547**	**1,000,000**	**22,126,547**

See accompanying notes on page 8 to 28 forming part of the financial statements.

Statement of Cash Flows for the year ended December 31, 2024

(Amount in QAR)

	Note	Year ended December 31, 2024	Year ended December 31, 2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit		**497,103**	5,742,745
Adjustment to reconcile profit or loss to net cash provided by operating activities:			
Depreciation	8, 9(a)	**277,829**	285,220
Income tax expense	13	**54,977**	638,014
Reversal of Impairment loss on trade receivables	7(b)	**21,120**	4,432,373
Unrealised foreign exchange gain	7(b)	**(1)**	34,683
Accrued interest on lease liabilities	8	**6,059**	14,689
Provision for employees' benefit obligations	14(b)	**66,800**	80,765
Net change in working capital			
Trade receivables		**218,014**	(5,760,206)
Unbilled receivables		**(545,366)**	184,911
Other financial assets		**(7,120,133)**	4,084,929
Other assets		**(206,878)**	3,917,573
Trade payables		**9,646,101**	3,561,671
Other financial liabilities		**182,729**	(308)
Unearned and deferred revenues		**167,606**	(734)
Employee benefit obligations provision		**(3,967)**	(15,245)
Other liabilities		**(105,598)**	(84,410)
Provisions		**-**	(4,894)
Cash generated from operating activities		**3,156,395**	17,111,776
Income taxes paid	13	**(193,394)**	(50,716)
Employees benefit obligations paid	14(b)	**(43,833)**	(115,471)
Net cash generated from operating activities		**2,919,168**	16,945,589
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	9(a)	**-**	(775)
Net cash used in investing activities		**-**	(775)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of lease liabilities	8	**(282,000)**	(282,000)
Net cash used in financing activities		**(282,000)**	(282,000)
Net change in cash and cash equivalents		**2,637,168**	16,662,814
Cash and cash equivalents, beginning of the year		**20,980,474**	4,317,660
Cash and cash equivalents, end of the year	7(a)	**23,617,642**	20,980,474

See accompanying notes on page 8 to 28 forming part of the financial statements.

Notes forming part of the Financial Statements

1. Corporate Information

TATA CONSULTANCY SERVICES QATAR L.L.C. (the "Company") is registered as a limited liability company in the State of Qatar in accordance with Qatar Commercial Law and operates under commercial registration number 53508.

The Company is engaged in a wide range of information technology and consultancy services including systems hardware and software, communications and networking, hardware sizing and capacity planning, software project management solutions, technology education services and business process outsourcing.

The address of the Company's registered office is Al Bidda Tower, 7th Floor, Corniche Street, Doha, Qatar, P.O.Box # 207210.

As at December 31, 2024, Tata Consultancy Services Limited (parent entity) owned 100% of Company's equity share capital.

The financial statements were approved and authorised for issue on 05 May 2025

2. Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the international accounting standard board ("IASB"). The principal accounting policies applied in the preparation of these financial statements have been consistently applied to all periods presented in these financial statements.

3. Basis of preparation

The financial statements have been prepared on historical cost basis at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for 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.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customer and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

Cash flows are reported using the indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The Company classifies interest paid and interest and dividend received as cash flow from operating activities. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value to be cash equivalents.

The functional and presentation currency of the Company is Qatari Riyal ("QAR").

Foreign currency transactions are translated into functional currency at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are translated into the functional currency using exchange rates prevailing on the date of statement of financial position. Gains and losses arising on conversion of foreign currency denominated monetary assets and liabilities are included in profit or loss. Non monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not translated.

4. Use of estimates and judgments

The preparation of these financial statements in conformity with the recognition and measurement principles of International Financial Reporting Standards (IFRS) requires management to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses for the years presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and future periods are affected.

Notes forming part of the Financial Statements

The Company uses the following critical accounting estimates in preparation of its financial statements:

a. Revenue Recognition

Revenue for fixed-price contracts are recognised using percentage-of-completion method. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.

b. Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

c. Provision for income tax and deferred tax

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

d. Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at the end of each reporting period adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

e. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of IFRS 16. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

5. Nature and purpose of reserves

a. Retained earnings

This reserve represents undistributed accumulated earnings of the Company as on the date of statement of financial position.

b. Legal reserves

In accordance with Qatar Commercial Company's Law, the Company has established a legal reserve by appropriation of 10% of profit for each year until the reserve equals 50% of the capital. This has been achieved, hence the Company has resolved to discontinue such transfer. This reserve is not available for distribution except in circumstances as specified in the Law.

Notes forming part of the Financial Statements

6. Recent Accounting Standards

The Company has not applied the following new and revised IFRSs that have been issued but are not yet effective.

Amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates [1]

Amendments to IFRS 9 and IFRS 7[2]

IFRS 18 – Presentation and Disclosures in Financial Statements[3]

IFRS 19 – Subsidiaries without Public Accountability: Disclosures[3]

[1]Effective for annual periods beginning on or after January 1, 2025.
[2]Effective for annual periods beginning on or after January 1, 2026.
[3]Effective for annual periods beginning on or after January 1, 2027.

IAS 21 – The Effects of Changes in Foreign Exchange Rates

In August 2023, the IASB issued 'Lack of Exchangeability (Amendments to IAS 21)' to provide guidance to specify which exchange rate to use when the currency is not exchangeable. An entity must estimate the spot exchange rate as the rate that would have applied to an orderly transaction between market participants at the measurement date and that would faithfully reflect the economic conditions prevailing. The Company does not expect this amendment to have any significant impact in its financial statements.

IFRS 9 and IFRS 7 – Financial Instruments and Financial Instruments Disclosure

In May 2024, the IASB issued "Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) to address matters identified during the post-implementation review of IFRS 9. The amendments relate to derecognition of a financial liability settled through electronic transfer, classification of financial assets and disclosures of certain financial assets and financial liabilities. The Company will evaluate the amendments and implement them accordingly.

IFRS 18 – Presentation and Disclosures in Financial Statements

In April 2024, the IASB issued its new standard IFRS 18 – Presentation and Disclosures in Financial Statements that will replace IAS 1 – Presentation of Financial Statements. The new standard aims at improving how entities communicate in their financial statements. The Company will evaluate the standard and implement it accordingly.

IFRS 19 – Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued a new standard IFRS 19 - Subsidiaries without Public Accountability: Disclosures. The standard allows a subsidiary which does not have public accountability and has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards, to elect IFRS 19. Such an entity applies the requirements in other IFRS Accounting Standards, except for the disclosure requirements, instead the entity applies the requirements in IFRS 19.

7. Financial assets, financial liabilities and equity instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and 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 measured on initial recognition of financial asset or financial liability.

The Company derecognises a financial asset only 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 entity. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Notes forming part of the Financial Statements

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Impairment of financial assets (other than at fair value)

The Company assesses at each date of statement of financial position whether a financial asset or a group of financial assets is impaired. IFRS 9 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. In determining the allowances for doubtful trade receivables the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

a. Cash and cash equivalents

(Amount in QAR)

	As at December 31, 2024	As at December 31, 2023
Balances with bank	**23,617,642**	20,980,474
Total	**23,617,642**	20,980,474

b. Trade receivables

(Amount in QAR)

	As at December 31, 2024	As at December 31, 2023
Trade receivables*	**8,048,311**	8,308,566
Less: Allowance for impairment of trade receivables	**-**	(21,121)
Total	**8,048,311**	8,287,445

* Trade receivables include balances with related parties, please refer to Note 16.

Notes forming part of the Financial Statements

Movement in the allowance for impairment in respect of trade receivables

(Amount in QAR)

	As at December 31, 2024	As at December 31, 2023
At April 1,	**21,121**	4,418,811
Reversal of provision during the year	**(21,120)**	(4,432,373)
Less : Exchange difference	**(1)**	34,683
At December 31,	**0**	21,121

c. Other financial assets

(Amount in QAR)

	As at December 31, 2024	As at December 31, 2023
Other financial assets – Current		
Accrued interest	**13,222**	61,326
Employee advances	**4,601**	84,843
Restricted cash*	**8,262,818**	1,021,654
Others	**10,780**	5,757
Total	**8,291,421**	1,173,580

Other financial assets - Non-current

(Amount in QAR)

	As at December 31, 2024	As at December 31, 2023
Premises security deposit	**49,410**	47,118
Total	**49,410**	47,118

*In restricted cash, expenses towards issuance of Bank Guarantee (BG) for Tender / Performance bond are accounted. At the time of issuance of BG, bank reserves some percentage and debits bank account which remain as reserve cash and cannot be withdrawn, once the BG is matured that amount is credited to the bank account automatically.

d. Trade payables

(Amount in QAR)

	As at December 31, 2024	As at December 31, 2023
Trade payables *	**17,530,401**	6,479,348
Accrued expenses *	**1,084,589**	2,489,541
Total	**18,614,990**	8,968,889

* Trade payables and accrued expenses include balances with related parties, please refer to Note 16.

e. Other financial liabilities - current

(Amount in QAR)

	As at December 31, 2024	As at December 31, 2023
Accrued payroll	**182,729**	-
Total	**182,729**	-

Notes forming part of the Financial Statements

f. Financial instruments by category

The carrying value of financial instruments by categories as at December 31, 2024 is as follows:

(Amount in QAR)

	Amortised cost	Total carrying value
Assets:		
Cash and cash equivalents	**23,617,642**	**23,617,642**
Trade receivables	**8,048,311**	**8,048,311**
Unbilled receivables	**1,004,576**	**1,004,576**
Other financial assets	**8,340,831**	**8,340,831**
Total Assets	**41,011,360**	**41,011,360**
Liabilities:		
Trade payables	**18,614,990**	**18,614,990**
Lease liabilities	**-**	**-**
Other financial liabilities	**182,729**	**182,729**
Total Liabilities	**18,797,719**	**18,797,719**

The carrying value of financial instruments by categories as at December 31, 2023 is as follows:

(Amount in QAR)

	Amortised cost	Total carrying value
Assets:		
Cash and cash equivalents	20,980,474	20,980,474
Trade receivables	8,287,445	8,287,445
Unbilled revenues	459,209	459,209
Other financial assets	1,220,698	1,220,698
Total Assets	30,947,826	30,947,826
Liabilities:		
Trade payables	8,968,889	8,968,889
Lease liabilities	275,941	275,941
Other financial liabilities	-	-
Total Liabilities	9,244,830	9,244,830

Carrying amounts of cash and cash equivalents, trade receivables, unbilled receivables and trade payables as at December 31, 2024 and December 31, 2023 approximate the fair value.

g. 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.

Notes forming part of the Financial Statements

h. Financial risk management

The Company is exposed primarily to fluctuations in foreign currency exchange rates, credit, liquidity and interest rate risks, which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which covers risks associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors. The focus of the risk management committee is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the Company.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

- **Currency risk**

  The fluctuation in foreign currency exchange rate may have potential impact on the statement of financial statement, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than functional currency of the Company. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries.

  The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

  The foreign exchange rate sensitivity is calculated by aggregation of the net foreign exchange rate exposure and a simultaneous parallel foreign exchange rates shift of all the currencies by 10% against the functional currency of the Company.

  The following table sets forth information relating to foreign currency exposure as at December 31, 2024:

	USD (equivalent QAR)	INR (equivalent QAR)
Net financial assets	**2,498,899**	**-**
Net financial liabilities	**12,952,549**	**-**
Net statement of financial position exposure	**(10,453,650)**	**-**

  10% depreciation / appreciation of the respective foreign currencies with respect to functional currency of the Company would result in decrease / increase in the Company's Profit before taxes by approximately QAR 1,045,365 for the year ended December 31, 2024.

  The following table sets forth information relating to foreign currency exposure as at December 31, 2023:

	USD (equivalent QAR)	INR (equivalent QAR)
Net financial assets	3,574,720	-
Net financial liabilities	6,778,947	-
Net statement of financial position exposure	(3,204,227)	-

  10% depreciation / appreciation of the respective foreign currencies with respect to functional currency of the Company would result in decrease / increase in the Company's Profit before taxes by approximately QAR 320,423 for the year ended December 31, 2023.

- **Interest rate risk**

  Interest rate risk is the risk of changes in market interest rates affecting the overall return of the Company. The Company does not hedge its interest rate exposure. The Company's exposure to interest rate risk is limited to its bank deposits. Assuming that the deposits remain the same, the Company will benefit by QAR 50,000 (December 2023: QAR NIL) with the increase of 25 bp in interest rate. In case the interest rate decreases by 25 bp the Company will incur a reduction in income by the same amount..

Notes forming part of the Financial Statements

Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, unbilled receivables, cash and cash equivalents, and other financial assets

- **Exposure to credit risk**

  The carrying amount of financial assets and contract assets represents the maximum credit exposure. The maximum exposure to credit risk was QAR 41,431,092 and QAR 31,149,600 as of December 31, 2024 and December 31, 2023, respectively being the total of the carrying amount of balance with bank, trade receivables, unbilled receivables, contract assets and other financial assets. Balance with bank is placed with a bank with high credit ratings. As of December 31, 2024, there were no indications that any defaults will occur on trade receivables, unbilled receivables, contract assets or other financial assets.

  Tata Consultancy Services Qatar L.L.C., the Company's exposure to customers is diversified and single customer's contribution to more than 10% of outstanding trade receivables, unbilled receivables and contract assets as at December 31, 2024 and December 31, 2023 was as below :

(Amount in QAR)

	As at December 31, 2024		As at December 31, 2023	
Client Name	Total trade receivables and unbilled revenue	Percentage	Total trade receivables and unbilled revenue	Percentage
Customer A	**4,267,631**	**45%**	4,215,343	47%
Customer B	**1,248,339**	**13%**	1,563,587	18%
Customer C	**1,054,787**	**11%**	1,130,005	13%

- **Geographic concentration of credit risk**

  The Company has a geographic concentration of trade receivables (net of allowances), unbilled receivables and contract assets as given below:

	As at December 31, 2024	As at December 31, 2023
Middle East	**99.62%**	98%
Americas	**0.38%**	2%

Geographical concentration of trade receivables and unbilled receivables and contract assets is allocated based on the location of the customers.

The Company uses an allowance matrix to measure the expected credit loss of trade receivable from customers. The expected credit loss allowance is based on the ageing of the days the receivables are due and are as follows:

(Amount in QAR)

December 31, 2024	Weighted average loss rate	Gross carrying amount*	Loss allowance#	Credit impaired
Not Due	**0%**	**1,930,116**	**-**	**No**
1-90	**0%**	**2,229,075**	**-**	**No**
91-180	**0%**	**739,845**	**-**	**No**
181-272	**0%**	**1,185,596**	**-**	**No**
273-364	**0%**	**871,889**	**-**	**No**
365-455	**0%**	**1,084,725**	**-**	**No**
456-546	**0%**	**-**	**-**	**No**
>547	**0%**	**-**	**-**	**Yes**

Notes forming part of the Financial Statements

(Amount in QAR)

December 31, 2023	Weighted average loss	Gross carrying amount*	Loss allowance #	Credit impaired
Not Due	1.55%	2,014,316	(31,232)	No
1-90	2.05%	2,805,494	(57,511)	No
91-180	3.42%	2,632,728	(90,150)	No
181-272	8.92%	143,803	(12,828)	No
273-364	21.09%	10,045	(2,118)	No
365-455	34.34%	186,341	(63,981)	No
456-546	76.02%	9,356	(7,113)	No
>547	100.00%	85	(85)	Yes

Gross carrying amount excludes intercompany receivables and receivable against which specific allowance has been made

#The above table provides the loss allowance calculated as per ECL and Management is expected to make at the minimum this amount as provision of bad and doubtful debts against trade receivables. However in this case management has made higher provisions as bad and doubtful debts against trade receivables based on their prudent judgement to cover higher risk.

Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company consistently generates sufficient cash flows from operations to meet its financial obligations as and when they fall due.

The tables below provide details regarding the contractual maturities of significant financial liabilities as at:

(Amount in QAR)

December 31, 2024	Due in 1st year	Due in 2nd to 5th year	Total
Non derivative financial liabilities			
Trade payables	**18,614,990**	**-**	**18,614,990**
Lease liabilities	**-**	**-**	**-**
Other financial liabilities	**182,729**	**-**	**182,729**
Total	**18,797,719**	**-**	**18,797,719**

(Amount in QAR)

December 31, 2023	Due in 1st year	Due in 2nd to 5th year	Total
Non derivative financial liabilities			
Trade payables	8,968,889	-	8,968,889
Lease liabilities	282,000	-	282,000
Other financial liabilities	-	-	-
Total	9,250,889	-	9,250,889

Notes forming part of the Financial Statements

i. Equity instruments

(Amount in QAR)

	As at December 31, 2024	As at December 31, 2023
Authorised		
Ordinary shares	**2,000,000**	2,000,000
Issued, Subscribed and Fully paid up		
Ordinary shares	**2,000,000**	2,000,000
Total	**2,000,000**	2,000,000

Shares have no par value.

Share holding	Percentage	Percentage
Tata Consultancy Services Limited	100%	100%

Capital management

The Company's objective for capital management is to maximize shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. The Company is not subject to any externally imposed capital requirements.

8. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right- of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in profit or loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease-by-lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and profit or loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in profit or loss.

Notes forming part of the Financial Statements

The Company has elected not to apply the requirements of IFRS 16 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

The details of the right-of-use asset held by the Company is as follows:

(Amount in QAR)

	Additions for the year ended December 31, 2024	Net carrying amount as at December 31, 2024
Leasehold building	-	66,976
ROU leasehold building - Security deposit	-	567
Total	-	67,543

(Amount in QAR)

	Additions for the year ended December 31, 2023	Net carrying amount as at December 31, 2023
Leasehold building	**543,252**	339,162
ROU Leasehold Building - Security deposit	**4,532**	2,833
Total	**547,784**	341,995

Depreciation on right-of-use asset is as follows

(Amount in QAR)

	Year ended December 31, 2024
Leasehold building	**272,185**
ROU leasehold building - Security deposit	**2,266**
Total	**274,451**

Depreciation on right-of-use asset is as follows:

(Amount in QAR)

	Year ended December 31, 2023
Leasehold building	272,299
ROU leasehold building - Security deposit	2,052
Total	274,351

Interest on lease liabilities is QAR 6,059 and QAR 14,689 for the year ended on December 31, 2024 and year ended on December 31, 2023, respectively.

The Company incurred QAR NIL and QAR NIL for the year ended on December 31, 2024 and year ended on December 31, 2023, towards expenses relating to short-term leases and leases of low-value assets.

The total cash outflow for leases is QAR 282,000 and QAR 282,000 for the year ended December 31, 2024, and year ended December 31, 2023, respectively, including cash outflow for short-term leases and leases of low-value assets.

The Company does not have lease term extension options that are not reflected in the measurement of lease liabilities.

Lease contracts entered by the Company majorly pertains for buildings taken on lease to conduct its business in the ordinary course.

The Company does not have any lease restrictions and commitment towards variable rent as per the contract

Notes forming part of the Financial Statements

9. Non-financial assets and financial liabilities

a. Property, plant and equipment

Property, plant and equipment are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use, less accumulated depreciation (other than freehold land) and impairment loss, if any.

Depreciation is provided for property, plant and equipment on a straight line basis so as to expense the cost less residual values over their estimated useful lives based on a technical evaluation. The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

The estimated useful lives are as mentioned below:

Type of asset	Method	Useful life (in years)
Computer and equipment	Straight Line Method	4 years
Furniture and Fixtures	Straight Line Method	5 years

Depreciation is not recorded on capital work in progress until construction and installation are complete and the asset is ready for its intended use. Capital work-in-progress includes capital advances.

Property, plant and equipment with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss.

Property, plant and equipment

Property, Plant and equipment consist of the following:

(Amount in QAR)

	Computer equipment	Furniture and fixtures	Total
Gross block as at January 1, 2024	**135,042**	**7,719**	**142,761**
Additions	**-**	**-**	**-**
Gross block as at December 31, 2024	**135,042**	**7,719**	**142,761**
Accumulated depreciation as at January 1, 2024	**125,753**	**7,719**	**133,472**
Depreciation for the year	**3,378**	**-**	**3,378**
Accumulated depreciation as at December 31, 2024	**129,131**	**7,719**	**136,850**
Net carrying amount as at December 31, 2024	**5,911**	**-**	**5,911**
Capital work-in-progress			**-**
			5,911
Gross block as at January 1, 2023	132,317	7,719	140,036
Additions	2,725	-	2,725
Gross block as at December 31, 2023	135,042	7,719	142,761
Accumulated depreciation as at January 1, 2023	114,884	7,719	122,603
Depreciation for the year	10,869	-	10,869
Accumulated depreciation as at December 31, 2023	125,753	7,719	133,472
Net carrying amount as at December 31, 2023	9,289	-	9,289
Capital work-in-progress			-
			9,289

Notes forming part of the Financial Statements

b. Other assets

(Amount in QAR)

	As at December 31, 2024	As at December 31, 2023
Other assets consist of the following:		
Other assets - Current		
Advance to suppliers	**8,982**	48,700
Other advances - Allowance	**-**	-
Prepaid expenses - current*	**1,142,522**	1,113,884
Contract assets - current (Refer to Note 10)	**419,732**	148,719
Contract fulfillment costs - current	**-**	
Others	**(35,260)**	(35,260)
Total	**1,535,976**	1,276,043

* Prepaid expenses include balances with related parties, please refer to Note 16.

Other assets - non-current

(Amount in QAR)

	As at December 31, 2024	As at December 31, 2023
Contract assets - non-current	-	53,055
Total	-	53,055

c. Other liabilities

(Amount in QAR)

	As at December 31, 2024	As at December 31, 2023
Other liabilities consist of the following:		
Other liabilities - current		
Advance received from customers	-	105,598
Total	-	105,598

10. Revenue recognition

The Company earns revenue primarily from providing IT services, consulting and business solutions. The Company offers a consulting- led, cognitive powered, integrated portfolio of IT, business and engineering services and solutions.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.
- In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract cost incurred determining the degree of completion of the performance obligation. The contract cost used in computing the revenues include cost of fulfilling warranty obligations.

Notes forming part of the Financial Statements

- Revenue from the sale of distinct internally developed software and manufactured systems and third party software is recognised upfront at the point in time when the system / software is delivered to the customer. In cases where implementation and / or customisation services rendered significantly modifies or customises the software, these services and software are accounted for as a single performance obligation and revenue is recognised over time on a POC method.
- Revenue from the sale of distinct third party hardware is recognised at the point in time when control is transferred to the customer.
- The solutions offered by the Company may include supply of third-party equipment or software. In such cases, revenue for supply of such third party products are recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent of the customer. The Company recognises revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

  Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Transaction price attributed in case of contracts with subsidiary is arrived at on the basis of arm's length price. Revenue also excludes taxes collected from customers.

The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract and to ascribe the transaction price to each distinct performance obligation. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Contract fulfilment costs are generally expensed as incurred except for certain software licence costs which meet the criteria for capitalisation. Such costs are amortised over the contractual period or useful life of the licence, whichever is less. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

The billing schedules agreed with customers include periodic performance based payments and/or milestone based progress payments. Invoices are payable within contractually agreed credit period.

In accordance with IAS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be

Notes forming part of the Financial Statements

allocated to a new performance obligation or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Company disaggregates revenue from contracts with customers by industry verticals, geography and nature of services.

Revenue from operations is QAR 16,189,052 for year ended December 31, 2024 (December 31, 2023: QAR 21,375,610).

(Amount in QAR)

	Year ended December 31, 2024	Year ended December 31, 2023
Revenue from consultancy services	**16,189,052**	21,171,493
Revenue from sale of equipment and software licences	**-**	204,117
Total	**16,189,052**	21,375,610

Revenue disaggregation by industry vertical is as follows:

(Amount in QAR)

	Year ended December 31, 2024	Year ended December 31, 2023
Industry vertical		
Banking, financial and insurance	**4,216,251**	4,027,837
Communication, media and technology	**469,449**	324,359
Energy and utilities	**6,898,521**	7,702,180
Retail and consumer products	**3,744,204**	8,342,876
Others	**860,627**	978,358
Total	**16,189,052**	21,375,610

Revenue disaggregation by geography is as follows:

	Year ended December 31, 2024	Year ended December 31, 2023
Geography		
Middle east	**15,941,339**	20,561,130
Other than Middle east	**247,713**	814,480
Total	**16,189,052**	21,375,610

Geographical revenue is allocated based on the location of the customers.

While disclosing the aggregate amount of transaction price yet to be recognized as revenue towards unsatisfied or partially satisfied performance obligations, along with the broad time band for the expected time to recognize those revenues, the Company has applied the practical expedient in IFRS 15. Accordingly, the Company has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognized corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts.

Unsatisfied (or partially satisfied) performance obligations are futuristic and therefore subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc). The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is QAR 19,866,610 out of which QAR 12,417,365 (62.50 %) is expected to be recognized as revenue within the next year and the balance thereafter. No consideration from contracts with customers is excluded from the amount mentioned above.

Notes forming part of the Financial Statements

Changes in contract assets are as follows:

(Amount in QAR)

	Year ended December 31, 2024	Year ended December 31, 2023
Balance at the beginning of the year	**201,772**	2,448,505
Invoices raised that were included in the contract assets balance at the beginning of the year	**(130,868)**	(947,867)
Increase due to revenue recognised during the year, excluding amounts billed during the year	**348,850**	(1,298,832)
Translation exchange differences	**(22)**	(34)
Balance at the end of the year	**419,733**	201,772

Changes in unearned and deferred revenue are as follows:

(Amount in QAR)

	Year ended December 31, 2024	Year ended December 31, 2023
Balance at the beginning of the year	**1,155,292**	1,156,027
Revenue recognised that was included in the unearned and deferred revenue balance at the beginning of the year	**(974,716)**	(1,016,418)
Increase due to invoicing during the year, excluding amounts recognised as the revenue during the year	**1,142,380**	1,015,588
Translation exchange differences	**(58)**	95
Balance at the end of the year	**1,322,898**	1,155,292

11. Cost recognition

Costs and expenses are recognised when incurred and have been classified according to their primary functions in the following categories:

Cost of revenue

These costs primarily include employee compensation of personnel engaged in providing services, travel expenses, fees to external consultants, cost of equipment and software licences, depreciation and amortisation of production related equipment and software, facility expenses, communication expenses and other project related expenses.

Selling, general and administrative expenses

Selling costs primarily include employee compensation for sales and marketing personnel, travel expenses, advertising, business promotion expenses, bad debts and advances written off, allowance for doubtful trade receivables and advances, facility expenses for sales and marketing offices and market research costs.

General and administrative costs primarily include employee compensation for administrative, supervisory, managerial and practice management personnel, depreciation and amortisation expenses of non-production equipment and software, facility expenses for administrative offices, communication expenses, fees to external consultants and other general expenses.

(Amount in QAR)

	Year ended December 31, 2024	Year ended December 31, 2023
Expense by function		
Cost of revenue	**13,204,378**	12,827,780
Selling, general and administration expenses	**3,184,804**	2,766,913
Total	**16,389,182**	15,594,693

Notes forming part of the Financial Statements

Costs and expenses are recognized when incurred and have been classified according to their nature.

The costs of the Company are broadly categorised into employee benefit expenses, depreciation and other operating expenses. Employee benefit expenses include salaries, incentives and allowances, contribution to various funds and staff welfare expenses. Other operating expenses mainly include fees to external consultants, facility expenses, travel expenses, cost of equipment and software licenses, communication expenses, bad debts and advances written off, allowance for doubtful trade receivables and advances (net) and other expenses. Other expenses is an aggregation of costs which are individually not material such as contribution to brand equity, corporate overhead allocation, commission and brokerage, recruitment and training, entertainment, etc.

(Amount in QAR)

	Year ended December 31, 2024	Year ended December 31, 2023
Other operating expenses		
Project expenses	**704,174**	617,857
Fees to external consultants and related parties	**10,619,095**	14,257,009
Cost of equipment and software licenses	**-**	183,694
Travel expenses	**856,967**	889,962
Facility running expenses	**-**	-
Communication	**48,867**	53,894
Other expenses	**446,708**	692,320
Total	**12,675,811**	16,694,736

12. Other expense

(Amount in QAR)

	Year ended December 31, 2024	Year ended December 31, 2023
Other non-operating loss:		
Net foreign exchange losses	**(40,982)**	411,798
Interest income	**799,250**	202,733
Total	**758,268**	614,531

13. Income taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current income taxes

Current tax is based on the taxable profit for the year and is calculated using tax rates that have been enacted by the end of the reporting period. Advance taxes and provisions for current income taxes are presented in the statement of financial position after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying unit intends to settle the asset and liability on a net basis.

Deferred income taxes

The Company accounts for the deferred income taxes using the balance sheet approach. Deferred income taxes are provided for the differences between the tax base of assets and liabilities and their reported amounts in the financial statements.

Notes forming part of the Financial Statements

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

The income tax expense consists of the following:

(Amount in QAR)

	Year ended December 31, 2024	Year ended December 31, 2023
Current tax		
Current tax expense	**55,277**	193,394
Deferred tax income	**(300)**	444,620
Total	**54,977**	638,014

The reconciliation of estimated income tax expense at the Qatar Statutory income tax rate to income tax expense reported in statement of profit or loss and other comprehensive income is as follows:-

(Amount in QAR)

	Year ended December 31, 2024	Year ended December 31, 2023
Current tax expenses		
Income / (loss) before taxes	**552,080**	6,380,759
Statutory tax rate	**10.00%**	10.00%
Expected income tax expense	**55,208**	638,076
Tax effect of adjustments to reconcile expected income tax expense to reported		
Tax pertaining to prior years:		
Current tax	**-**	-
Deferred tax	**-**	-
Other permanent differences	**(231)**	(62)
Income tax	**54,977**	638,014
Ownership share of Non-Qatari	**100%**	100%
Total income tax expense / (income)	**54,977**	638,014

Significant components of net deferred tax assets and liabilities for the year ended December 31, 2024 are as follows:

(Amount in QAR)

	Opening balance	Recognised through profit or loss	Closing balance as at December 31, 2024
Deferred tax assets			
Deferred tax assets in relation to:			
Property, plant and equipment	**12,997**	**-**	**12,997**
Provision for employee benefits	**6,110**	**185**	**6,295**
Allowances for receivables	**-**	**-**	**-**
Disallowed expenses	**-**	**115**	**115**
Total deferred tax asset	**19,107**	**300**	**19,407**

Notes forming part of the Financial Statements

Significant components of net deferred tax assets and liabilities for the period ended December 31, 2023 are as follows:

(Amount in QAR)

	Opening balance	Recognised through profit or loss	Closing balance as at December 31, 2023
Deferred tax assets			
Deferred tax assets in relation to:			
Property, plant and equipment	12,997	-	12,997
Provision for employee benefits	9,581	(3,471)	6,110
Allowances for receivables	21,740	(21,740)	-
Disallowed expenses	419,409	(419,409)	-
Total deferred tax asset	463,727	(444,620)	19,107

Direct tax contingencies

As at the reporting date, the Company is in appeal of a withholding tax demand raised by General Tax Authority ("GTA") of Qatar, pertaining to the years 2013, 2014 and 2017 amounting to QAR 8,557,482. Management has carefully assessed the demand notice with assistance of third party consultants, where the merits of the demand notice have been found to be weak and inappropriate due to application of new tax amendments issued in 2019 on the prior years. Hence, no provision has been recognized in these financial statements.

(Amount in QAR)

	As at December 31, 2024	As at December 31, 2023
Income tax liabilities (net)		
Opening	**215,947**	73,269
Current tax provision made during the year	**55,277**	193,394
Advance tax paid	**(193,394)**	(50,716)
Closing	**77,830**	215,947

IFRIC 23 Interpretation Uncertainty over Income Tax Treatment

IFRIC 23 interpretation addresses the accounting for income taxes when there is uncertainty over tax treatments. It clarifies that an entity must consider the probability that the tax authorities will accept a treatment retained in its income tax filings, assuming that they have full knowledge of all relevant information when making their examination. In such a case, the income taxes shall be determined in line with the income tax filings.

Application of IFRIC 23

The Company reviewed its income tax treatments in order to determine whether IFRIC 23 interpretation could have an impact on the financial statements. In that respect, the Company observed that there are no instances of any uncertain tax treatment in the past and on that basis it is reasonable to conclude that all the tax treatments are accepted by the tax officer and hence IFRIC 23 is not applicable.

14. Employee benefits

a. Employee benefit obligations

The Company provides for amount payable to employees for compensated absences per the company's policy, which are expected to occur within twelve months after the end of the period in which the employee render the related

Notes forming part of the Financial Statements

services are recognised as undiscounted liability at the date of statement of financial position.

Employee cost consist of the following:

(Amount in QAR)

	Year ended December 31, 2024	Year ended December 31, 2023
Contributions to provident and other funds	**66,800**	80,765
Salaries & bonus	**3,246,259**	2,836,620
Staff welfare	**143,601**	129,725
Total	**3,456,660**	3,047,110

	As at December 31, 2024	As at December 31, 2023
Employee benefit obligations - current		
Compensated absences *	**48,529**	52,497
Total	**48,529**	52,497

*This represents balance payable to the employees based on the Company's policy on compensated absences.

b. Employees end of service benefits

A provision is made for employees end of service benefits which is payable on completion of employment. The provision is calculated in accordance with Qatari Labour Law based on employees' salary and accumulated period of service as at the reporting date.

	As at December 31, 2024	As at December 31, 2023
Employee benefit obligations - Non-current		
Gratuity liability	**266,674**	243,707
Total	**266,674**	243,707

Movement in employees' obligations benefit

	As at December 31, 2024	As at December 31, 2023
At January 1,	**243,707**	278,413
Provision charged for the year	**66,800**	80,765
Payments made during the year	**(43,833)**	(115,471)
At December 31,	**266,674**	243,707

15. Commitments and contingencies

	As at December 31, 2024	As at December 31, 2023
Letter of Guarantee	**7,869,350**	973,427
Total	**7,869,350**	973,427

Notes forming part of the Financial Statements

16. Related party transactions

Company's principal related parties consist of its holding company Tata Consultancy Services Limited and its holding and subsidiaries, and its key managerial personnel. The company routinely enters into transactions with its related parties in the ordinary course of business.

Transactions with related parties

For the year ended December 31, 2024

(Amount in QAR)

Particulars	With Tata Sons Private Limited, Ultimate Holding Company	With Tata Consultancy Services Limited, Holding Company	Total
Revenue from sale of services and licences	**-**	**247,712**	**247,712**
Purchases of goods and services (including reimbursement)	**-**	**8,930,150**	**8,930,150**
Brand equity contribution	**36,233**	**-**	**36,233**

For the year ended December 31, 2023

(Amount in QAR)

Particulars	With Tata Sons Private Limited, Ultimate Holding Company	With Tata Consultancy Services Limited, Holding Company	Total
Revenue from sale of services and licences	-	1,811,052	1,811,052
Purchases of goods and services (including reimbursement)	-	9,405,915	9,405,915
Brand equity contribution	42,202	-	42,202

Balances with related parties

As at December 31, 2024

(Amount in QAR)

Particulars	With Tata Sons Private Limited, Ultimate Holding Company	With Tata Consultancy Services Limited, Holding Company	Total
Trade receivables and unbilled revenue (net)	**-**	**7,148**	**7,148**
Trade payables, unearned and deferred revenue, Other financial liabilities and Other liabilities	**25,312**	**16,163,690**	**16,189,002**
Prepaid expenses	**-**	**1,138,906**	**1,138,906**

Notes forming part of the Financial Statements

(Amount in QAR)

Particulars	With Tata Sons Private Limited, Ultimate Holding Company	With Tata Consultancy Services Limited, Holding Company	Total
Trade receivables and unbilled revenue (net)	-	374,538	374,538
Trade payables, unearned and deferred revenue, Other financial liabilities and Other liabilities	42,202	6,812,065	6,854,267
Prepaid expenses	-	1,110,406	1,110,406

Compensation to Key Managerial Personnel

Remuneration paid to Devashis Goswami

(Amount in QAR)

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
Short term benefits	**400,800**	396,307
Post-employment benefits	**16,362**	15,945
Total	**417,162**	412,252

17. Subsequent events

There have been no circumstances of a material nature that have occurred between the financial year end and the date of approval of these financial statements that require adjustment or disclosure in the financial statements.

18. Comparative Information

The comparative figures presented for the year ended December 31, 2023 have been reclassified where necessary to preserve consistency with the year ended December 31, 2024 figures. However, such reclassifications did not have any effect on the comprehensive income or the total equity for the year ended December 31, 2024.

19. Dividends

Dividends declared by the Company are based on the profit available for distribution.

DILIGENTA LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 31 December 2024

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

CONTENTS **PAGE**

Company Information	18.2
Strategic Report	18.3
Directors' Report	18.18
Statement of Directors' Responsibilities in respect of the Annual Report and the Financial Statements	18.22
Independent Auditor's Report to the members of Diligenta Limited	18.23
Statement of Financial Position	18.26
Statement of Profit or Loss and Other Comprehensive Income	18.27
Statement of Changes in Equity	18.28
Statement of Cash Flows	18.29
Notes to the Financial Statements	18.30

COMPANY INFORMATION

Board of Directors

Subramanian Sankaranarayanan
Chairman

Sir Michael Arthur
Non-Executive Director

Susan McInnes
Non-Executive Director

Tim Jones CBE
Non-Executive Director

Daniel Praveen
Chief Executive Officer

Milind Dhuru
Chief Operating Officer

Company Secretary
Paul Venters

Auditor

KPMG LLP
15 Canada Square
Canary Wharf
London E14 5GL
United Kingdom

Registered Office

Lynch Wood
Peterborough
Cambridgeshire
PE2 6FY

Company Registration Number
05535029

Back to content

STRATEGIC REPORT

The directors present their Strategic Report for the year to 31 December 2024.

PRINCIPAL ACTIVITIES

Diligenta Limited ("the Company") is a Private Company, limited by shares and is a wholly owned subsidiary of Tata Consultancy Services Limited (TCS). Established in 2005, the Company's head office is in Peterborough, UK. The Company operates out of multiple sites in the UK, and the delivery of its services is achieved through collaboration with other group companies.

Diligenta specialises in the delivery of Life and Pension (L&P) Administration services and contracts with major insurance companies (''clients'') in the UK. Diligenta occupies an increasingly important position in the L&P sector - being the single largest provider of Third-Party Administration (TPA) services - servicing more than 23million customers and taking pride in the fact that 'what we do matters' through servicing customer needs over critical moments of truth experiences.

Diligenta's unrelenting focus on delivering customer delight and technology innovation has been consistently recognised, with the business winning prestigious awards from the Global Sourcing Association (GSA) in 2024 for '**Customer Experience Management Team of the Year', 'Customer Experience programme of the year' and 'Transformation Project of the Year'** competing with businesses across industry sectors. We are proud of our colleagues and in particular the external recognition that we are seeing for our apprenticeship programmes - we are committed to nurturing talent across the organisation. We take our role in shaping the UK L&P sector seriously and are passionate about **'being there in the moments that matter for our customers'**. We continue to work with government and policymaking mechanisms, being part of their expert panels, all aimed at delivering great customer outcomes and market propositions.

REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

ACHIEVING CONSISTENT GROWTH

The Company achieved revenue of £606.8 million for the year 2024 (2023: £522.4 million), representing a growth of 16%. Revenue growth was driven by contract renegotiations, new business from existing clients and addition of new clients.

Operating expenses totalled £581.2 million (2023: £497.5 million). Investments through the year aimed at improving efficiencies by aligning common processes, right sizing the business and operational resilience resulted in higher costs. The directors continue to remain focused on the disciplined investments that lend support to long-term business growth.

During the year, Diligenta transferred the services, through organic growth of ReAssure Ltd, part of the Pheonix Group and Capita Ltd, as part of the existing Aviva partnership, this included the transfer of circa 1200 colleagues and 6.0 million policies.

Profit before tax (PBT) improved to £28.9 million (2023: £27.1 million). After taxes, profit was £22.2 million (2023: £21.0 million).

The directors are committed to exploring growth opportunities and continue to tender for contracts providing L&P Administration services to the Financial Services sector. The Company sees promising opportunities for organic growth, both in terms of extending the range of services to its existing client base as well as taking on new clients.

LEADING THE INDUSTRY, DELIVERING COMPLEX PLATFORM MIGRATIONS

During 2024, Diligenta successfully migrated 1.8 million L&P policies onto our TCS BaNCS™ strategic platform over 7 migration releases for its key clients.

Over the last five years, we migrated 9.5 million policies onto TCS BaNCS™ platform. These large migration programmes enabled over 50% rationalisation of L&P products, thereby leading to significant business simplification and improved customer outcomes.

ACTING TO DELIVER GOOD CUSTOMER OUTCOMES IS KEY

Diligenta puts good customer outcomes at the heart of its activities and has continued to embed the consumer duty principle in line with the Consumer Duty regulation, for open books that came into effect in 2023 and closed books which went live on 31 July 2024. Our focus has been to continue to evolve and improve on monitoring customer outcomes to ensure we deal with customers, honestly, fairly and openly. Our support for customers is focused on avoiding the causes of foreseeable harm and putting them in a better position to make informed decisions in line with their financial objectives. To support vulnerable customers, we have a network of champions available across all our operations teams, who have the expertise and experience required to work these customers. The training programmes for our people and the culture we seek to engender are all aimed at delivering good customer outcomes.

DRIVING TECHNOLOGY INNOVATION & INVESTMENTS

Diligenta continues to invest in technology to enable positive outcomes for its customers, clients and colleagues. In 2024, this has included the development of a utility-based operating model across the organisation based on principles of customer journey alignment, enhanced platform capabilities, new technology deployment and colleague competency.

The Company has made further investments in its cloud-based Information Technology infrastructure and enterprise solutions, aimed at enabling an eco-system of capabilities that support future developments in artificial intelligence (AI) and machine learning. Work is also underway on a set of AI initiatives looking to augment the skills of contact centre and complaints management colleagues with new insights and next best action prompts.

The Company sees technology investments combined with its deep contextual industry knowledge as a key lever to achieve increasing regulatory expectations, including the new consumer duty regulation.

WE ARE A BUSINESS WITH A STRONG PURPOSE, FOCUSED ON HUMAN (CENTRIC) INTERACTIONS

Diligenta is committed to ensure it is there for its colleagues in 'The Moments That Matter' through nurturing a diverse Employee Value Proposition, recognising the critical role its colleagues play in delivering great customer outcomes.

During the year, all colleagues were invited to participate in the 'Best Companies b-Heard survey', with results demonstrating a positive workplace engagement. The Company has continued through 2024 to enhance its people offering for the moments that matter to colleagues with a focus on culture, the development of talent and enabling colleagues to support their local communities. In addition, the Company launched two new applications through our pension partner Aviva, to support colleague wellbeing, enabling all colleagues and their families to benefit from access to virtual doctors and medical testing alongside support for mental wellbeing, diet and nutrition.

2024 has seen us make significant shift in our executive leadership visibility through a programme of in-person and virtual people roadshows, executive 'Ask US Anything' sessions and 'In Conversation' events with executive members to support our Diversity, Equality and Inclusion (DEI) agenda. The Company has also launched its leadership succession framework and an MBA -level apprenticeship programme for those striving to become senior future leaders.

This year has seen the Company improve its internal mobility with 48% of the vacancies across all its nonvoice roles being filled by existing Diligenta employees.

BEING THERE IN THE MOMENTS THAT MATTER FOR OUR COMMUNITIES

Diligenta's footprint across the UK means it has a unique opportunity to support communities. 2024 saw the launch of our revised CSR strategy including offering all colleagues the opportunity to volunteer in their own communities for a day each year.

The Company has expanded its graduate and apprenticeship programmes across a number of disciplines including AI and Coding and has almost doubled the number of apprentices it is now supporting.

Our DEI strategy developed further in 2024 with the appointment of a dedicated function leading focused thinking across the business. Highlights include a refresh of all our Employee Resource Groups, appointing executive members as allies for each of the groups and running a suite of cultural events across the business hosted by executives sharing their thoughts on important matters from colleagues' mental health to supporting South Asian Heritage month.

The Company has taken positive action to reduce its carbon emissions and drive its sustainability agenda, with a 10% reduction in CO2 emissions.

LOOKING AHEAD

We continue to remain focused on maintaining operational resilience, the delivery of enhanced customer services and improved customer outcomes post significant migrations.

As the business continues to grow, we see significant opportunities to create value and find synergies from operating practices across clients, as well as define a new operating standard for the industry. This will be underpinned by an evolving technology-enabled, customer and colleague-centred digital-first operating model, positioning us for continued success and meeting the needs of all our stakeholders.

KEY PERFORMANCE INDICATORS

In assessing the performance of the Company, the directors monitor several key performance indicators, financial and non-financial. These are:

- **Policy volumes administered:** This key indicator is directly linked to revenue. During the year, the number of policies being administered stood at 23.8 million (2023: 18.3 million). The increase in the policies serviced is on the back of the addition of circa 3 million policies for the ReAssure book and circa 2 million policies for Aviva Nautilus.
- **Adherence to contractual SLAs and Customer Outcomes:** Diligenta is obligated to perform at the levels set out in each contract. These service level indicators are tracked closely and also reported to the Board each quarter. Some examples would be call centre abandon rates, back-office queue level metrics, complaints metrics including over 8-week complaints, NPS and CSAT scores etc. The primary driver of these service level indicators is to drive good customer outcomes and with the rollout of consumer duty principles in line with the Consumer Duty regulation, the company is also obligated to report key statistics like customer satisfaction scores, NPS scores etc. The Company continues to embed the Consumer Duty across the organisation with ongoing training sessions and communications. The Company is focused on supporting its clients for all four outcomes and ensuring the metrics across the 'customer understanding' and 'customer support' outcomes demonstrate the delivery of good customer outcomes. To support vulnerable customers, we have a network of champions available across all our operations teams. We are ensuring that our people initiatives are aligned to drive cultural changes which are focused on delivering good customer outcomes. Detailed reports on the Company's performance vis a vis customer duty principles are also submitted to the Board every quarter and a comprehensive annual report is also tabled each year.
- **Revenue:** Revenue for the year was £606.8 million (2023: £522.4 million) with growth across all service lines. Growth is driven by contract negotiations, new business from existing clients and addition of new clients.
- **Liquidity:** The Company has the KPI to ensure that it has strong financial flexibility through liquid assets to cover its anticipated payment obligations and funding requirements. The Company continuously monitors its liquidity position to ensure that, even under stressed conditions, the Company has sufficient liquidity to meet its obligations. With no debt, the Company has adequate liquid assets to meet its obligations, including its regulatory capital requirement and after taking account of ring-fenced cash set aside to comply with FCA requirements.
- **Transformation milestones:** The Company has the KPI of delivering the agreed transformation roadmap as per the defined milestones with its clients. Seven migrations comprising circa 1.8 million policies were completed during this year. Each contract has set milestones for migration of policies, and these are reported to the Board as applicable.
- **Regulatory Compliance:** The Company and its clients have responsibility for regulatory compliance. The Company has a dedicated Compliance function, which provides continuous guidance to the business on compliance and regulatory matters. Regular, contractually required meetings between senior managers in the Company and its clients seek to identify issues at an early stage and act in concert both to prevent escalation or take necessary action. Regulatory KPIs are tracked closely by the Board and include Audit and other compliance reports issued, Findings issued, Compliance reports, DPO report, MLRO reports and statistics.
- **IT Security:** The Company's IT security remains strong. The Company has ensured the controls are up to date to avoid any security incident. During the reporting period and up to the date of approval of financial statements, there have been no critical or high severity security incidents reported.
- **People Metrics & Outcomes:** Key metrics include attrition, recruitment, absence, colleague engagement and completion of mandatory training. We continue to focus on our leadership capability and corporate culture and also support the introduction of a revised performance management framework. This framework is focused on the importance of our colleagues' behaviours in driving improved customer outcomes and internal relationships and how this links to how we measure and manage performance.

Back to content

GOVERNANCE AND INTERNAL CONTROL

ORGANISATIONAL STRUCTURE

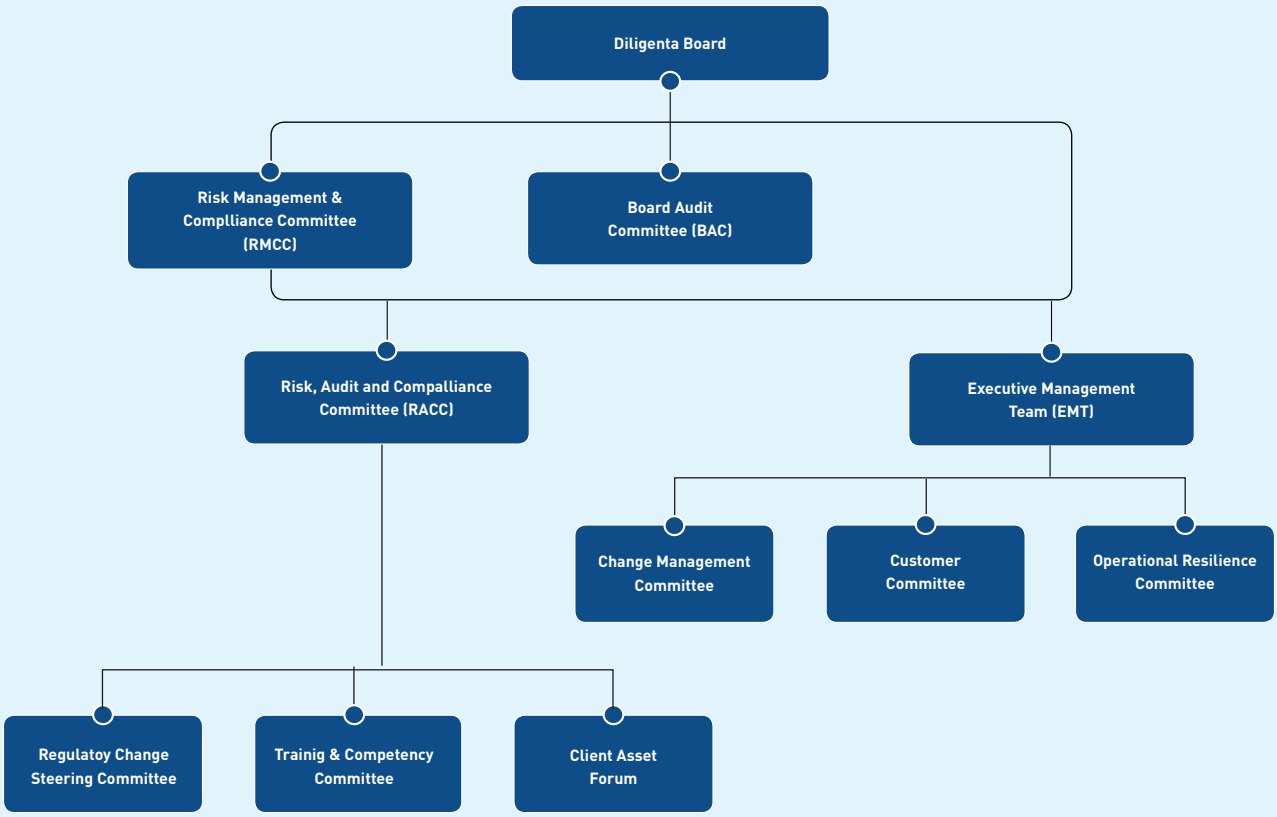
The Diligenta Executive Management Team (''EMT'') is responsible for ensuring the proper management of its business; this includes ensuring sound governance and internal control practices are followed. The Chief Executive Officer and Chief Operating Officer are also executive directors and members of the Diligenta Board.

DILIGENTA BOARD

The Board of Directors (the "Board") is the main decision-making body of the Company. The Board considers strategic issues and risk. It has the overall responsibility for management of the business and affairs of the Company and the establishment of Company strategy.

The Board ensures that the risks associated with the business are properly identified, evaluated, and managed through the implementation of appropriate controls. The Board approves the company's policies and its risk appetite, acknowledging the potentially different risk appetites of clients.

The Board and management committees are shown in the following chart.



The Board Audit Committee (''BAC'') and Risk Management & Compliance Committee (''RMCC'') assist the Board to discharge its corporate governance responsibilities as defined in their Terms of Reference.

The purpose of the BAC is to keep under review and monitor:

- The Company's internal financial controls and audit capability.
- The effectiveness of the Internal Audit function and the Company's arrangements for external audit.
- The integrity of the financial statements of the Company.
- Annual financial statements of the pension funds, where not reviewed by the Board.

The purpose of the RMCC is to manage risks and monitor adherence to all the rules and regulations that the Company is subject to, by keeping under review and monitoring:

- The Company's internal controls and risk management capability and its ability to identify and manage new risks, including conduct risks affecting customer outcomes.
- The adequacy and security of the Company's arrangements for compliance, whistleblowing and the prevention of fraud.

Both the BAC and RMCC meet on a quarterly basis, or more frequently where required, and are chaired by Independent Non-Executive Directors. The other members of the Board attend at least one, if not both, committees.

MANAGEMENT'S PHILOSOPHY AND OPERATING STYLE

Diligenta seeks to implement a strong culture throughout the organisation by delivering good outcomes to its customers and clients. Management has put in place effective controls to ensure that quality services are provided which deliver good outcomes and ensures we also support vulnerable customers. These services are in accordance with detailed Service Level Agreements (SLAs) and comply with relevant regulation and legislation. The Board undertakes several training sessions each year to keep itself current with ongoing changes to regulation. A detailed training calendar is presented every year and the same is tracked. The directors also attend several sessions across the year to get deeper understanding of specific topics and periodic deep dives are arranged on a regular basis.

INTEGRITY AND ETHICAL VALUES

Diligenta adopts the Tata Code of Conduct which applies to all companies within the Tata Group. The Code of Conduct sets out a framework for how the organisation operates and to protect the interests of all its stakeholders including customers, shareholders, clients, employees, suppliers and communities. The Code of Conduct has been drawn up to formalise the standards of behaviour the Company expects of its people and forms part of each employee's contract of employment.

The Company also has a clear purpose 'to be there in the moments that matter to our customers', which is supported by five corporate values that shape the way people work and behave on a daily basis. These are at the foundation of everything the Company does, the way the Company undertakes its business, how employees interact with customers, other stakeholders and partners, and with each other. These foundations support everything we do from our recruitment, onboarding and corporate induction to our talent and development programmes and how we reward and support our colleagues.

COMMITMENT TO COMPETENCE

Diligenta seeks to ensure that its employees have the appropriate level and range of competencies needed to undertake their roles. In order to ensure compliance with key legislation and regulations, the Company requires all new joiners, onshore and offshore, to complete a suite of mandatory online training and testing modules, which are then repeated on an annual basis.

The Company operates a Training & Competence (T&C) scheme for all relevant back-office employees '('overseers'') in accordance with the FCA guidelines.

There is a new-starter training framework which applies to relevant operational roles in the front and back office and provides a documented / timetabled training plan covering the first four to six weeks of a new starter's on-the-job training.

In addition, we operate a set of leadership training programmes for colleagues who are aspiring to be managers and for those moving through our management levels. All programmes are supported with Continuing Professional Development (CPD) accredited internal modules and external apprenticeship partnership programmes to ensure a consistency of development and understanding across key leadership capabilities, including the importance of delivering good customer outcomes and risk culture. The company has a well-established Risk Management Framework, A Risk Taxonomy, A Risk Library and key risk indicators are closely tracked and reported to the Board by the respective control functions. The role of the RMCC is focused on managing risks the company is exposed to and the focus of that committee is to ensure these Risks are appropriately articulated and tracked.

ASSIGNMENT OF AUTHORITY AND RESPONSIBILITY

The control environment is greatly influenced by the extent to which individuals recognise that they will be held accountable for their actions. This includes assignment of authority and responsibility for operating activities and establishment of reporting relationships and authorisation protocols.

As an FCA-regulated Company, the FCA must approve certain senior management roles within Diligenta; the roles regulated by the FCA are known as Controlled Functions. An individual who performs a controlled function is called a Senior Manager Function holder (''SMF'').

At Diligenta, the Senior Management Function(s) include the Chair of the Board (SMF9), the Chief Executive Officer (SMF1), the Chief Operating Officer (SM3 & SMF24); the Executive Management Team, the Chief Risk Officer (SMF4) and others such as the Head of Compliance (SMF16), Head of Anti-Financial Crime (SMF17), and Head of Internal Audit (SMF5).

Conduct rules apply to all employees in the Company, and these have helped to shape the culture, standards, and policies. They promote positive behaviours that provide for better customer outcomes and reinforce the standards of conduct that the FCA expects from all individuals working in the industry.

DILIGENTA'S OVERSIGHT OF OUTSOURCED OPERATIONS

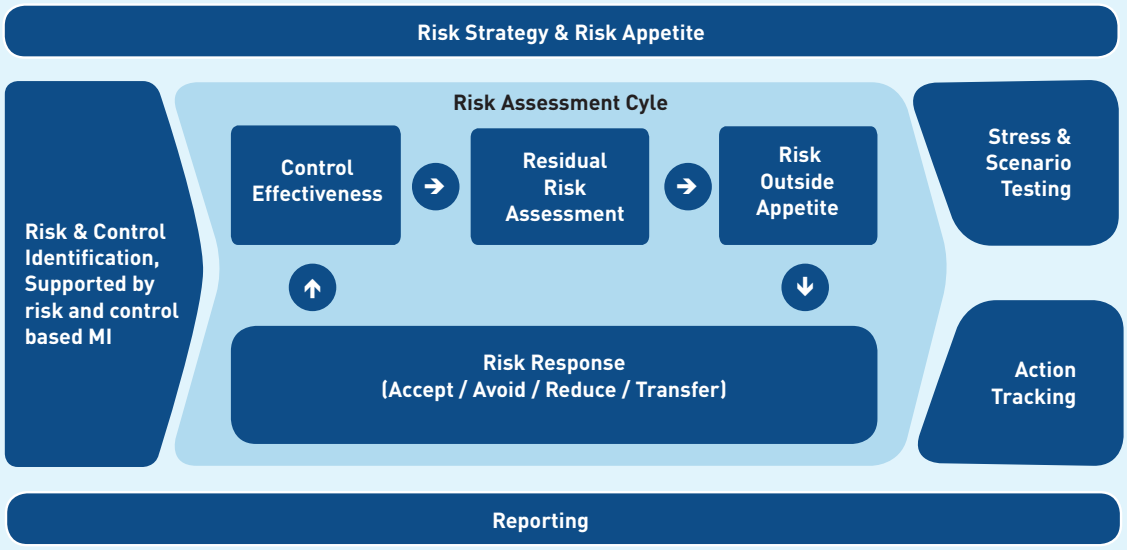
A number of agreements are in place whereby operational processes have been outsourced to third party firms. These agreements include, for example, the administration of a portfolio of group pension schemes, and the offshore administration of certain shared processing transactions.

DILIGENTA RISK MANAGEMENT FRAMEWORK

Risk is managed in Diligenta through a comprehensive Risk Management Framework, as shown in the diagram below. The framework embraces Strategic, Operational, Financial, Customer and Compliance risk, monitoring and reporting on all risks identified on a regular basis to the EMT, RACC, RMCC, BAC and the Board.

In managing its risks, the Company seeks to follow current regulatory requirements and guidance issued by the FCA and aligns with best practice guidelines and relevant control frameworks.

All risk management activities and processes are subject to regular review by the Board.



This Company-wide risk management framework for the identification, assessment, measurement, and management of risk covers the full spectrum of risks that the Company is exposed to, with risks categorised as operational, strategic, regulatory, customer, compliance or financial. Risks are entered in a register with each risk having a specified owner who is responsible for overseeing the necessary mitigating actions to keep the risk within the approved risk appetite. The status of risks is regularly assessed, at least once a quarter, to ensure that appropriate management actions are taken in the event that a key risk is deemed out of appetite.

Responsibility for setting risk appetite and risk management policy resides with the Board. The Board has delegated certain risk matters to the RMCC which has a responsibility for oversight and monitoring management's implementation of the risk management framework within the Company.

Management is responsible for implementing the policies, risk management framework and risk appetite adopted by the Board. Management is accountable to the Board for developing and implementing the systems of internal controls through which

assurance is provided to the Board and its delegated committees. Management is required to certify the current status of risks and controls in their area through a quarterly assessment process. This provides assurance that appropriate management controls and procedures have been implemented for significant risks and have operated within their area of responsibility for the period covered in line with agreed success criteria and tolerance levels. Any significant deficiencies, or lapses, are detailed along with actions proposed to rectify or otherwise deal with them. Control failures which result in an incident or regulatory/ legislative breach are recorded on Incident Databases and will be appropriately reflected in control evaluations. Controls testing is performed across the three lines of defence, which inform the risk assessments performed by management.

The BAC and RMCC are committees of the Diligenta Board that assists the Board in the discharge of its corporate governance responsibilities as defined in their Terms of Reference.

The RMCC is responsible for recommending the Risk Management Policy to the Board for approval, ensuring compliance against the policy and ensuring the risk and control environment is being managed effectively by Diligenta

The BAC provides the independent oversight of the effectiveness of risk management activities within Diligenta.

Internal Audit provides third line independent assurance on the effectiveness of Diligenta's first and second line of defence arrangements for corporate governance, risk management and internal control.

During 2024, the Board Audit Committee continued to receive regular updates from the Head of Internal Audit. This included the annual update of the Diligenta Internal Audit Charter and the Internal Audit Plan, both of which were approved. The Committee received regular reports to monitor progress against the plan and were satisfied that the internal audit function has adequate resources to deliver the approved audit plan.

DILIGENTA POLICY MANAGEMENT FRAMEWORK

Diligenta has a Policy Management Framework in place which aligns to the principal risks and looks to define a set of minimum standards of control for each of these areas. Each policy has an Executive Owner who is required to maintain the policy, including performing an annual review, and ensure the policy is complied with. The Board, via the RMCC and BAC, provides oversight and approval for the framework and the individual policies.

RISK MANAGEMENT IN ACTION

Diligenta aims to deliver consistently for its customers and to provide the platform for its clients to realise their strategic objectives. Diligenta has grown rapidly since inception and aims to maintain that growth as it moves forward. As with any organisation in growth, there is a need to ensure the risk and control framework continues to support stable and optimal performance whilst keeping pace with the development of its customer base. With its current size and scale, comes responsibilities to UK consumers and Diligenta takes these seriously.

The framework and key risks are continually reviewed. In the past year, the Board focused on risks around customer service, complaints management, technological developments, financial crime enhancements and people engagement. Looking forward, this is likely to be sustained, with focus also on digital and cyber risks, and consumer duty related matters. Progress on operational resilience and ensuring business services align to impact tolerance continues to be another topic of interest to the Board. These impact tolerances have 15 high level risks that are then broken down into subcategories. Every quarter, the CRO presents a risk matrix that clearly articulates the top risks and also indicates how these risks have travelled over the quarter.

Each year, the Company undertakes a high volume of change activity, whether that be client driven customer migrations, transformational activity of client operations or internal change activity to enhance regulatory / legislative change. The risks associated with these change activities are managed within each individual programme and at a portfolio level. Strong governance is in place and involves clients where it relates to their operations. A change committee and Line 1 change teams support regulatory change. A committee operates at a portfolio level to monitor progress and support aggregated consideration of risks.

The following are the principal risks that are currently registered and tracked. Given the nature of business, the most critical risks are customer and operational risks.

- Customer Risk and delivery of good customer outcomes
- Operational Risk, including IT, Cyber Security, People and Operational Resilience
- Financial Risk, refer to section below for further details
- Strategic Risk, including Change and Reputational risks
- Compliance Risk

The controls relied on to mitigate the risk areas include:

- Quarterly Risk and Control Self-Assessment (RCSA), Control Testing and Risk and control reporting
- Three lines of defence teams support risk management activities and performing control evaluations, including an Internal Audit function
- Committee oversight, including RMCC, RACC, Executive Management Committees, Customer Committees and Change Steering Groups
- Client engagement and contractual management arrangements
- Performance management monitoring at a client and organisational level
- Change management discipline
- Third party oversight and performance monitoring
- People and performance management activities, including succession planning and retention actions.

Regulatory and legislative risks are managed closely and informed by the Company's corporate incident management process. Management information on corporate incidents and trends is monitored and openly reported. Committees oversee regulatory and legislative change. Quality control frameworks, and other forms of output checking, verify the quality of delivery. Root cause analysis on incidents and complaints ensures we learn from events as they happen. The Company has regular and open engagement with the FCA at Board and Senior Management levels.

In addition to managing principal risks, the Company continues to monitor the external environment and emerging risks. Some key areas associated with these threats include monitoring the ongoing challenges faced across the UK in relation to securing and retaining talent, changing regulations driven by New Consumer Duty obligation, the New Pensions Scheme Bill, Operational Resilience Bill etc to name a few. Diligenta recognises the ever-evolving cyber threat landscape and is committed to continuously improving its cyber security posture. In this regard, the company has been making investment in key ongoing projects designed to enhance its defences and protect critical data and operations.

Diligenta have a foundation of essential security controls in place to protect its data and systems such as documented security policies, training and awareness programs, endpoint protection software, network segmentation, vulnerability management, data backup and recovery.

FINANCIAL RISK MANAGEMENT

The Company is exposed to financial risk through its financial assets and liabilities and its contractual obligations to its clients.

The Company does not use hedging for any type of transactions. The exposure of the Company to credit risk is managed through regular reviews of the level and age profiles of amounts outstanding.

The directors do not consider that the Company and its activities are subject to any other significant financial risks.

REGULATORY COMPLIANCE

The Company operates in a highly regulated environment, its principal regulator being the Financial Conduct Authority ("FCA"). Both the FCA and the Prudential Regulatory Authority ("PRA") regulate the Company's clients.

Both the Company and its clients have responsibility for regulatory compliance. Consequently, appropriate contractual arrangements are in place to provide clarity of respective responsibilities and information about regulatory matters flowing from the Company to its clients and vice-versa.

Within the Company's 'three lines of defence' governance model, the Compliance function provides 2nd line oversight of and guidance to the business in respect of regulatory compliance and carries out a programme of monitoring activities to assess regulatory compliance in the 1st line. Compliance oversight also includes but is not limited: the timely implementation of regulatory change; the operation of the Senior Managers & Certification Regime; the Training and Competence Scheme; the timely fulfilment of all regulatory reporting requirements for the Company, as a regulated entity.

Compliance has regular and frequent dialogue with the Company's Supervision Team at the FCA, encompassing the FCA's programme of proactive engagement with the Company. This is focused on areas which include:

- The Company's strategy and growth ambitions and the risks that growth plans bring to the business.
- The Company's Risk Culture and the effectiveness of its Risk Management Framework.
- Notifying the FCA in a timely manner of any new client pipeline propositions and the importance of ensuring sufficient operational and control capacity before taking on any new proposition.
- The effectiveness of the Company's Board. The Board completes its own annual review. The most recent independent triennial review of Board effectiveness was completed in Q3/Q4 2023.
- The Board's composition and diversity.
- Capital adequacy stress testing and wind-down plans. Corporate Finance complete and submit monthly liquidity questionnaires. An amount of money has been ring-fenced as part of an FCA requirement for a liquidity backstop. Controls are in place to ensure that this is maintained.
- The programme of transformations (system migrations): risk management and decision making; how lessons learnt are shared across the programme.
- The need to keep under review and assess whether the size and capabilities of the Audit, Risk and Compliance functions are keeping pace with the rate of change and complexity of the business.

As part of the FCA's programme of proactive engagement, the Company is also required to submit a range of management information. This includes Board level committee packs and minutes, risk committee packs and minutes, change committee packs, internal and external audit reports. All management information submissions are up to date.

Regular contact with the FCA on operational matters has continued. Regular meetings focus on providing the regulator with assurance in the following areas:

- The support provided to customers, including vulnerable customers, and evidencing how the operation is acting to deliver good customer outcomes in line with the Consumer Duty regulation.
- The governance surrounding policy migrations to Diligenta's strategic system, TCS BaNCSTM, which aims to ensure that good customer outcomes are maintained and improved upon
- Operational and IT resilience
- Cyber and information security
- Employee wellbeing
- Company culture
- Diversity, Equality and Inclusion

The meetings are supported by management information reports, submitted in advance, covering service performance across client accounts and the outcomes delivered to customers. The compliance team tracks and closes any actions arising from these meetings.

NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT

Diligenta reporting strategy centres on addressing the needs of its stakeholders, complying with relevant regulations, and incorporating assessments from sustainability rating and benchmarking providers. The report specifically emphasises concepts that pertain to our most significant climate-related concerns.

SUSTAINABILITY GOVERNANCE

Diligenta has voluntarily incorporated TCFD recommendations into its governance framework, ensuring transparent alignment with industry best practices. Climate-related matters are overseen by a dedicated Board director responsible for monitoring risks and opportunities, ensuring that climate considerations are embedded into strategic decisions.

Board Oversight and Communication: Climate-related risks and opportunities are reviewed at Board level on a biannual basis. Updates on progress against climate-related goals are presented by the sustainability committee, ensuring accountability. Escalation procedures for emerging risks are clearly defined, with monthly reporting to senior management to facilitate swift decision-making.

Integration Across Business Functions: Diligenta assigns responsibility for climate risk management across specific business units, ensuring that the following areas are covered:

- Risk Assessment
- Strategy Integration
- Governance & Oversight
- Operational Integration
- Supply Chain Resilience
- Infrastructure Management
- Financial Risk Mitigation
- Stakeholder Engagement
- Continuous Improvement

Monthly senior management meetings include climate risk discussions, ensuring proactive oversight and timely responses to emerging issues.

SUSTAINABILITY STRATEGY

Diligenta's overall risk management process involves several key steps to ensure thorough identification, assessment, and management of climate-related risks. The intention of this disclosure is to provide a clear understanding of how the company assesses the relative importance of climate risks compared to other risks and how these are prioritised and managed.

The process incorporates the following areas:

Identification and Assessment: Climate-related risks are identified at both Diligenta and group levels. Diligenta conducts a localised risk assessment, which is then reported to the group-level sustainability committee. This process ensures that both region-specific and overarching risks are captured. The assessment is conducted quarterly, with urgent risks escalated immediately.

Management and Prioritisation: Climate-related risks are prioritised using a materiality framework, where risks are evaluated based on their potential financial, operational, and reputational impacts. This prioritisation is reviewed on an annual basis, alongside scenario analysis to reassess emerging threats.

Risk Review Cycle: The identification and assessment process are refreshed annually, with updates provided to the Board as part of the company's integrated risk management strategy.

Integration into Strategic Priorities: Climate-related risks are integrated into Diligenta's strategic planning to ensure alignment with long-term goals and objectives.

Climate Risk in Strategic Decision-Making: Each business unit conducts a climate risk assessment, which is then incorporated into the company's wider enterprise risk management framework. The Board and senior leadership team evaluate these risks in conjunction with financial, operational, and regulatory considerations.

Link to Business Model and Operations: Climate-related risks influence key operational decisions such as infrastructure investments, supply chain diversification, and compliance with evolving regulations. A dedicated climate risk function ensures that climate risks are embedded in financial planning and investment assessments.

Materiality Considerations: The company has implemented a tiered risk prioritisation system to differentiate between short-, medium-, and long-term risks. This allows management to allocate resources effectively and integrate risk mitigation into the broader business model.

Rationale for Non-Principal Risks: Diligenta has assessed climate-related risks within the context of its business operations and concluded that while such risks exist, they do not rise to the level of principal risks due to the company's business model, sector, and operational footprint. The company primarily operates in a service-based industry with limited direct exposure to climate-related disruptions such as physical damage to assets or significant regulatory shifts impacting operations. Additionally, existing mitigation strategies, such as energy efficiency initiatives, responsible procurement practices, and structured risk assessment frameworks, ensure that climate-related risks are effectively managed within the broader risk landscape. Regular monitoring and review processes confirm that these risks remain controlled and do not materially impact the company's long-term financial performance or strategic objectives.

Prioritisation and Management of Climate Risks:

Diligenta evaluates climate-related matters within the corporate group strategy timeframes to ensure alignment with business resilience and financial sustainability. Risks and opportunities are assessed using defined time horizons, ensuring that both short-term (1-5 years) and long-term (beyond 5 years) implications are considered.

Impact Over Time: Climate-related risks and opportunities are evaluated for their financial and operational impact across different timeframes. This includes revenue implications, cost fluctuations, and investment risks, ensuring a comprehensive understanding of potential business model disruptions.

The Company has used the timeframes outlined in its corporate group strategy to evaluate climate-related matters. By considering climate-related risks and opportunities, Diligenta has illustrated the impacts on corporate strategy and financial planning. Risks, such as extreme weather, energy regulation, and pricing fluctuations are meticulously outlined in terms of their manifestation in the short or medium term. These time scales are defined as 1 to 5 years along with their implications on valuations, revenue and costs. Climate- related risks and opportunities for an insurance business can have profound implications for its operations, financial performance and long-term sustainability. These are the key risks that are identified:

- Physical risks
- Transition risks
- Liability risks
- Operational risks
- Financial risks
- Environmental risks

Where possible, Diligenta will quantify the financial impact by estimating potential costs associated with extreme weather events, regulatory changes, or shifts in consumer preferences towards sustainable products.

Diligenta will adapt to and mitigate the impacts of climate change in both the short and long term. Strategy includes reducing greenhouse gas emissions, transitioning to renewable energy sources, implementing water conservation measures to be more resilient to climate-related disruptions.

SUSTAINABILITY METRICS AND TARGETS

This is our second non-financial and sustainability Information Statement in adherence to the UK Government's Climate-related Financial Disclosure (CFD) regulations. The improvement of our data collation and accuracy has meant that our emissions appear to have significantly increased. In reality, this is simply due to the availability of all required data and the acquisition of new sites which has increased our headcount by 20%. The 2024 data include total Scope 1, Scope 2 (location based), and Scope 3 (business travel) which underwent independent third-party limited assurance. This 2024 report includes emissions from all Diligenta occupied sites, including those managed by clients. Our action in reducing emissions can still be demonstrated through the reduction of the business travel metric.

This is our second non-financial and sustainability Information Statement in adherence to the UK Government's Climate-related Financial Disclosure (CFD) regulations. The acquisition of new sites has increased our headcount by 20%. The 2024 data include total Scope 1, Scope 2 (location based), and Scope 3 (business travel) which underwent independent third-party limited assurance. This 2024 report includes emissions from all Diligenta occupied sites, including those managed by clients. Our action in reducing emissions can be demonstrated through the reduction of the business travel metric and energy use versus headcount.

	Current Reporting Period 2024				Reinstated Reporting period 2023				Previous Reporting Period 2023			
	kWh	Kg CO_2	CO_2 emissions tonnes	Intensity ratio (tonnes CO_2e/ per full time employee)	kWh	Kg CO_2	CO_2 emissions tonnes	Intensity ratio (tonnes CO_2e/per full time employee)	kWh	Kg co_2	CO_2 emissions tonnes	Intensity ratio (tonnes CO_2e/per full time employee)
Emissions from combustion of gas (Scope 1 – tonnes of CO_2e)	25,37,869	4,64,176	464	0.06	18,95,987	3,45,619	346	0.05	1,524	274	0.274	0.0001
Total Scope 1	25,37,869	4,64,176	464	006	18,95,987	3,45,619	346	0.05	1,524	274	0.274	0.0001
Emissions from electricity purchased for own use, including for the purposes of transport (Scope 2 – tonnes of CO_2e)	66,62,542	13,79,479	1379	0.17	57,74,709	11,95,653	1,196	0.19	3,13,308	64,878	64.88	0.0101
Total Scope 2	66.62,542	13,79,479	1379	0.17	57,74,709	11,95,653	1,196	0.19	3,13,308	64,878	64.88	0.0101
Emissions from business travel in rental cars or employee-owned vehicles where company is responsible for purchasing the fuel (Scope 3 - tonnes of CO_2e)	2,75,313	69,709	70	0.009	3,39,281	79,247	79	0.012	3,39,281	79,247	79.25	0.0123
Total Scope 3	2,75,313	69,709	70	0.009	3,39,281	79,247	79	0.012	3,39,281	79,247	79.25	0.0123
Total based on above	94,75,742	19,13,365	1913	0.24	80,09,977	16,20,519	1621	0.25	6,54,113	1,44,399	144.4	0.0225
Total Intensity ratio ($kgCO_2$e/per full time employee)				240.4				253				22.45

We acknowledge that our business continues to travel through a transition phase, where we intend to continue to improve on the data we collect and the granularity of that data which is available to us. We also intend to improve on our target setting as a whole by using a methodology of measuring our performance against those targets. One of the ways we will do this is through the roll out of internationally recognised Environmental Systems across all sites.

SUSTAINABILITY RISK MANAGEMENT

In 2024, we committed to the Science Based Targets Initiative SBTi. Beyond this commitment, we intend to improve our own target setting and develop several areas, in line with the following areas. We have defined what the target may be as well as the way, in which the target will be evaluated.

- Emission Reduction Targets
- Renewable Energy Targets
- Energy Efficiency Targets
- Climate-Related Financial Disclosure Targets
- Transparency, and alignment of financial disclosures with TCFD recommendations.
- Community Engagement and Climate Education Targets
- Biodiversity Conservation Targets

To measure our commitment, we will evaluate our own performance regularly by adopting 4 key measures of our progress.

PERFORMANCE ASSESSMENT PROCESS

- Regular Reporting
- Verification and Assurance
- Benchmarking
- Feedback and Continuous Improvement

We will collect feedback from all stakeholders, including shareholders and experts, to inform continuous improvement efforts and refine strategies for managing climate-related risks and opportunities.

Diligenta acknowledges the additional disclosure requirements under UK-CFD (e) to (h). However, given the nature of the company's operations, it is appropriate to apply for an exemption based on the following rationale:

- **Business Model and Strategy Impact:** Climate risks and opportunities are managed within the company's broader risk framework. As the Company has not identified any principal financial risks and opportunities, any impact of these on the business model and strategy has not been assessed.
- **Business Resilience Analysis:** Climate scenario analysis is conducted internally but is not a regulatory requirement for Diligenta's business model. The existing risk management process already incorporates resilience measures aligned with corporate strategy.
- **Targets and Performance:** Climate-related targets are managed at the group level, with sustainability objectives embedded within operational strategies rather than standalone performance metrics.
- **Key Performance Indicators (KPIs):** The company tracks energy efficiency and carbon reduction initiatives through internal reporting, but formal climate-related KPIs are not required given the business's operational scope.

SECTION 172(1) STATEMENT

The directors acknowledge their duty to promote the success of the Company for the benefit of its shareholders, employees, clients, and regulator, as well as the wider community in which it operates.

Section 172 requires directors to have regard to:

a. The interests, well-being and psychological safety of the company's employees.

b. The need to foster the company's business relationships with suppliers, customers and others.

c. The desirability of the company maintaining a reputation for high standards of business conduct.

d. The need to act fairly between members of the Company.

e. The impact of the company's operations on the community and the environment.

f. The likely consequences of any decision in the long term.

Below examples set out of how the Directors have had regard to the matters set out in section 172(1)(a)-(f) when discharging their duties.

EMPLOYEE ENGAGEMENT AND WELLBEING

Employee engagement, attraction, retention of talent and wellbeing has remained a key focus with a refreshed suite of communication channels being launched across the business and the introduction of engagement leads being embedded in key areas of the business.

During the year, several actions were taken, including the development of an internal programme to support the development of internal colleagues into complaints roles and a review of the end-to-end onboarding of colleagues into voice teams. Resourcing strategies during this year have remained flexible and an increase in support from the contractor market has been necessary in some key roles.

Back to content

Retention strategies have been deployed across key operational and business change areas in addition to market reviews for salaries in the contact centre and complaints functions.

Overall, company attrition has stabilised, however the company still experienced challenges in few areas like voice and complaints.

Developments through 2024 have also been linked to our DEI strategy with a focus on employee mental health and wellbeing, and particularly those employees with neurodiverse challenges and how the business can better support them.

Employee forums including the new People Connects and face-to-face leadership events have been a fundamental part of the Company's engagement where multiple topics are covered from DEI and employee wellbeing.

The Company has continued to partner with Best Companies to deliver a holistic employee engagement survey. This survey enables the company to understand how their colleagues are feeling and any change to employee sentiment since the last survey in 2023. The detailed insights gained through the survey will be used to further tailor the Company's actions through 2025 to enhance the existing people strategy and action plan.

The Company has complied with its obligation during the period to produce a Gender Pay Gap report, which has been reviewed by the directors to identify any issues that require attention. There were some positive changes in terms of improvements in median pay for women and the number of women in leadership roles.

A Diversity and Inclusion Council, made up of management and workforce, has continued to meet to ensure that the Company represents a truly diverse and inclusive culture, that opportunities are provided for all employees and that the Company strives to be a workplace that is understanding and welcoming of its diverse population with inclusion for all evident at the heart of its operations and culture. Feedback and ideas have been sought from the workforce on suggestions for ways to improve processes and operations, and many of the inputs have been implemented with positive results.

The directors have reviewed the financial position of the Company's defined benefits pension scheme and have continued to make the contributions, to ensure that the scheme's funding position remains strong.

The Company participates in an annual charity partnership, raising funds through employee events and company making a matching contribution.

BUSINESS RELATIONSHIPS WITH CUSTOMERS, SUPPLIERS AND OTHERS

The Company's business relationships with its clients and suppliers are maintained with high standards. Engagement with clients is frequent, at all levels of the Company's hierarchy, to ensure a full understanding of the Company's clients' needs and to foster good client relations and governance. On behalf of the Company's clients, the directors have supported the Company to develop and implement digitisation initiatives to enhance delivery to the client's customers, online access to their financial arrangements and products in order to enhance the customer's access to important information.

The Company promotes the culture of good customer outcomes whilst working with clients, suppliers and others. Directors receive and consider information and data, from external agencies, around the client's customer's satisfaction with the services provided by the Company to ensure that high standards are both maintained and improved.

On behalf of the Company's clients, the directors have supported the Company to develop and implement a new digital operating model, for delivery to its client's customers, to provide online access to its financial arrangements and products and to enhance the customer's access to important information.

The directors, through the executive management team, have engaged with clients to identify ways to improve their businesses, with the result that existing clients have entrusted the Company with significant new business opportunities, in particular the agreement reached to take on the administration of an open-book pensions portfolio which will see the Company progress into new lines of business in line with the Company's long-term strategy.

The directors receive and consider information and data, from external agencies, around its clients' customer satisfaction with the services provided by the Company to ensure that standards are both maintained and improved.

The directors ensure that the Company's relationship with its regulator, the Financial Conduct Authority, is maintained and enhanced through regular interaction on all aspects of the Company's business. In this year, the Company has continued to participate fully in the regulator's evaluation of the Company's business which has seen several initiatives being implemented. The directors have considered all findings and have implemented changes that were identified as being required.

HIGH STANDARDS OF BUSINESS CONDUCT

Culture: The Company recognises culture as central to its conduct. Directors are leading a culture ensuring that we are operating in an environment that supports a strong risk culture and good customer outcomes. 'The Diligenta Way' sets out the Company's practices and values and the 10 key principles that guide how employees work. It promotes the appropriate culture and behaviours in support of good customer outcomes.

SM&CR: The Company continues to oversee the application of the Senior Managers & Certification Regime (SM&CR). This has set out Conduct Rules that apply to employees who must receive annual training on how the rules apply to their roles. These Conduct Rules set basic standards of good personal conduct.

Regulator: The directors ensure that the Company's relationship with its regulator, the Financial Conduct Authority (FCA), is maintained and enhanced through regular and proactive interaction on all aspects of the Company's business. In this year, the Company has continued to participate fully in the regulator's evaluation of the Company's business which has seen a number of initiatives being implemented.

Suppliers: Full adherence with the conflict-of-interest policy is in place at all management levels. The Company reviews and assesses its payment practices regarding suppliers' invoices and these are biannually reported on the gov.uk website. The Company has clear processes in place, which the directors monitor, to ensure settlement of the Company's liabilities is made promptly in line with agreed timescales. The directors review and approve the Company's Procurement and Supplier Management policy.

The need to act fairly as between members of the Company (i.e., TCS): The Company recognises the need to meet the dividend expectations of its sole shareholder, Tata Consultancy Services Limited (TCS). TCS is regularly informed about performance, developments, and the various initiatives within the Company.

The impact on the community and the environment: The Company prioritised 'environmental sustainability' initiatives on account of the rapid acceleration in climate change and environmental degradation across the globe. The Company also provides priority to compliance with modern day slavery and health and safety requirements of employees. The Company has continued to operate an apprenticeship engagement programme and has developed strong relationship with colleges, universities and local governments and enterprises.

Decisions in the long term: The Company prepares a three-year outlook as part of its annual operating plan (AOP). The AOP considers growth, investment returns, location footprint, sustainability, impact on the community, etc. which helps in making strategic decisions from a long-term perspective.

The directors receive feedback from the Company's executive management team to assess the progress of planned initiatives and make any course correction that may be needed.

Approved by the Board and signed on its behalf by:

Daniel Praveen
Chief Executive Officer

Lynch Wood
Peterborough
Cambridgeshire
PE2 6FY

31 March 2025

DIRECTORS' REPORT

The directors have pleasure in presenting their annual report, together with the financial statements and auditor's report for the year ended 31 December 2024. The monetary amounts are reported in GBP (£) and are rounded to the nearest thousand.

Details of the results for the year ended 31 December 2024 and the comparative year are set out in the financial statements and the related notes.

The Board of Directors approved the financial statements on 19 March 2025 and authorised the CEO to sign on its behalf on completion of final review and changes agreed with the auditors.

PRINCIPAL ACTIVITIES

The principal activity of the Company is the provision of a range of life and pension administration services to the UK Financial Services sector.

DIVIDENDS

£14.0 million dividend payment is recommended for the year ended 31 December 2024 (2023: £12.0 million).

DIRECTORS

The directors, who served through the year, were as follows:

- Subramanian Sankaranarayanan
- Daniel Praveen
- Sir Michael Arthur
- Susan McInnes
- Milind Dhuru (appointed on 19 March 2024)
- Tim Jones CBE (appointed on 19 March 2024)
- N G Subramaniam (resigned 21 March 2024)

DIRECTORS' INDEMNITIES

The Company's parent undertaking, Tata Consultancy Services Limited, has made qualifying third-party indemnity provisions for the benefit of all directors that remain in force at the date of this report.

EMPLOYEES

The Company has an established practice of keeping its employees informed of matters affecting them and the financial and economic factors affecting the performance of the Company. This is achieved through comprehensive engagement and consultative communication, involving regular meetings between management and employees and the sharing of information both formally, through face-to-face communications with the Executive and senior leaders and, more informally, through team communications and employee portals.

The Company operates a 'zero tolerance' approach towards acts of bribery and corruption. The Company will not engage in any form of bribery or corrupt behaviour and will take firm and vigorous action against any individual who does not comply with this policy. This may involve disciplinary action being taken, which the Company will normally treat as gross misconduct, which may lead to dismissal, and legal action where appropriate. This action would be taken irrespective of whether criminal proceedings are pursued by the authorities.

It is Company policy that training, career development and promotion opportunities are available to all employees.

The Company is committed to providing equal opportunities to all employees irrespective of their sex, age, sexual orientation, marital status, religion, race, or disability. It is the Company's policy to give positive consideration to disabled persons with respect to applications for employment, training, career development and promotion, having regard to each individual's particular aptitudes and abilities.

EMPLOYEE ENGAGEMENT

The Company operates different employee engagement initiatives, including interactions with various bespoke employee/management forums, internal consultative forums, trade union bodies and regulatory committee representatives, on an on-going basis that recognises and respects all separate and shared aims in the context of building a successful business. The Company recognises Unite the Union as the negotiating body for all its employees within the Bargaining Unit in various forms, each locational site having different recognition agreements from an information and consultation perspective applicability. This year, the company has taken on its own Consultative Forum, as part of a TUPE arrangement.

In summary, the Company and the employee representatives always seek to work together in a spirit of cooperation, wherever possible. This is achieved by timely and transparent communication, consulting, and sharing of information, as well as listening and recognising the joint interests all parties have in making the Company a successful company and place to work.

All employee representatives recognise they are likely to become privy to confidential information and all employee representatives have agreed to maintain the confidentiality of any information provided to them until they are advised that this information can be disclosed to any third parties, including other union members, Diligenta colleagues or management.

ENGAGEMENT WITH CUSTOMERS, SUPPLIERS, AND OTHERS IN A BUSINESS RELATIONSHIP WITH THE COMPANY

The directors have had regard to the need to foster the Company's business relationships with suppliers, clients, and others. Please refer to the detailed discussion under the Section 172(1) Statement, within the Strategic Report, on pages 16.15 to 16. 17.

CREDITOR PAYMENT POLICY

It is the Company's policy that payments to suppliers are made in accordance with those terms and conditions agreed between the Company and its suppliers, provided that all trading terms and conditions have been complied with. The Company publishes its Payments Practices Report biannually on the Gov.UK website.

REPORTING IN ACCORDANCE WITH THE WATES CORPORATE GOVERNANCE PRINCIPLES FOR LARGE PRIVATE COMPANIES (THE "WATES PRINCIPLES")

The Company has applied the Wates Principles guidance in its entirety in the financial year ended 31 December 2024 and the report is set out below.

PURPOSE AND LEADERSHIP

The directors ensure that the Company operates with a clear sense of purpose and collective vision by the continued publication of the Company's values to all stakeholders and through statements and communications issued by the Chief Executive Officer (CEO) and his Executive Management Team. The directors have continued to hold dialogue face-to-face and in writing with the workforce and wider stakeholders, through trade union information and consultation, management forums and the participation of the workforce in voluntary, bespoke and confidential surveys. The directors, through the CEO, have provided updates and corporate messages to the workforce via the Company's intranet, through town hall sessions and through regular cascade messages to the workforce through the management team.

The Company's purpose and values have been shared and explained to the different functions and operations of the business using multiple communication channels. The objective setting process forms the backbone of setting and adherence to the Company's core values, and these have continued to be reinforced via the intranet as well as through publicity material visible throughout the Company's sites. The Company has continued to monitor culture by conducting employee surveys, engagement with trade unions, reviewing absenteeism rates, conducting exit interviews and undertaking Board feedback sessions. The directors have led on the establishment of transparent whistleblowing policies in relation to raising concerns about misconduct and unethical practices and put in place effective review processes.

The Company's policy on diversity and inclusion is underpinned throughout all corporate policies in both spirit and practice, inclusive of a bespoke diversity and inclusion council which drives this agenda forward.

BOARD COMPOSITION

The directors, collectively, have continued to demonstrate an excellent understanding of the Company's business needs and stakeholder interests. The Company's Board is constituted of individuals with a wide range of industry and subject expertise. The chairman promotes open debate and facilitates constructive discussion. This enables the Board to be an open forum for discussion where varied views are tabled, and challenge is issued to the executive team on various matters. The chairman

ensures that all directors have appropriate information, and that sufficient time is made available for meaningful discussion. Detailed inputs are provided five working days before the Board meets and meetings take place quarterly with sufficient time allowed for discussion of issues to be covered. The Company has a commitment to the ongoing professional development of its directors who embrace such opportunities and ensure that they have sufficient time to discharge their duties.

DIRECTORS' RESPONSIBILITIES

The directors have established and maintained corporate governance practices that provide clear lines of responsibility for individual directors, including the non-executive directors, to support effective decisionmaking. The Company has a full suite of policies that it reviews regularly against a number of criteria, including regulation, best practice and alignment to client policies, which govern its internal affairs. Policies have formally assigned owners who are responsible to the Board. The directors have established formal and robust internal processes to ensure systems and controls are operating effectively, and that the quality and integrity of information provided to it is reliable.

The directors have agreed and set out how conflicts of interest should be identified and managed within the Company, through a Conflicts of Interest policy.

OPPORTUNITY AND RISK

The directors have continued to consider and assess how the Company creates and preserves value over the long-term. The Company has processes for the identification of future opportunities for innovation and entrepreneurship by operating in a variety of ways to ensure it remains innovative, including via market learning, in forums with its clients and by way of benefitting from the very extensive knowledge-based innovation of its parent company, Tata Consultancy Services Limited.

The directors have oversight of risk, how it is managed and appropriate accountability to stakeholders. There are clear areas of responsibility for individual directors, including for the non-executive directors, and all have identified areas of oversight over the key stakeholders and managers of the business. The directors have established formal internal processes to assess the effectiveness of systems and controls, that action is taken where weaknesses are identified, and that the quality and integrity of information provided to them is reliable.

REMUNERATION

Remuneration for directors and senior managers is aligned with performance, behaviours, and the achievement of Company purpose, values, and strategy. The Company utilises specialist external agencies to provide pay comparability methodologies to assist with determining remuneration throughout the Company. The Company uses a formal remuneration committee to address and govern all changes to employees' remuneration.

In setting director and senior manager remuneration, consideration has been given to remuneration throughout the organisation to reinforce a sense of shared purpose. The directors have established clear policies on remuneration structures and practices which enable effective accountability to shareholders, taking account of the broader operating context, including the pay and conditions of the wider workforce and the Company's response to such matters as gender pay gap and the living wage.

STAKEHOLDER RELATIONSHIPS AND ENGAGEMENT

The Company considers how its activities may impact both current and future stakeholders, including how these could impact on the environment in everything it does. This is carried out by consideration being given to the proposed activities at management and Board meetings before any initiative is implemented. Once implemented, the Company reviews and amends, as required, the Company's policies and seeks periodic inputs via workforce surveys; formal governance and feedback surveys with clients; end customer satisfaction results and analysis; and regular meetings and audits with regulators.

The Company presents to stakeholders a fair, balanced, and understandable assessment of the Company's position and prospects and makes this available through intranet communications and messages from executive management and, results of workforce surveys.

The directors ensure that there is a range of formal and informal channels in place to receive appropriate feedback from discussions with stakeholders. Workforce policies and practices are aligned with the Company's purpose and values.

FINANCIAL INSTRUMENTS

Details of the objectives and management of Financial Assets and Liabilities are contained in note 7 to the financial statements.

DONATIONS

The Company made £16,857 donations to charitable organisations in the year (2023: £2,143).

POLITICAL CONTRIBUTIONS

The Company made no political donations and incurred no political expenditure during the year (2023: £Nil).

DISCLOSURE OF INFORMATION TO AUDITORS

The directors who held office at the date of approval of this director's report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each Director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

OTHER INFORMATION

Review of Business and future developments are included in the Strategic Report on page 3 to 5.

AUDITORS

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed, and KPMG LLP will therefore continue in office.

GOING CONCERN

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

Approved by the Board and signed on its behalf by:

Daniel Praveen
Chief Executive Officer

Lynch Wood
Peterborough
Cambridgeshire
PE2 6FY

31 March 2025

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK-adopted international accounting standards and applicable law.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently.
- make judgements and estimates that are reasonable, relevant and reliable.
- state whether they have been prepared in accordance with UK-adopted international accounting standards.
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DILIGENTA LIMITED

OPINION

We have audited the financial statements of Diligenta Limited ("the Company") for the year ended 31 December 2024 which comprise the Statement of Profit or Loss and other Comprehensive Income, Statement of Financial Position, Statement of changes in Equity, Statement of Cash Flows, and related notes, including the accounting policies in the respective notes.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as of 31 December 2024 and of its profit for the year then ended.
- have been properly prepared in accordance with UK-adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

GOING CONCERN

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect.

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud.

Our risk assessment procedures included:

- Enquiring of directors, the audit committee, internal audit and inspection of policy documentation as to the Company's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Company's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board and audit committee minutes.
- Considering remuneration incentive schemes and performance targets for management, directors and sales staff.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards and taking into account possible pressures to meet profit targets, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular:

- the risk that management may be in a position to make inappropriate accounting entries; and
- the risk of bias in accounting estimates such as percentage of completion for revenue recognition.

We did not identify any additional fraud risks.

In determining the audit procedures, we took into account the results of our evaluation and testing of the operating effectiveness of some of the Company-wide fraud risk management controls.

We also performed procedures including:

- Identifying journal entries and other adjustments to test for all full scope components based on risk criteria and comparing the identified entries to supporting documentation. These included journal entries containing key words, those posted by individuals who are not authorised to post journal entries, those entries containing unusual pairings, and posting of backdated journal entries.
- Assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations.

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors and other management (as required by auditing standards), and from inspection of the Company's regulatory and legal correspondence and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

As the Company is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies' legislation), distributable profits legislation, taxation legislation, and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequences of noncompliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of Company's license to operate. We identified the following areas as those most likely to have such an effect: health and safety, data protection laws, anti-bribery, employment law, and the Financial Conduct Authority (FCA) regulation of permitted activities and the related capital requirements due to the Company's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

CONTEXT OF THE ABILITY OF THE AUDIT TO DETECT FRAUD OR BREACHES OF LAW OR REGULATION

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing noncompliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

STRATEGIC REPORT AND DIRECTORS' REPORT

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- We have not identified material misstatements in the strategic report and the directors' report.
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

DIRECTORS' RESPONSIBILITIES

As explained more fully in their statement set out on page 16.22, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

THE PURPOSE OF OUR AUDIT WORK AND TO WHOM WE OWE OUR RESPONSIBILITIES

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Lynton Richmond (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
Canary Wharf
London
E14 5GL
01 April 2025

STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2024

(£'000)

	Note	As at December 31, 2024	As at December 31, 2023
ASSETS			
Current assets			
Cash and cash equivalent	7(a)	**1,365**	360
Investments	7(b)	**61,300**	61,500
Trade receivables	7(c)	**32,438**	37,780
Accrued revenue		**24,669**	26,913
Other financial assets	7(d)	**1,386**	790
Other assets	9(c)	**45,385**	14,289
Contract assets	9(c)	**36,640**	36,597
Income tax assets		**3,354**	1,513
Total current assets		**206,537**	179,742
Non-current assets			
Right-of-use assets	8	**9,690**	8,798
Property, plant, and equipment	9(a)	**8,570**	5,341
Intangible assets	9(b)	**1,026**	1,774
Deferred tax assets (net)	12	**1,712**	3,147
Other financial assets	7(d)	**22,000**	20,000
Other assets	9(c)	**6,115**	7,215
Contract assets	9(c)	**9,919**	17,596
Total non-current assets		**59,032**	63,871
TOTAL ASSETS		**265,569**	243,613
LIABILITIES AND EQUITY			
Liabilities			
Current liabilities			
Lease liabilities	7(f)	**3,157**	3,464
Trade payables	7(f)	**61,680**	46,812
Other financial liabilities	7(e)	**7,342**	1,479
Unearned and deferred revenue		**16,511**	27,388
Other liabilities	9(d)	**10,159**	8,639
Employee benefit obligations	13(a)	**1,433**	1,896
Total current liabilities		**100,282**	89,678
Non-current liabilities			
Lease liabilities	7(f)	**6,450**	5,348
Total non-current liabilities		**6,450**	5,348
TOTAL LIABILITIES		**106,732**	95,026
Equity			
Share capital	7(i)	**1,000**	1,000
Share premium		**25,000**	25,000
Retained earnings		**90,837**	80,587
Other reserve	7(i)	**42,000**	42,000
TOTAL EQUITY		**158,837**	148,587
TOTAL LIABILITIES AND EQUITY		**265,569**	243,613

The financial statements were approved by the Board of Directors and authorised for issue on 19 March 2025.

They were signed on its behalf by:

Daniel Praveen
Chief Executive Officer
Company registration number: 05535029

NOTES 1 TO 18 FORM PART OF THE FINANCIAL STATEMENTS.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

(£'000)

	Note	For the year ended December 31, 2024	For the year ended December 31, 2023
REVENUE	10	**606,831**	522,450
Operating expenses:			
Employee benefit expenses	13	**(292,634)**	(244,358)
Depreciation and amortisation expense	9(a),9(b)	**(3,949)**	(5,875)
Right of use assets depreciation	8	**(3,954)**	(3,362)
Other operating expenses	11	**(280,672)**	(243,912)
TOTAL OPERATING EXPENSES		**(581,209)**	(497,507)
OPERATING PROFIT		**25,622**	24,943
OTHER INCOME / (EXPENSE):			
Dividend and interest income		**3,853**	2,675
Interest on lease liabilities		**(545)**	(507)
Other gains/loss (net)		**(81)**	(57)
TOTAL OTHER INCOME / (EXPENSE)		**3,227**	2,111
PROFIT BEFORE TAX		**28,849**	27,054
Tax expense	12	**(6,635)**	(6,030)
PROFIT FOR THE YEAR		**22,214**	21,024
OTHER COMPREHENSIVE INCOME (OCI)			
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement of defined employee benefit plans		**48**	(886)
Deferred tax on remeasurement of defined employee benefit Plans		**(12)**	222
TOTAL OTHER COMPREHENSIVE (LOSSES) / INCOME, NET OF TAXES		**36**	(664)
TOTAL COMPREHENSIVE (LOSSES) / INCOME FOR THE YEAR		**22,250**	20,360

NOTES 1 TO 18 FORM PART OF THE FINANCIAL STATEMENTS

STATEMENT OF CHANGES IN EQUITY

(£'000)

	Share capital	Share premium	Other reserve	Retained earnings	Total equity
Balance at 1 January 2023	1,000	25,000	42,000	60,227	128,227
Profit for the year	-	-	-	21,024	21,024
Other comprehensive income	-	-	-	(664)	(664)
Total comprehensive income	-	-	-	20,360	20,360
Balance at 31 December 2023	1,000	25,000	42,000	80,587	148,587
Balance at 1 January 2024	**1,000**	**25,000**	**42,000**	**80,587**	**148,587**
Profit for the year	**-**	**-**	**-**	**22,214**	**22,214**
Other comprehensive income	**-**	**-**	**-**	**36**	**36**
Total comprehensive income	**-**	**-**	**-**	**22,250**	**22,250**
Dividend paid	**-**	**-**	**-**	**(12,000)**	**(12,000)**
Balance at 31 December 2024	**1,000**	**25,000**	**42,000**	**90,837**	**158,837**

Other reserve of £42,000,000 (2023: £42,000,000) relates to a capital redemption reserve following the redemption of preference shares in previous years. This is a non–distributable reserve.

NOTES 1 TO 18 FORM PART OF THE FINANCIAL STATEMENTS.

STATEMENT OF CASH FLOWS

(£'000)

	Note	Year ended December 31, 2024	Year ended December 31, 2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the year		**22,214**	21,024
Tax expense	12	**6,635**	6,030
Adjustment to reconcile profit or loss to net cash provided by operating activities:			
Depreciation and amortisation expense	8, 9(a), 9(b)	**7.903**	9,237
Finance costs		**545**	507
Dividend and interest income		**(3,853)**	(2,675)
Operating profit before working capital changes		**33,444**	34,123
Net change in:			
Trade receivables		**5,342**	2,407
Accrued revenue		**2,242**	(4,464)
Other financial assets		**(2,596)**	(2,230)
Other assets		**(22,318)**	265
Trade payables		**14,868**	(33,056)
Unearned and deferred revenue		**(10,877)**	26,588
Other financial liabilities		**5,863**	(3,192)
Other liabilities and provisions		**1,057**	1,328
Cash generated from operations		**27,025**	21,769
Taxes paid (net of refunds)		**(7,050)**	(6,345)
Net cash generated from operating activities		**19,975**	15,424
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of investments		**(338,000)**	(305,600)
Payment for purchase of property, plant and equipment	9(a)	**(6,430)**	(1,492)
Proceeds from disposal / redemption of investments		**338,200**	275,100
Dividend and interest received		**3,853**	2,675
Net cash generated/ (used in) from investing activities		**(2,377)**	(29,317)
Cash flows from financing activities			
Repayment of lease liabilities		**(4,048)**	(3,541)
Interest paid		**(545)**	(507)
Dividend paid		**(12,000)**	-
Net cash used in financing activities		**(16,593)**	(4,048)
Net change in cash and cash equivalents		**1,005**	(17,941)
Cash and cash equivalents at the beginning of the year		**360**	18,301
Cash and cash equivalents at the end of the year		**1,365**	360

NOTES 1 TO 18 FORM PART OF THE FINANCIAL STATEMENTS.

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Company is incorporated in the United Kingdom under the Companies Act. The address of the registered office is Lynch Wood, Peterborough, Cambridgeshire PE2 6FY and Company registration number is 05535029. The nature of the Company's operations and its principal activities are set out in the strategic and directors' reports.

2. STATEMENT OF COMPLIANCE

The Company financial statements have been prepared and approved by the directors in accordance with UK- adopted international financial reporting standards ("UK-adopted IFRS").

3. A BASIS OF PREPARATION

These financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for 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. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

The statement of cash flows has been prepared under the indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals, or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The Company classifies interest paid and interest and dividend received as cash flows from operating activities. The cash flows from operating, investing, and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value to be cash equivalents.

The functional and reporting currency of the company is GBP (£). Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are retranslated at the exchange rate prevailing on the dates of statement of financial position and exchange gains and losses arising on settlement and restatement are recognised in profit or loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

The material accounting policy information used in preparation of the financial statements have been discussed in the respective notes.

3.B GOING CONCERN

The directors have reviewed the budget and cash flow forecasts of the Company, taking account of reasonably possible downsides, for a period of not less than 12 months from the date of approval of these financial statements which indicate that the Company will have sufficient funds, through its operating cash flows and liquid investments to meet its liabilities as they fall due for that period.

Consequently, the directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

4. USE OF ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with the recognition and measurement principles of International Financial Reporting Standards (IFRS) requires management to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures of contingent liabilities at the date of the financial statements and the reported amounts of income and expenses for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, and future periods are affected.

NOTES TO THE FINANCIAL STATEMENTS

The Company uses the following critical accounting estimates in preparation of its financial statements:

A. REVENUE RECOGNITION

Revenue for fixed-price contracts is recognised using the percentage-of-completion method. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.

The Company exercises judgement for identification of performance obligations, determination of transaction price, ascribing the transaction price to each distinct performance obligation and in determining whether the performance obligation is satisfied at a point in time or over a period of time. These judgements have been explained in detail under the revenue recognition note (Refer note 10).

B. USEFUL LIVES OF PROPERTY, PLANT AND EQUIPMENT

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

C. PROVISION FOR INCOME TAX AND DEFERRED TAX ASSETS

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

D. PROVISIONS AND CONTINGENT LIABILITIES

The Company estimates the provisions that have present obligations as a result of past events, and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Company uses significant judgements to assess contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation, or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

E. EMPLOYEE BENEFITS

The accounting of employee benefit plans in the nature of defined benefit, explained under employee benefits note, requires the Company to use assumptions. These assumptions have been explained under the employee benefits note. (Refer Note 13)

F. LEASES

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of IFRS 16. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

NOTES TO THE FINANCIAL STATEMENTS

5. NATURE AND PURPOSE OF RESERVES

A. RETAINED EARNINGS

This reserve represents undistributed accumulated earnings of the Company as on the date of statement of financial position.

B. SHARE PREMIUM

Share premium is used to record the premium on issue of shares.

C. OTHER RESERVE

Other reserve relates to a capital redemption reserve following the redemption of preference shares in previous years. This is a non-distributable reserve.

6. RECENT ACCOUNTING STANDARDS

The Company has not applied the following new and revised IFRSs that have been issued but are not yet effective:

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates[1]

Amendments to IFRS 9 and IFRS 7[2]

IFRS 18 Presentations and Disclosures in Financial Statements[3]

IFRS 19 – Subsidiaries without Public Accountability: Disclosures[3]

[1]Effective for annual periods beginning on or after January 1, 2025.

[2]Effective for annual periods beginning on or after January 1, 2026.

[3]Effective for annual periods beginning on or after January 1, 2027

IAS 21 – THE EFFECTS OF CHANGES IN FOREIGN EXCHANGE RATES

In August 2023, the IASB issued 'Lack of Exchangeability (Amendments to IAS 21)' to provide guidance to specify which exchange rate to use when the currency is not exchangeable. An entity must estimate the spot exchange rate as the rate that would have applied to an orderly transaction between market participants at the measurement date and that would faithfully reflect the economic conditions prevailing. The Group does not expect this amendment to have any significant impact on its financial statements.

IFRS 9 and IFRS 7 – FINANCIAL INSTRUMENTS AND FINANCIAL INSTRUMENTS: DISCLOSURES

In May 2024, the IASB issued "Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) to address matters identified during the post-implementation review of IFRS 9. The amendments relate to derecognition of a financial liability settled through electronic transfer, classification of financial assets and disclosures of certain financial assets and financial liabilities. The Company will evaluate the amendments and implement them accordingly.

IFRS 18 – PRESENTATION AND DISCLOSURES IN FINANCIAL STATEMENTS

In April 2024, the IASB issued its new standard IFRS 18 – Presentation and Disclosures in Financial Statements that will replace IAS 1 – Presentation of Financial Statements. The new standard aims at improving how entities communicate in their financial statements. The Company will evaluate the standard requirements and implement them accordingly.

IFRS 19 – SUBSIDIARIES WITHOUT PUBLIC ACCOUNTABILITY: DISCLOSURES

In May 2024, the IASB issued a new standard IFRS 19 - Subsidiaries without Public Accountability: Disclosures. The standard allows a subsidiary which does not have public accountability and has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards, to elect IFRS 19. Such an entity applies the requirements in other IFRS Accounting Standards, except for the disclosure requirements, instead the entity applies the requirements in IFRS 19. The Company will evaluate the amendments and implement them accordingly.

NOTES TO THE FINANCIAL STATEMENTS

7. FINANCIAL ASSETS, FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

The Company de-recognises a financial asset only when the contractual rights to the cash flow 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 entity. The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled, or have expired.

CASH AND CASH EQUIVALENTS

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

The Company holds money ring-fenced in a deposit account as part of FCA requirement. The same is reported under Other non-current financial assets as "Restricted cash".

FINANCIAL ASSETS AT AMORTISED COST

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

The Company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in other comprehensive income.

FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

The Company has deposits into Mutual Funds which are classified as financial assets measured through profit or loss. The Mutual Funds have a standard value of per unit which is the reference for any gains or losses on the holding. There has been no gain or loss on the holding of Mutual Funds.

FINANCIAL LIABILITIES

Financial liabilities are measured at amortised cost using the effective interest method.

IMPAIRMENT OF FINANCIAL ASSETS (OTHER THAN AT FAIR VALUE)

The Company assesses at each date of statement of financial position whether a financial asset or a group of financial assets is impaired. IFRS 9 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. In determining the allowance for expected credit losses, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due, and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

NOTES TO THE FINANCIAL STATEMENTS

A. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are held in a banking institution with a credit rating of AA- (Standard & Poor's) and consist of the following:

(£'000)

	As at December 31, 2024	As at December 31, 2023
Cash in hand and at banks	**1,365**	360
Total	**1,365**	360

B. INVESTMENTS

Investments consist of the following:

Investments - Current

(£'000)

Investments carried at fair value through profit or loss	As at December 31, 2024	As at December 31, 2023
Mutual fund units	**61,300**	61,500
Total	**61,300**	61,500

Mutual fund balances are deposits in a fund with daily liquidity, where the aim is to provide investors with security of capital together with an investment return which is comparable to normal sterling-denominated money market interest rates.

C. TRADE RECEIVABLES

Trade receivables consist of the following:

(£'000)

Current	As at December 31, 2024	As at December 31, 2023
Trade receivables	**32,438**	37,780
Less: Allowance for doubtful trade receivables	**-**	-
Total	**32,438**	37,780

D. OTHER FINANCIAL ASSETS

Other financial assets consist of the following:

(£'000)

Other financial assets – Current	As at December 31, 2024	As at December 31, 2023
Employee loans and advances	**398**	311
Security deposits	**161**	115
Interest receivable	**827**	364
Total	**1,386**	790

NOTES TO THE FINANCIAL STATEMENTS

(£'000)

Other financial assets - non-current	As at December 31, 2024	As at December 31, 2023
Restricted cash with Bank **	**22,000**	20,000
Total	**22,000**	20,000

** Money ring-fenced as part of FCA requirement is held in a deposit account and is not available for working capital requirements.

E. OTHER FINANCIAL LIABILITIES

Other financial liabilities consist of the following:

(£'000)

Other financial liabilities – Current	As at December 31, 2024	As at December 31, 2023
Accrued payroll	**7,342**	1,479
Total	**7,342**	1,479

F. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying value of financial instruments by categories as at 31 December 2024 is as follows:

(£'000)

	Fair value through profit or loss	Amortized cost	Total carrying value
Financial assets			
Cash and cash equivalents	**-**	**1,365**	**1,365**
Trade receivables	**-**	**32,438**	**32,438**
Accrued revenue	**-**	**24,669**	**24,669**
Investments	**61,300**	**-**	**61,300**
Other financial assets	**-**	**23,386**	**23,386**
Total	**61,300**	**81,858**	**143,158**
Financial liabilities			
Trade payables	**-**	**61,680**	**61,680**
Lease liability	**-**	**9,607**	**9,607**
Other financial liabilities	**-**	**7,342**	**7,342**
Total	**-**	**78,629**	**78,629**

NOTES TO THE FINANCIAL STATEMENTS

The carrying value of financial instruments by categories as at 31 December 2023 is as follows:

	Fair value through profit or loss	Amortized cost	Total carrying value
Financial assets			
Cash and cash equivalents	-	360	360
Trade receivables	-	37,780	37,780
Accrued revenue	-	26,913	26,913
Investments	61,500	-	61,500
Other financial assets	-	20,790	20,790
Total	61,500	85,843	147,343
Financial liabilities			
Trade payables	-	46,812	46,812
Lease liability	-	8,812	8,812
Other financial liabilities	-	1,479	1,479
Total	-	57,103	57,103

Carrying amounts of cash and cash equivalents, trade receivables, accrued revenue and trade payables as of 31 December 2024 and 2023 approximate the fair value due to their nature. Carrying amounts of bank deposits, earmarked balances with banks, other financial assets and other financial liabilities which are subsequently measured at amortised cost, also approximate the fair value due to their nature in each of the periods presented. Fair value measurement of lease liabilities is not required.

£29.07 million of the trade payables balances represents amounts due to related undertaking (2023: £38.29 million).

G. 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.

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosures are required):

As at 31 December 2024

(£'000)

	Level 1	Level 2	Level 3	Total
Financial assets:				
Mutual fund units	**61,300**	**-**	**-**	**61,300**
Total	**61,300**	**-**	**-**	**61,300**

NOTES TO THE FINANCIAL STATEMENTS

As at 31 December 2023

(£'000)

	Level 1	Level 2	Level 3	Total
Financial assets:				
Mutual fund units	61,500	-	-	61,500
Total	61,500	-	-	61,500

H. FINANCIAL RISK MANAGEMENT

The Company is exposed primarily to fluctuations in foreign currency exchange rates, credit, liquidity and interest rate risks, which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which covers risks associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors. The focus of the risk management committee is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the Company.

MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company looks to mitigate the market risk by agreeing terms predominantly in the functional currency, securing fixed price borrowings and liquid investment.

- **Foreign currency exchange rate risk**

  The fluctuation in foreign currency exchange rates may have a potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency. The Company's transactions are mainly in GBP, hence its exposure to foreign currency exchange rate risk is limited.

- **Interest rate risk**

  The Company is not significantly exposed to interest rate risk.

CREDIT RISK

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, accrued revenue, investments, cash and cash equivalents and other financial assets. Investments include an amount of £61,300,000 held as mutual funds. None of the other financial instruments of the Company result in a material concentration of credit risk.

- **Exposure to credit risk**

  The carrying amount of financial assets and contract assets represents the maximum credit exposure. The maximum exposure to credit risk was £189,718,958 and £201,534,899 as at 31 December 2024 and 31 December 2023, respectively, being the total of the carrying amount of balances with banks with high quality credit rating, investments, trade receivables, accrued revenue, contract assets and other financial assets.

  The Company's exposure to credit risk with regards to trade receivables, accrued revenue and contract assets is influenced mainly by the individual characteristics of each customer in relation to the industry practices and business environment in which they operate. The Company limits its exposure to credit risk from trade receivables by establishing a maximum payment period of 365 days for its customers after which they are in default (credit impaired). To manage this risk, the Company has a robust Credit Management Process in place.

NOTES TO THE FINANCIAL STATEMENTS

The Company has adopted a policy of dealing only with creditworthy counterparties. The Company's exposure to the counterparties is continuously monitored and necessary changes to the credit terms are made. None of the customer balances have been written off and no customer balances have been credit impaired at the reporting date.

The following customers form more than 10% of outstanding trade receivables, unbilled receivables and contract assets as at 31 December 2024 and 31 December 2023:

(£'000)

	As at December 31, 2024		As at December 31, 2023	
	Amount	%	Amount	%
Customer A	**14,381**	**13.87**	16,674	14.03
Customer B	**19,140**	**18.46**	24,522	20.63
Customer C	**32,379**	**31.23**	42,806	36.01
Customer D	**23,877**	**23.03**	14,261	12.00
Customer E	**1,686**	**1.63**	14,668	12.34

Geographic concentration of credit risk

Geographic concentration of trade receivables (gross and net of allowances), unbilled receivables and contract assets is as follows:

	As at December 31, 2024		As at December 31, 2023	
	Gross %	Net %	Gross %	Net %
United Kingdom	**100**	**100**	100	100

Geographical concentration of trade receivables, unbilled receivables and contract assets is allocated based on the location of the customers.

The Company uses an allowance matrix to measure the expected credit loss of trade receivable from customers. The expected credit loss allowance is based on the ageing of the days the receivables are due and are as follows:

December 31, 2024

(£'000)

	Weighted average loss rate	Gross carrying amount *	Provision balance adjusted	Net Amount	Loss amount	Credit impaired
Ageing						
Not Due	**0%**	**22,340**	**-**	**22,340**	**-**	**-**
1-90 days	**0%**	**-**	**-**	**-**	**-**	**-**
91-180 days	**0%**	**-**	**-**	**-**	**-**	**-**
181-272 days	**0%**	**-**	**-**	**-**	**-**	**-**
273-364 days	**100%**	**-**	**-**	**-**	**-**	**-**
>365 days	**100%**	**-**	**-**	**-**	**-**	**-**
TOTAL		**22,340**	**-**	**22,340**	**-**	**-**

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

(£'000)

	Weighted average loss rate	Gross carrying amount *	Provision balance adjusted	Net Amount	Loss amount	Credit impaired
Ageing						
Not Due	0%	23,112	-	23,112	-	-
1-90 days	0%	-	-	-	-	-
91-180 days	0%		-		-	-
181-272 days	0%	-	-	-	-	-
273-364 days	100%	-	-	-	-	-
>365 days	100%	-	-	-	-	-
TOTAL		23,112	-	23,112	-	-

* Gross carrying amount excludes inter-company receivables and is net of money received and credit memos that are pending application.

LIQUIDITY RISK

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company consistently generates sufficient cash flows from operations to meet its financial obligations including lease liabilities as and when they fall due.

The tables below provide details regarding the contractual maturities of significant financial liabilities as at 31 December 2024:

(£'000)

	Due 1st year	Due 2nd year	Due 3rd to 5th year	Due after 5th year	Total
Non derivative financial liabilities:					
Trade payables	**61,680**	**-**	**-**	**-**	**61,680**
Lease liability	**3,451**	**3,001**	**4,014**	**-**	**10,466**
Other financial liabilities	**7,342**	**-**	**-**	**-**	**7,342**
Total	**72,473**	**3,001**	**4,014**	**-**	**79,488**

The tables below provide details regarding the contractual maturities of significant financial liabilities as at 31 December 2023:

(£'000)

	Due 1st year	Due 2nd year	Due 3rd to 5th year	Due after 5th year	Total
Non derivative financial liabilities:					
Trade payables	46,812	-	-	-	46,812
Lease liability	3,695	1,991	3,897	-	9,583
Other financial liabilities	1,479	-	-	-	1,479
Total	51,986	1,991	3,897	-	57,874

NOTES TO THE FINANCIAL STATEMENTS

I. EQUITY INSTRUMENTS

The authorised, issued, subscribed and fully paid-up share capital consist of the following:

(£'000)

	As at December 31,2024	As at December 31,2023
(a) Authorised		
Ordinary equity shares 2,000,000 of £1 each	**2,000**	2,000
Redeemable preference shares 50,000,000 of £1 each	**50,000**	50,000
(b) Issued, Subscribed and Paid Up		
1,000,001 ordinary equity shares of £1 each	**1,000**	1,000

Other reserve of £42,000,000 (2023: £42,000,000) relates to a capital redemption reserve following the redemption of preference shares in previous years. This is a non-distributable reserve.

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans, and long-term and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. The Company is not subject to any externally imposed capital requirements.

The Company is required by the Financial Conduct Authority (FCA) to hold sufficient resources to undertake regulated activities on behalf of its clients. As a regulated firm, the Company has a robust governance framework in place, underpinned by several governance committees which report into the Risk Management and Compliance Committee, the Board Audit Committee and ultimately to the Board of Directors. The regulatory capital threshold requirement was increased from £35.0 million to £ 37.0 million during the year.

RIGHTS, PREFERENCES AND RESTRICTIONS ATTACHED TO SHARES

The Company has one class of equity shares having nominal value of £1 each. Each member has one vote for every share of which he is the holder. The Company may by ordinary resolution declare dividends in accordance with the respective rights of members. Every dividend shall be distributed to the appropriate shareholder pro rata according to the number of shares held by them. The Company may by ordinary resolution appropriate a sum resolved to be capitalised to the members who would have been entitled to it if it were distributed by way of a dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to their shareholding.

8. LEASES

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

COMPANY AS A LESSEE

The Company accounts for each lease component within the contract as a lease, separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate standalone price of the non-lease components.

The Company recognises a right-of-use asset representing its right-to-use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use asset is subsequently measured at cost, less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or its useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in statement of profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses an incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease-by-lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and profit or loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in profit or loss.

The Company has elected not to apply the requirements of IFRS 16 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

COMPANY AS A LESSOR

At the inception of the lease, the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Company applies IFRS 15 Revenue from contracts with customers to allocate the consideration in the contract.

The details of the right-of-use asset held by the Company are as follows:

(£'000)

	Additions for the year ended December 31, 2024	Net carrying amount as at December 31, 2024
Buildings	**4,633**	**9,495**
Office equipment	**213**	**195**
Total	**4,846**	**9,690**

(£'000)

	Additions for the year ended December 31, 2023	Net carrying amount as at December 31, 2023
Buildings	4,207	8,680
Office equipment	-	118
Total	4,207	8,798

NOTES TO THE FINANCIAL STATEMENTS

Depreciation on right-of-use asset is as follows:

(£'000)

	Year ended December 31, 2024	Year ended December 31, 2023
Buildings	**3,819**	3,221
Office equipment	**135**	141
Total	**3,954**	3,362

Amounts recognised in the statement of profit and loss:

(£'000)

	Year ended December 31, 2024	Year ended December 31, 2023
Depreciation	**3,954**	3,362
Interest on lease liability	**545**	507
Expense relating to short term lease and lease of low value asset	**1,195**	1,129
Total	**5,694**	4,998

Total cash flow:

(£'000)

	Year ended December 31, 2024	Year ended December 31, 2023
Total cash outflow for leases	**5,174**	5,118

- Total cash outflow includes payments for short term and long-term leases.
- The Company has no lease term extension options as at 31 December 2024 and 2023.
- Lease contracts entered by the Company largely relate to buildings taken on to conduct its business in the ordinary course. The Company does not have any lease restrictions and commitment towards variable rent.

9. NON-FINANCIAL ASSETS AND NON-FINANCIAL LIABILITIES

A. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use, less accumulated depreciation (other than freehold land) and impairment loss, if any.

Depreciation is provided for property, plant and equipment on a straight-line basis so as to expense the cost less residual values over their estimated useful lives based on a technical evaluation. The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

The estimated useful lives are as mentioned below:

Type of asset	Method	Useful lives
Leasehold improvements	Straight line	Lease term
Computer equipment	Straight line	4 years
Furniture and fixtures	Straight line	5 years
Office equipment and other assets	Straight line	5 years

NOTES TO THE FINANCIAL STATEMENTS

Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use. Capital work-in-progress includes capital advances.

Property, plant and equipment with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss.

Property, plant and equipment consist of the following:

(£'000)

	Computer equipment	Leasehold Improvements	Capital work in progress	Total
Cost as at 1 January 2024	**41,149**	**1,395**	**740**	**43,284**
Additions	**4,723**	**23**	**6,262**	**11,008**
Transfer		**-**	**(4,723)**	**(4,723)**
Cost as at 31 December 2024	**45,872**	**1,418**	**2,279**	**49,569**
Accumulated Depreciation as at 1 January 2024	**36,688**	**1,255**	**-**	**37,943**
Depreciation for the year	**3,055**	**1**	**-**	**3,056**
Accumulated Depreciation as at 31 December 2024	**39,743**	**1,256**	**-**	**40,999**
Net carrying amount as at 31 December 2024	**6,129**	**162**	**2,279**	**8,570**

(£'000)

	Computer equipment	Leasehold Improvements	Capital work in progress	Total
Cost as at 1 January 2023	40,271	1,395	163	41,829
Additions	878	-	1,455	2,333
Transfer	-	-	(878)	(878)
Cost as at 31 December 2023	41,149	1,395	740	43,284
Accumulated Depreciation as at 1 January 2023	32,090	1,202	-	33,292
Depreciation for the year	4,598	53	-	4,651
Accumulated Depreciation as at 31 December 2023	36,688	1,255	-	37,943
Net carrying amount as at 31 December 2023	4,461	140	740	5,341

B. OTHER INTANGIBLE ASSETS

Intangible assets purchased are measured at cost as at the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

Intangible assets consist of rights under licensing agreement and software licences.

The following table summarises the nature of intangibles and their estimated useful lives.

Nature of intangible	Useful lives
Software licence	License period
Rights under licensing agreement	Lower of license period and 2-5 years.

NOTES TO THE FINANCIAL STATEMENTS

Intangible assets are amortised on a straight-line basis over the period of their economic useful life.

Intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss.

Intangible assets consist of the following:

(£'000)

	Rights under licensing agreement and software licences
Cost as at 1 January 2024	**9,700**
Additions	**145**
Cost as at 31 December 2024	**9,845**
Accumulated amortisation as at 1 January 2024	**7,926**
Amortisation for the year	**893**
Accumulated amortisation as at 31 December 2024	**8,819**
Net carrying amount as at 31 December 2024	**1,026**

(£'000)

	Rights under licensing agreement and software licences
Cost as at 1 January 2023	9,663
Additions	37
Cost as at 31 December 2023	9,700
Accumulated amortisation as at 1 January 2023	6,702
Amortisation for the year	1,224
Accumulated amortisation as at 31 December 2023	7,926
Net carrying amount as at 31 December 2023	1,774

C. OTHER ASSETS

Other assets consist of the following:

(£'000)

Other assets – Current	As at December 31, 2024	As at December 31, 2023
Indirect tax recoverable	**210**	242
Prepaid expenses	**16,923**	2,525
Contract fulfilment costs *	**28,252**	11,522
	45,385	14,289
Contract assets	**36,640**	36,597

NOTES TO THE FINANCIAL STATEMENTS

(£'000)

Other assets – non-current	As at December 31, 2024	As at December 31, 2023
Prepaid expenses	**16**	-
Contract fulfilment costs	**4,698**	6,279
Net pension asset – refer note 13b	**1,401**	936
	6,115	7,215
Contract assets	**9,919**	17,596

* Contract fulfilment costs of £ 5,008k and £10,002k for the years ended 31 December 2024 and 2023, respectively, have been amortised in the profit or loss.

D. OTHER LIABILITIES

(£'000)

Other liabilities – Current	As at December 31, 2024	As at December 31, 2023
Indirect tax payable and other statutory liabilities	**10,079**	8,408
Advances received from customers	**59**	-
Sundry liabilities	**21**	231
Total	**10,159**	8,639

10. REVENUE RECOGNITION

The Company earns revenue primarily from providing IT services, consulting and business solutions. The Company offers a consulting-led, cognitive powered, integrated portfolio of IT, business and engineering services and solutions.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration that the Company expects to receive in exchange for those products or services.

- Revenue from time and material and job contracts is recognised on an output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.
- In respect of other fixed-price contracts, revenue is recognised using the percentage-of-completion method ('POC method') of accounting with contract cost incurred determining the degree of completion of the performance obligation. The contract cost used in computing the revenues includes the cost of fulfilling warranty obligations.
- Revenue from the sale of distinct, internally developed software and manufactured systems and third-party software is recognised upfront at the point in time when the system / software is delivered to the customer. In cases where implementation and / or customisation services rendered significantly modifies or customises the software, these services and software are accounted for as a single performance obligation and revenue is recognised over time on a POC method.
- Revenue from the sale of distinct third-party hardware is recognised at the point in time when control is transferred to the customer.
- The solutions offered by the Company may include supply of third-party equipment or software. In such cases, revenue for the supply of such third-party products is recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent of the customer respectively. The Company recognises revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

NOTES TO THE FINANCIAL STATEMENTS

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of the distinct performance obligations involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract and to ascribe the transaction price to each distinct performance obligation. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how a customer consumes benefits as services are rendered or who controls the asset as it is being created, or the existence of an enforceable right to payment for performance to date and any alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Contract fulfilment costs are generally expensed as incurred except for certain software licence costs which meet the criteria for capitalisation. Such costs are amortised over the contractual period or useful life of licence, whichever is less. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there are billings in excess of revenue.

The billing schedules agreed with customers include periodic performance-based payments and / or milestone¬based progress payments. Invoices are payable within a contractually agreed credit period.

The Company assess whether a contract is onerous based on estimated future revenue and cost for each contract. The Company exercises judgement in determining the future costs of meeting the obligations under a contract. In accordance with IAS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or the transaction price of an existing obligation could undergo a change. In the event the transaction price is revised for an existing obligation, a cumulative adjustment is accounted for.

The Company disaggregates revenue from contracts with customers by nature of services, industry verticals and geography.

The Company generates revenue through the supply of outsourcing services to the UK Financial Services sector primarily in the Life and Pension industry.

NOTES TO THE FINANCIAL STATEMENTS

Revenue disaggregation by nature of services is as follows:

(£'000)

	Year ended December 31, 2024	Year ended December 31, 2023
Consultancy Services	**606,831**	522,450
Total	**606,831**	522,450

Revenue disaggregation by industry vertical is as follows:

(£'000)

	Year ended December 31, 2024	Year ended December 31, 2023
Banking, financial services and insurance	**606,831**	522,450
Total	**606,831**	522,450

Revenue disaggregation by geography is as follows:

(£'000)

	Year ended December 31, 2024	Year ended December 31, 2023
United Kingdom	**606,831**	522,450
Total	**606,831**	522,450

Geographical revenue is allocated based on the location of the customers.

While disclosing the aggregate amount of transaction price yet to be recognised as revenue towards unsatisfied (or partially satisfied) performance obligations, along with the broad time band for the expected time to recognise those revenues, the Company has applied the practical expedient in IFRS 15. Accordingly, the Company has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognised corresponds to the value transferred to customer typically involving time and material, outcome based and event-based contracts.

Unsatisfied (or partially satisfied) performance obligations are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc.). The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is £ 887,523,763 out of which 17.37 % is expected to be recognised as revenue in next year and the balance thereafter. No consideration from contracts with customers is excluded from the amount mentioned above.

Changes in contract assets are as follows:

(£'000)

	Year ended December 31, 2024	Year ended December 31, 2023
Balance at the beginning of the year	**54,193**	60,841
Invoices raised that were included in the contract assets balance at the beginning of the year	**(41,259)**	(32,922)
Increase due to revenue recognised during the year, excluding amounts billed during the year	**33,625**	26,274
Balance at the end of the year	**46,559**	54,193

NOTES TO THE FINANCIAL STATEMENTS

Changes in unearned and deferred revenue are as follows:

(£'000)

	Year ended December 31, 2024	Year ended December 31, 2023
Balance at the beginning of the year	**27,388**	800
Revenue recognised that was included in the unearned and deferred revenue at the beginning of the year	**(43,848)**	-
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	**32,971**	26,588
Balance at the end of the year	**16,511**	27,388

11. COST RECOGNITION

The costs of the Company are broadly categorised into employee benefit expenses, depreciation and amortisation and other operating expenses. Employee benefit expenses include remuneration, allowances, contribution to various funds and employee welfare expenses. Other operating expenses primarily include fees to external consultants, project expenses, software expenses, facility expenses, travel expenses, communication expenses, and other expenses.

EXPENSES BY NATURE

(£'000)

	Year ended December 31, 2024	Year ended December 31, 2023
Employee benefit expenses	**292,634**	244,358
Project expenses	**188,835**	145,517
Software expense	**20,149**	23,261
Fees to external consultants and others	**30,688**	36,441
Facility expenses	**9,840**	9,953
Depreciation and amortisation expense	**3,949**	5,875
Right of use assets depreciation	**3,954**	3,362
Travel expenses	**1,300**	1,592
Communication expenses	**9,673**	8,087
Other expenses	**20,187**	19,061
Total	**581,209**	497,507

Refer note 13 for function wise bifurcation of employee cost.

AUDITOR'S REMUNERATION:

(£'000)

	Year ended December 31, 2024	Year ended December 31, 2023
As auditor *	**175**	175
As adviser		
- Other assurance services	**21**	295
Total	**196**	470

* This includes a portion of fee paid by the Company's immediate Parent Company to the auditor's associate in India.

NOTES TO THE FINANCIAL STATEMENTS

12. INCOME TAXES

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

CURRENT INCOME TAXES

Current tax is based on the taxable profit for the year and is calculated using tax rates that have been enacted by the year end date.

Advance taxes and provisions for current income taxes are presented in the statements of financial position after off-setting advance tax paid and income tax provision.

DEFERRED INCOME TAXES

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

The income tax expense consists of the following:

(£'000)

Current tax	Year ended December 31, 2024	Year ended December 31, 2023
Current tax charge	**5,608**	6,452
Prior period adjustment	**(396)**	(1,466)
	5,212	4,986
Deferred tax		
Deferred tax expense	**1,416**	(82)
Deferred tax pertaining to prior periods	**7**	1,126
	1,423	1,044
Income tax expense	**6,635**	6,030

NOTES TO THE FINANCIAL STATEMENTS

The reconciliation of estimated income tax expense at the statutory income tax rate to income tax expense reported in the statement of profit or loss is as follows:

(£'000)

	Year ended December 31, 2024	Year ended December 31, 2023
Profit before tax	**28,849**	27,054
Statutory income tax rate	**25%**	23.52%
Expected income tax expense	**7,212**	6,363
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense		
Utilisation of streamed losses	**(200)**	-
Tax on income at different rates	**-**	(4)
Prior period adjustment	**(389)**	(340)
Disallowable expenses	**12**	11
Income tax expense	**6,635**	6,030

Deferred tax balance on defined benefit plan has been calculated at 25% basis the Company's intention to buy-out the plan with an insurance company to secure all benefits at an appropriate time.

Significant components of net deferred tax assets and liabilities for the year ended 31 December 2024 are as follows:

(£'000)

	Opening balance	Recognised in profit or loss	Recognised in / other comprehensive income	Closing Balance
Deferred tax assets / (liabilities) in relation to				
Property, plant and equipment and intangible assets	**2,359**	**(1,339)**	**-**	**1,020**
Provision for employee benefits and compensated absences	**248**	**(84)**	**(12)**	**152**
IFRS 16	**-**	**-**	**-**	**-**
Others	**540**	**-**		**540**
Total deferred tax assets / (liabilities)	**3,147**	**(1,423)**	**(12)**	**1,712**

(£'000)

As at 31 December 2024	Assets	Liabilities	Total
Property, plant and equipment and intangible assets	**1,020**	**-**	**1,020**
Provision for employee benefits and compensated absences	**1,042**	**(350)**	**692**
IFRS 16	**-**	**-**	**-**
Others	**-**	**-**	**-**
Total deferred tax asset / (liabilities)	**2,062**	**(350)**	**1,712**

NOTES TO THE FINANCIAL STATEMENTS

Significant components of net deferred tax assets and liabilities for the year ended 31 December 2023 are as follows

(£'000)

	Opening balance	Recognised in profit or loss	Recognised in / other comprehensive income	Closing Balance
Deferred tax assets / (liabilities) in relations to				
Property, plant and equipment and intangible assets	3,453	(1,094)	-	2,359
Provision for employee benefits and compensated absences	55	(29)	222	248
IFRS 16	63	(63)	-	-
Others	398	142	-	540
Total deferred tax assets / (liabilities)	3,969	(1,044)	222	3,147

(£'000)

As at 31 December 2023	Assets	Liabilities	Total
Property, plant and equipment and intangible assets	2,359	-	2,359
Provision for employee benefits and compensated absences	482	(234)	248
IFRS 16	-	-	-
Others	540	-	540
Total deferred tax asset / (liabilities)	3,381	(234)	3,147

As at 31 December 2024, the company had £822,379 of trading losses carried forward (2023: £1,622,379). These continue to not be recognised for deferred tax purposes as they are streamed and so the ability to utilise in future periods is potentially restricted.

13. EMPLOYEE BENEFITS

DEFINED BENEFIT PLANS

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the date of each statement of financial position. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Past service cost, both vested and unvested, is recognised as an expense at the earlier of (a) when the plan amendment or curtailment occurs; and (b) when the entity recognises related restructuring costs or termination benefits.

The retirement benefit obligations recognised in the statement of financial position represents the present value of the defined benefit obligations reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

The directors believe there is a right to recognise a pension surplus on an accounting basis under the trust deeds and rules. The directors do not believe that the surplus in the Pension scheme on an accounting basis will result in a surplus on an actuarial funding basis. However, the directors are required to account for the plans based on the Company's view that they have the right to refund from a surplus, using long-term actuarial funding assumptions current at the reporting date, as required by IFRS and IFRIC 14. This is a technical adjustment made on an accounting basis. There is no cash benefit from the surplus.

NOTES TO THE FINANCIAL STATEMENTS

DEFINED CONTRIBUTION PLANS

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits.

COMPENSATED ABSENCES

Compensated absences that are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an undiscounted liability at the date of statement of financial position.

Employee benefit expenses consist of the following:

(£'000)

	Year ended December 31, 2024	Year ended December 31, 2023
Salaries, incentives and allowances	**246,436**	204,981
Social security and pension costs	**40,337**	34,120
Staff welfare expenses	**5,861**	5,257
Total	**292,634**	244,358

(£'000)

The average number of employees was as follows:	Year ended December 31, 2024	Year ended December 31, 2023
Administration	**7,362**	6,357

Employee benefit obligations consist of the following:

A. EMPLOYEE BENEFIT OBLIGATIONS – CURRENT

(£'000)

	As at December 31, 2024	As at December 31, 2023
Compensated absences	**1,433**	1,896
Total	**1,433**	1,896

B. EMPLOYEE BENEFIT OBLIGATIONS – NON-CURRENT

(£'000)

	As at December 31, 2024	As at December 31, 2023
Net defined benefit pension asset	**1,401**	936
Total	**1,401**	936

DEFINED CONTRIBUTION SCHEME

The Company operates defined contribution retirement benefit schemes for all qualifying employees. The total cost charged to the profit and loss account of £18,018,871 (2023: £15,546,412) represents contributions payable to these schemes.

NOTES TO THE FINANCIAL STATEMENTS

EMPLOYEE BENEFIT PLANS

The following table sets out the details of the defined benefit retirement plans and the amount recognised in the financial statements.

The Company operates a UK-registered trust based defined benefit pension scheme for the benefit of certain employees. The scheme is closed to new joiners. During 2007/8, certain employees transferred under Transfer of Undertaking (Protection of Employment) TUPE to Tata Consultancy Services Limited (TCS). Therefore, the pension scheme is a group scheme. As the majority of staff remained within the Company and consolidated accounts including TCS are not available in the UK, the pension scheme has been reported fully in these financial statements.

Pension benefits are linked to the members' final pensionable salaries and service at their retirement (or date of leaving if earlier). The plan closed to future accrual on 04 April 2014 with current active members receiving a deferred pension in the plan.

The pension scheme assets are held in a separate trustee administered fund to meet long term pension liabilities to past and present employees. The trustees of the fund are required to act in the best interests of the fund's beneficiaries. The appointment of trustees to the fund is determined by the scheme's trust documentation.

Costs and liabilities of the scheme are based on actuarial valuations. The latest full actuarial valuation was carried out as of 31 March 2024 and updated to 31 December 2024 by a qualified independent actuary.

The Company contributes to the scheme expenses and makes contributions to achieve the scheme secondary funding target of self-sufficiency.

The movement in the present value of defined benefit obligations during the year were as follows:

(£'000)

	Year ended December 31, 2024	Year ended December 31, 2023
Plan liabilities at the beginning of the year	**23,746**	23,078
Interest costs	**1,066**	1,070
Actuarial loss / (gain) on liabilities on changes in:		
- experience differing from that assumed	**(234)**	674
- demographic assumptions	**59**	(342)
- financial assumptions	**(2,857)**	(120)
Benefits paid from plan assets	**(636)**	(614)
Plan liabilities at the end of the year	**21,144**	23,746

The movement in the fair value of scheme assets during the year was as follows:

(£'000)

	Year ended December 31, 2024	Year ended December 31, 2023
Fair value of assets at the beginning of the year	**24,682**	24,435
Actuarial return on assets	**(1996)**	366
Employer contributions	**495**	495
Benefits paid	**(636)**	(614)
Fair value of assets at the end of the year	**22,545**	24,682

NOTES TO THE FINANCIAL STATEMENTS

The amount included in the balance sheet arising from the Company's obligations in respect of its defined benefit retirement benefit schemes is as follows:

	As at December 31, 2024	As at December 31, 2023
Fair value of assets	**22,545**	24,682
Present value of scheme liabilities	**(21,144)**	(23,746)
Net pension asset	**1,401**	936

The analysis of the scheme assets at the balance sheet date was as follows:

(£'000)

	Fair value of assets	
	As at December 31, 2024	As at December 31, 2023
Bonds	**6,933**	7,591
Cash	**241**	307
Diversified Growth Funds	**7,440**	5,617
Liability Driven Investment	**7,931**	11,167
Total	**22,545**	24,682

All the above assets are unquoted.

The amounts charged to the profit and loss account in the year were:

(£'000)

	Year ended December 31, 2024	Year ended December 31, 2023
Current scheme expenses	**129**	103
Total	**129**	103

Other finance cost comprises:

(£'000)

	Year ended December 31, 2024	Year ended December 31, 2023
Interest cost / (income)	**1,066**	1,070
Interest cost / (income)	**(1,117)**	(1,143)
Net cost / (income)	**(51)**	(73)

The amount recognised in the other comprehensive income is:

(£'000)

	Year ended December 31, 2024	Year ended December 31, 2023
Actual return less interest on pension scheme assets	**(2,984)**	(674)
Change in the assumptions underlying the present value of the scheme liabilities	**3,032**	(212)
Total before adjustment for tax	**48**	(886)
Adjustment for tax	**(12)**	222
Total (loss) / gain recognised in the statement of comprehensive income	**36**	(664)

NOTES TO THE FINANCIAL STATEMENTS

The cumulative amount of actuarial gains and losses recognised in other comprehensive income since the creation of the pension scheme for December 2024is £ 791,000 (December 2023: £755,000).

The main assumptions used by the actuary were:

	31 December 2024 % p.a.	31 December 2023 % p.a.
Discount rate	**5.55**	4.55
Rate of increase of pensions in payment	**2.75**	2.60
Retail Price Index (RPI) inflation	**3.2**	3.10

The Company has updated its approach since the prior year to setting its CPI inflation assumptions in light of the RPI reform consultation published on the 25 November 2020 by the UK Chancellor and UK Statistics Authority.

Based on the discount of 5.55%, the estimated duration of the defined benefit obligation as at December 2024 is 14 years.

Estimated contributions to be made to the plan by the Company in the year ending 31 December 2024 amount to £495k. This estimate is in line with the annual employer contribution of £495k, made up of funding contributions of £375k and scheme expenses of £120k. This was approved by the Board in April 2019.

RISKS ASSOCIATED WITH THE PENSION SCHEME

The defined benefit scheme exposes the Company to various risks, with the key risks set out below:

Asset volatility: the plan's defined benefit obligation is calculated using a discount rate set with reference to corporate bond yields, however the plan invests in Diversified Growth Funds ('DGFs'). These assets are expected to outperform corporate bonds in the long-term but provide volatility and risk in the short-term.

Changes in bond yields: a decrease in corporate bond yields would increase the plan's defined benefit obligation, however this would be offset by an increase in the value of the plan's LDI assets. Although the LDI assets are linked with gilt yields, there is still expected to be a strong correlation with corporate bond yields.

Inflation risk: a significant proportion of the plan's defined benefit obligation is linked to inflation; therefore, higher inflation will result in a higher defined benefit obligation (subject to the appropriate caps in place). The majority of the plan's LDI assets are also correlated with inflation and therefore changes to inflation would have minor impacts on the plan's funding.

Life expectancy: if plan members live longer than expected, the plan's benefits will need to be paid for longer, increasing the plan's defined benefit obligation.

The trustees manage risks in the plan through the following strategies:

- Diversification: investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.
- Investment strategy: the trustees are required to review their investment strategy on a regular basis.

Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions while holding other assumptions constant would have affected the defined benefit obligation by the amounts shown below.

(£'000)

	31 December 2024	31 December 2024	31 December 2023	31 December 2023
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	**(1,374)**	**1,522**	(1,710)	1,900
RPI Inflation (0.5% movement)	**317**	**423**	784	(926)
Assumed life expectancy (1 year)	**486**	**-**	546	-

NOTES TO THE FINANCIAL STATEMENTS

In June 2023, the High Court handed down a decision in the case of Virgin Media Limited v NTL Pension Trustees II Limited and others relating to the validity of certain historical pension changes due to the lack of actuarial confirmation required by law. In July 2024, the Court of Appeal dismissed the appeal brought by Virgin Media Limited against aspects of the June 2023 decision.

The Trustee of the TCS-Diligenta Pension Plan has taken legal advice regarding the Virgin Media case and has concluded that the action has been taken, the legal advice has assessed the historical deeds and confirmed the Virgin Media judgment is highly unlikely to impact the Plan. The Trustee believes that the Scheme has implemented robust governance processes and has no reason to believe that actuarial confirmation was not obtained for any historical benefit changes. As such, the defined benefit obligation continues to reflect the benefits currently being administered.

Assumptions

The mortality assumptions have been updated based on the preliminary results of the 2024 actuarial valuation (but using a best estimate assumption) and are consistent with the previous period.

Expected Lifetime at 31 December 2024

The expected lifetime of a participant who is age 60 and the expected lifetime (from age 60) of a participant who will be aged 60 in 20 years are shown in years below:

Age	Males	Females
60	25.4	28.2
60 in 20 years	26.7	29.4

Movement in related deferred tax liability

(£'000)

	Year ended December 31, 2024	Year ended December 31, 2023
Related deferred tax liability at beginning of year	**(204)**	(310)
Recognised through profit and loss account	**(101)**	(116)
Recognised through statement of comprehensive income	**(12)**	222
Related deferred tax liability at end of year	**(317)**	(204)

Projected benefits payable in future years from the end of the current year

(£'000)

	Year ended December 31, 2024	Year ended December 31, 2023
1st following year	**983**	817
2nd following year	**793**	829
3rd following year	**873**	778
4th following year	**957**	895
5th following year	**971**	934
Years 6 to 10	**6,601**	6,448

NOTES TO THE FINANCIAL STATEMENTS

The movement in the surplus during the year was:

(£'000)

	Year ended December 31, 2024	Year ended December 31, 2023
Surplus in the plan at the beginning of the year	**936**	1,357
Current service costs	**(129)**	(103)
Contributions paid	**495**	495
Other finance income	**51**	73
Actuarial (loss) / gain	**48**	(886)
Surplus in the plan at the end of the year	**1,401**	936

14. DIRECTORS REMUNERATION

Remuneration in respect of directors during the year was as follows:

(£'000)

	Year ended December 31, 2024	Year ended December 31, 2023
Emoluments (excluding pension contributions)	**506**	513
Company contributions to defined contribution schemes	**14**	15
	520	528

During the period, no directors (2023: none) participated in defined benefit pension schemes and one director (period ended 31 December 2023: one) participated in money purchase pension schemes.

The emoluments disclosed in the notes to these accounts are in respect of the directors with qualifying services for the Company and in relation to those directors comprises their total emoluments in respect of services to the Company.

(£'000)

Highest paid director's remuneration:	Year ended December 31, 2024	Year ended December 31, 2023
Aggregate amount of emoluments (excluding pension contributions)	**412**	425
Pension contributions to defined contribution schemes	**14**	15
	426	440

15. COMMITMENTS AND CONTINGENCIES

Commitments

The Company has contractually committed £4,431,409 and £99,134 as at 31 December 2024 and 2023, respectively, for purchase of property, plant and equipment.

Contingencies

The Company has no material contingencies to the best knowledge of the directors as at 31 December 2024 and 31 December 2023.

NOTES TO THE FINANCIAL STATEMENTS

16. RELATED PARTY TRANSACTIONS

The Company's principal related parties consist of its holding company Tata Consultancy Services Limited (TCS Limited), its subsidiaries, key managerial personnel, directors and their dependents. All transactions are conducted on normal commercial terms and settled through cash payments / receipts. None of the balances are secured. No expense has been recognised in the current or prior period for bad or doubtful debts in respect of amounts owed by related parties.

(£'000)

	Year ended December 31, 2024	Year ended December 31, 2023
Services received from TCS Limited	**176,593**	130,613
Services provided to TCS Limited	**19,391**	15,682
Expenses recharged to TCS Limited	**19,598**	15,874
Expenses recharged by TCS Limited	**1,543**	2,133
Services received from TCS Ireland Limited	**1,272**	450
Dividend paid to TCS Limited	**12,000**	-

(£'000)

	As at December 31, 2024	As at December 31, 2023
Amounts due from TCS Limited	**10,098**	14,668
Amounts owed to TCS Limited	**27,106**	28,066
Amounts owed to TCS Ireland Limited	**413**	233

Tata Sons Private Limited is the parent company of TCS Limited and Tata Communications Limited ("TCOM") is fellow subsidiary of TCS Limited. The following transactions and balances are all conducted on an arm's length basis and settled through cash payments.

(£'000)

	Year ended December 31, 2024	Year ended December 31, 2023
Brand equity contribution – Tata Sons Private Limited	**881**	587
Services received from TCOM	**793**	676

(£'000)

	Year ended December 31, 2024	Year ended December 31, 2023
Amounts owed to Tata Sons Private Limited	**1,455**	587
Amounts owed to TCOM	**92**	88

17. SUBSEQUENT EVENTS

There are no adjusting or non-adjusting post balance sheet event that require disclosure.

18. PARENT UNDERTAKINGS

The Company's immediate parent undertaking and controlling entity is Tata Consultancy Services Limited ("TCS"), a Company incorporated in India which is registered as a foreign company in the United Kingdom. The registered office is 9th Floor, Nirmal Building, Nariman Point, Mumbai, 400 021, India. The Company's ultimate parent undertaking and controlling entity is Tata Sons Private Limited whose registered office is Bombay House, 24 Homi Mody Street, Mumbai, 400 001, India. The smallest and largest company accounts in which these results are consolidated are TCS and Tata Sons Private Limited respectively.

TATA AMERICA INTERNATIONAL CORPORATION

(COMPANY REGISTRATION NUMBER: 13-2805758)

FINANCIAL STATEMENTS

For the year ended
March 31, 2025

FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

CONTENT	PAGE
Independent Auditors' Report	19.2
Statement of Financial Position	19.4
Statement of Profit or Loss and other Comprehensive Income	19.5
Statement of Changes in Equity	19.6
Statement of Cash Flows	19.7
Notes to Financial Statements	19.8

Back to main content

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
TATA AMERICA INTERNATIONAL CORPORATION

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Tata America International Corporation ("the Company"), which comprise the statement of financial position as at March 31, 2025, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ('IFRS Standards').

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 ISAs 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 financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those in charge with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Gurugram, India
May 19, 2025

Statement of Financial Position

(In millions of USD)

	Note	As at March 31, 2025	As at March 31, 2024
ASSETS			
Current assets			
Cash and cash equivalents	8	**0.61**	7.23
Investments	9(a)	**51.81**	40.00
Trade receivables			
Billed	10	**278.74**	429.59
Unbilled		**0.67**	4.51
Other financial assets	H(a)	**3.00**	2.58
Other assets	16(c)	**12.80**	12.20
Total current assets		**347.63**	496.11
Non-current assets			
Investments	9(b)	**-**	2.79
Other financial assets	H(b)	**0.94**	1.00
Deferred tax assets (net)	20	**8.88**	10.25
Property, plant and equipment	16(a)	**19.82**	20.82
Intangible asset	16(b)	**0.00**	0.01
Right-of-use assets	15	**52.21**	65.78
Total non-current assets		**81.85**	100.65
TOTAL ASSETS		**429.48**	596.76
LIABILITIES AND EQUITY			
Liabilities			
Current liabilities			
Trade payables		**204.54**	259.20
Lease liabilities		**15.18**	15.95
Other financial liabilities	12	**22.21**	29.73
Unearned and deferred revenue	17	**1.46**	3.04
Employee benefit obligations	21(a)	**13.63**	13.42
Provisions		**0.14**	0.48
Income tax liabilities (net)		**12.14**	8.87
Other liabilities	16(d)	**4.96**	0.18
Total current liabilities		**274.26**	330.87
Non-current liabilities			
Unearned and deferred revenue	17	**-**	4.75
Lease liabilities		**46.89**	60.99
Employee benefit obligations	21(b)	**0.01**	0.03
Total non-current liabilities		**46.90**	65.77
TOTAL LIABILITIES		**321.16**	396.64
Equity			
Share capital	14	**0.20**	0.20
Share premium		**1.26**	1.26
Retained earnings		**106.86**	198.66
TOTAL EQUITY		**108.32**	200.12
TOTAL LIABILITIES AND EQUITY		**429.48**	596.76

See accompanying notes to financial statements

Statement of Profit or Loss and Other Comprehensive Income

(In millions of USD)

	Note	Year ended March 31, 2025	Year ended March 31, 2024
Revenue	17	**95.37**	82.82
Commission - agency services	17	**500.52**	564.58
TOTAL REVENUE		**595.89**	647.40
Expenses			
Employee benefits expenses	21	**321.72**	342.91
Depreciation and amortisation expense	16(a) & 15	**19.73**	21.56
Other expenses	18	**105.16**	118.09
TOTAL EXPENSES		**446.61**	482.56
OPERATING PROFIT		**149.28**	164.84
Other income / (expense)			
Finance and other income	19(a)	**11.07**	12.37
Finance costs	19(b)	**(2.40)**	(2.88)
Other gains/(losses)	19(c)	**0.03**	0.06
Other income (net)		**8.70**	9.55
PROFIT BEFORE TAXES		**157.98**	174.39
Income tax expense	20	**31.99**	33.10
PROFIT FOR THE YEAR		**125.99**	141.29
OTHER COMPREHENSIVE INCOME (OCI)			
Items that will not be reclassified subsequently to profit or loss			
Net change in fair value of investments in equity shares carried at fair value through OCI		**(2.79)**	(0.75)
TOTAL OTHER COMPREHENSIVE LOSS		**(2.79)**	(0.75)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**123.20**	140.54

See accompanying notes to financial statements

Statement of Changes in Equity

(In millions of USD, except share data)

	Number of shares	Share capital	Share premium	Retained earnings	Total equity
Balance as at April 1, 2024	**20,000**	**0.20**	**1.26**	**198.66**	**200.12**
Profit for the year	**-**	**-**	**-**	**125.99**	**125.99**
Other comprehensive losses	**-**	**-**	**-**	**(2.79)**	**(2.79)**
Total comprehensive income	**-**	**-**	**-**	**123.20**	**123.20**
Dividend (including tax on dividend of USD 32.25 million)	**-**	**-**	**-**	**(215.00)**	**(215.00)**
Balance as at March 31, 2025	**20,000**	**0.20**	**1.26**	**106.86**	**108.32**
Balance as at April 1, 2023	20,000	0.20	1.26	198.12	199.58
Profit for the year	-	-	-	141.29	141.29
Other comprehensive losses	-	-	-	(0.75)	(0.75)
Total comprehensive income	-	-	-	140.54	140.54
Dividend (including tax on dividend of USD 21 million)	-	-	-	(140.00)	(140.00)
Balance as at March 31, 2024	20,000	0.20	1.26	198.66	200.12

Statement of Cash Flows

(In millions of USD)

	Year ended March 31, 2025	Year ended March 31, 2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the year	**125.99**	141.29
Adjustment for:		
Depreciation and amortisation expense	**19.73**	21.56
Net loss on disposal of property, plant and equipment	**0.05**	-
Income tax expense	**31.99**	33.10
Bad debts and advances written off, allowances for expected credit losses and doubtful advances (net)	**-**	0.07
Dividend received on mutual fund	**(0.31)**	(1.73)
Net gain on lease modification	**(0.13)**	(0.02)
Operating profit before working capital changes	**177.32**	194.27
Net change in		
Trade receivables		
Billed	**150.85**	(28.08)
Unbilled	**3.84**	1.68
Other financial assets	**(0.36)**	(0.56)
Other assets	**(0.61)**	(2.83)
Trade payables and provisions	**(55.01)**	77.92
Unearned and deferred revenue	**(6.33)**	6.29
Other financial liabilities	**(7.55)**	(58.73)
Other liabilities	**4.95**	(0.05)
Cash generated from operations	**267.10**	189.91
Taxes paid (net of refunds)	**(27.32)**	(32.63)
Net cash generated from operating activities	**239.78**	157.28
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for purchase of investments	**(967.00)**	(983.00)
Proceeds from disposal/redemption of investments	**955.50**	991.30
Payment for purchase of property, plant and equipment	**(4.02)**	(1.56)
Proceeds from disposal of property, plant and equipment	**-**	-
Net cash flows generated from/ (used in) investing activities	**(15.52)**	6.74
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of lease liabilities *	**(15.88)**	(17.36)
Dividend paid (including tax on dividend)	**(215.00)**	(140.00)
Net cash flows used in financing activities	**(230.88)**	(157.36)
NET CHANGE IN CASH AND CASH EQUIVALENTS	**(6.62)**	6.66
Cash and cash equivalents at the beginning of the year	**7.23**	0.57
Cash and cash equivalents at the end of the year	**0.61**	7.23
Components of cash and cash equivalents		
Cash at banks and in hand	0.61	1.63
Bank deposits (original maturity less than three months)	**-**	5.60
	0.61	**7.23**
SUPPLEMENTARY CASH FLOW INFORMATION		
Interest paid	**2.40**	2.88
Interest received	**0.84**	1.24

* Changes in lease liabilities including both changes arising from cash flows and non-cash changes are given in note 15

Back to content

Notes to Financial Statements

1. CORPORATE INFORMATION

Tata America International Corporation ("the Company") entered into a sales and marketing service agreement with Tata Consultancy Services Limited [TCS or the parent company or the holding company] effective April 1, 2018, wherein the Company acts as non-exclusive sales and marketing service provider to market its services in the US. The Company's functions included sales, pre-sales and marketing activities, market research, identifying and pursuing customers, etc.

Additionally, the Company enters into contracts with customers and offers provision of consulting-led, cognitive powered, integrated portfolio of information technology (IT), IT-enabled services and sub-contracts the execution of such work to its parent company Tata Consultancy Services Limited, an Indian Corporation.

The Company is incorporated and domiciled in the Unites States of America. The address of its corporate office is Tata America International Corporation, 101, Park Avenue, 26th floor, New York 10178. As at March 31, 2025, Tata Consultancy Services Limited owned 100% of the Company's equity share capital.

The financial statements were approved by the Board of Directors and authorised for issue on May 19, 2025.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standard Board (IASB).

3. BASIS OF PREPARATION

The financial statements have been prepared on historical cost basis except for certain financial instruments and defined benefit plans which are measured at fair value or amortised cost at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for 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. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

The statement of cash flows has been prepared under indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The Company classifies interest paid and interest and dividend received as cash flow from operating activities. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value to be cash equivalents.

The functional currency of the Company is the United States Dollar (USD). Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are retranslated at the exchange rate prevailing on the dates of statement of financial position and exchange gains and losses arising on settlement and restatement are recognised in profit or loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

The material accounting policies information used in preparation of the financial statements have been discussed in the respective notes.

4. USE OF ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with the recognition and measurement principles of International Financial Reporting Standards (IFRS) requires management to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of the financial statements and the reported amounts of income and expenses for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The Company uses the following critical accounting judgements, estimates and assumptions in preparation of its financial statements:

Notes to Financial Statements

a. Revenue recognition

Revenue for fixed-price contracts is recognised using percentage-of-completion method. The Company estimates the future cost-to-completion of the contracts which is used to determine degree of completion of the performance obligation.

The Company exercises judgement for identification of performance obligations, determination of transaction price, ascribing the transaction price to each distinct performance obligation and in determining whether the performance obligation is satisfied at a point in time or over a period of time. These judgements have been explained in detail under the revenue note (Refer note 17).

b. Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods. (Refer Note 16(a))

c. Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

d. Impairment of financial assets (other than at fair value)

Measurement of impairment of financial assets require use of estimates, which have been explained in the note on financial assets, financial liabilities and equity instruments, under impairment of financial assets (other than at fair value).(Refer Note 7).

e. Deferred tax assets

A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

f. Provision and contingent liabilities

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Company uses significant judgement to assess contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

g. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of IFRS 16. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

Back to content

Notes to Financial Statements

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

5. NATURE AND PURPOSE OF RESERVES

a. Retained earnings

This reserve represents undistributed accumulated earnings of the Company as on the date of statement of financial position.

b. Share premium

Share premium is used to record the premium on issue of shares.

6. RECENT ACCOUNTING STANDARDS

The Company has not applied the following new and revised IFRSs that have been issued but are not yet effective. Amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates[1] Amendments to IFRS 9 and IFRS 7[2]

Annual Improvements to IFRS Accounting Standards2 – Amendments to:

- IFRS 1 – First-time Adoption of International Financial Reporting Standards
- IFRS 7 – Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7
- IFRS 9 – Financial Instruments
- IFRS 10 – Consolidated Financial Statements
- IAS 7 – Statement of Cash flows

IFRS 18 – Presentation and Disclosures in Financial Statements[3]

IFRS 19 – Subsidiaries without Public Accountability: Disclosures[3]

[1]Effective for annual periods beginning on or after January1,2025.

[2]Effective for annualperiodsbeginning on orafter January1,2026.

[3]Effective for annualperiodsbeginning on orafter January1,2027.

IAS 21 – The Effects of Changes in Foreign Exchange Rates

In August 2023, the IASB issued 'Lack of Exchangeability (Amendments to IAS 21)' to provide guidance to specify which exchange rate to use when the currency is not exchangeable. An entity must estimate the spot exchange rate as the rate that would have applied to an orderly transaction between market participants at the measurement date and that would faithfully reflect the economic conditions prevailing. The Company does not expect this amendment to have any significant impact in its financial statements.

IFRS 9 and IFRS 7 – Financial Instruments and Financial Instruments: Disclosure

In May 2024, the IASB issued "Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) to address matters identified during the post-implementation review of IFRS 9. The amendments relate to derecognition of a financial liability settled through electronic transfer, classification of financial assets and disclosures of certain financial assets and financial liabilities. The Company will evaluate the amendments and implement them accordingly.

In December 2024, the IASB issued targeted amendments to help companies better report the financial effects of nature-dependent electricity contracts, which are often structured as power purchase agreements (PPAs). The amount of electricity generated under these contracts can vary based on uncontrollable factors such as weather conditions. Current accounting requirements may not adequately capture how these contracts affect a company's performance. The amendments include: clarifying the application of the 'own use' requirements; permitting hedge accounting if these contracts are used as hedging instruments; and adding new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows. The Company does not expect this amendment to have any significant impact in its financial statements.

Notes to Financial Statements

Annual Improvements to IFRS Accounting Standards

In July 2024, the IASB issued narrow amendments to IFRS Accounting Standards and accompanying guidance as part of its regular maintenance of the Standards. These amendments include clarifications, simplifications, corrections and changes aimed at improving the consistency of several IFRS Accounting Standards. Annual improvements are limited to changes that either clarify the wording in an IFRS Accounting Standard or correct relatively minor unintended consequences or oversights in the Accounting Standards. They also correct minor conflicts between the requirements of the Accounting Standards. The Company does not expect these narrow amendments to have any significant impact in its financial statements.

IFRS 18 – Presentation and Disclosures in Financial Statements

In April 2024, the IASB issued its new standard IFRS 18 – Presentation and Disclosures in Financial Statements that will replace IAS 1 – Presentation of Financial Statements. The new standard aims at improving how entities communicate in their financial statements. The Company will evaluate the standard and implement it accordingly.

IFRS 19 – Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued a new standard IFRS 19 - Subsidiaries without Public Accountability: Disclosures. The standard allows a subsidiary which does not have public accountability and has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards, to elect IFRS 19. Such an entity applies the requirements in other IFRS Accounting Standards, except for the disclosure requirements, instead the entity applies the requirements in IFRS 19.

7. FINANCIAL ASSETS, FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

The Company derecognises a financial asset only 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 entity. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired

Cash and cash equivalents

The Company considers all highly liquid investment, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

The Company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in other comprehensive income.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

Notes to Financial Statements

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received net of direct issue cost.

Impairment of financial assets (other than at fair value)

The Company assesses at each date of statement of financial position whether a financial asset or a group of financial assets is impaired. IFRS 9 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. In determining the allowances for expected credit losses the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

8. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of the following:

(In millions of USD)

	As at March 31, 2025	As at March 31, 2024
Cash at banks	**0.61**	1.63
Bank deposits (original maturity less than three months)	**-**	5.60
Total	**0.61**	7.23

9. INVESTMENTS

Investments consist of the following:

(a) Investments – Current

(In millions of USD)

	As at March 31, 2025	As at March 31, 2024
Investments carried at fair value through profit or loss		
Mutual fund units	**51.81**	40.00
Total	**51.81**	40.00

(b) Investments – Non-current

(In millions of USD)

	As at March 31, 2025	As at March 31, 2024
Investments designated at fair value through OCI (FVTOCI)		
Equity shares	**17.50**	17.50
Less : Permanent impairment FVTOCI Investments	**(17.50)**	(14.71)
Total	**-**	2.79

Notes to Financial Statements

The Company impaired USD 2.79 million in March 31, 2025 (USD 0.75 million in March 31, 2024) out of its total USD 7.5 million investment in FCM, LLC, based on the losses incurred till date and visibility on its earning capability in future years.

The movement in fair value of investments carried / designated at fair value through OCI is as follows:

(In millions of USD)

	Year ended March 31, 2025	Year ended March 31, 2024
Balance at the beginning of the year	**2.79**	3.54
Net loss arising on impairement of investments in equities carried at fair value through other comprehensive income	**(2.79)**	(0.75)
Balance at the end of the year	**-**	2.79

10. TRADE RECEIVABLES - BILLED

Trade receivables Billed consist of the following:

Trade receivables - Billed – Current

(In millions of USD)

	As at March 31, 2025	As at March 31, 2024
Trade receivables - Billed	**281.72**	432.64
Less: Allowance for expected credit losses	**(2.98)**	(3.05)
Total	**278.74**	429.59

Trade receivables include balances with related parties (Refer note 23).

11. OTHER FINANCIAL ASSETS

Other financial assets consist of the following:

(a) Other financial assets – Current

(In millions of USD)

	As at March 31, 2025	As at March 31, 2024
Loans and advances to employees	**0.11**	0.08
Security deposits	**0.13**	0.18
Volume discount receivable*	**2.29**	2.21
Others	**0.47**	0.11
Total	**3.00**	2.58

*Volume discount receivable include balances with related parties (Refer note 23)

(b) Other financial assets – Non-current

(In millions of USD)

	As at March 31, 2025	As at March 31, 2024
Security deposits	**0.24**	0.29
Utility deposits	**0.70**	0.71
Total	**0.94**	1.00

Notes to Financial Statements

12. OTHER FINANCIAL LIABILITIES

Other financial liabilities consist of the following:

Other financial liabilities – Current

(In millions of USD)

	As at March 31, 2025	As at March 31, 2024
Capital creditors	**0.36**	0.33
Liabilities towards customer contracts	**-**	0.04
Accrued payroll	**21.84**	28.36
Liability towards related party*	**0.01**	1.00
Total	**22.21**	29.73

* Liability towards related party is due to assignment agreement where customer paid the money to the Company instead of TCS on account of which the Company is now liable to pay TCS the said amount.

13. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying value of financial instruments by categories as at March 31, 2025 is as follows:

(In millions of USD)

	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total carrying value
Financial assets				
Cash and cash equivalents	**-**	**-**	**0.61**	**0.61**
Trade receivables				
Billed	**-**	**-**	**278.74**	**278.74**
Unbilled	**-**	**-**	**0.67**	**0.67**
Investments	**51.81**	**-**	**-**	**51.81**
Other financial assets	**-**	**-**	**3.94**	**3.94**
Total	**51.81**	**-**	**283.96**	**335.77**
Financial liabilities				
Trade payables	**-**	**-**	**204.54**	**204.54**
Lease liabilities	**-**	**-**	**62.07**	**62.07**
Other financial liabilities	**-**	**-**	**22.21**	**22.21**
Total	**-**	**-**	**288.82**	**288.82**

Notes to Financial Statements

The carrying value of financial instruments by categories as at March 31, 2024 is as follows:

(In millions of USD)

	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total carrying value
Financial assets				
Cash and cash equivalents	-	-	7.23	7.23
Trade receivables				
Billed	-	-	429.59	429.59
Unbilled	-	-	4.51	4.51
Investments	40.00	2.79	-	42.79
Other financial assets	-	-	3.58	3.58
Total	40.00	2.79	444.91	487.70
Financial liabilities				
Trade payables	-	-	259.20	259.20
Lease liabilities	-	-	76.94	76.94
Other financial liabilities	-	-	29.73	29.73
Total	-	-	365.87	365.87

Carrying amounts of cash and cash equivalents, trade receivables and trade payables as at March 31, 2025 and 2024 approximate the fair value due to their nature. Carrying amounts of bank deposits, other financial assets and other financial liabilities which are subsequently measured at amortised cost also approximate the fair value due to their nature in each of the periods presented. Fair value measurement of lease liabilities is not required.

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 in 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.

The cost of unquoted investments included in level 3 of fair value hierarchy approximate their fair value because there is a wide range of possible fair value measurements and the cost represents estimate of fair value within that range.

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosures are required):

(In millions of USD)

As at March 31, 2025	Level 1	Level 2	Level 3	Total
Financial assets				
Mutual fund units	**51.81**	**-**	**-**	**51.81**
Equity shares	**-**	**-**	**-**	**-**
Total	**51.81**	**-**	**-**	**51.81**

Notes to Financial Statements

(In millions of USD)

As at March 31, 2024	Level 1	Level 2	Level 3	Total
Financial assets				
Mutual fund units	40.00	-	-	40.00
Equity shares	-	-	2.79	2.79
Total	40.00	-	2.79	42.79

Reconciliation of level 3 fair value measurement is as follows: (In millions of USD)

	Year ended March 31, 2025	Year ended March 31, 2024
Balance at the beginning of the year	**2.79**	**3.54**
Impairment in value of investments	**(2.79)**	(0.75)
Balance at the end of the year	**-**	(2.79)

(a) Financial risk management

The Company is exposed primarily to fluctuations in foreign currency exchange rates, credit, liquidity and interest rate risk, which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which covers risks associated with the financial assets and liabilities.

i. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

i. (a) Foreign currency exchange rate risk

The Company is not significantly exposed to foreign currency exchange rate risk.

i. (b) Interest rate risk

The Company is not significantly exposed to interest rate risk.

ii. Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, unbilled receivables, investment, cash and cash equivalents, bank deposits and other financial assets. Cash and cash equivalents include an amount of USD 0.61 million held with banks in USA having high quality credit rating which are individually in excess of 10% or more of the company's total cash and cash equivalents as at March 31, 2025. None of the other financial instruments of the company result in material concentration of credit risk.

Exposure to credit risk

The carrying amount of financial assets and contract assets represents the maximum credit exposure. The maximum exposure to credit risk was USD 336.39 million and USD 488.19 million as at March 31, 2025 and 2024, respectively, being the total of the carrying amount of balances with banks, bank deposit, investments, trade receivables, unbilled receivables, contract assets and other financial assets.

Notes to Financial Statements

Customers contributing to more than 10 percent of outstanding trade receivable and contract assets as at March 31, 2025 and 2024 respectively are as follows:

(In millions of USD)

	As at March 31, 2025		As at March 31, 2024	
	Total trade receivable and contract assets	Percentage	Total trade receivable and contract assets	Percentage
Parent Company	**208.56**	**74.82**	357.63	82.29

Geographic concentration of credit risk

Geographic concentration of trade receivables (gross and net of allowances) and contract assets is as follows:

	As at March 31, 2025	As at March 31, 2024
	Net percentage	Net percentage
India	**64.20**	82.29
Americas	**35.66**	17.71
Others	**0.14**	-

Geographical concentration of trade receivables (gross and net of allowances) and contract assets is allocated based on the location of the customers.

The allowances for lifetime expected credit loss on trade receivables for the year ended March 31, 2025 and 2024 was USD 0.01 million and USD 0.07 million respectively. The reconciliation of allowance for expected credit losses is as follows :

(In millions of USD)

	Year ended March 31, 2025	Year ended March 31, 2024
Balance at the beginning of the year	**3.05**	3.60
Changes during the year	**0.01**	0.07
Bad debts written off	**(0.08)**	(0.62)
Balance at the end of the year	**2.98**	3.05

Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company consistently generated sufficient cash flows from operations to meet its financial obligations including lease liabilities as and when they fall due.

The tables below provide details regarding the contractual maturities of significant financial liabilities as at:

(In millions of USD)

As at March 31, 2025	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5 years	Total
Non-derivative financial liabilities:					
Trade payables	**204.54**	**-**	**-**	**-**	**204.54**
Lease liabilities	**17.03**	**13.93**	**23.57**	**15.87**	**70.40**
Other financial liabilities	**22.21**	**-**	**-**	**-**	**22.21**
Total	**243.78**	**13.93**	**23.57**	**15.87**	**297.15**

Notes to Financial Statements

(In millions of USD)

As at March 31, 2024	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5 years	Total
Non-derivative financial liabilities:					
Trade payables	259.20	-	-	-	259.20
Lease liabilities	18.23	16.78	27.03	27.09	89.13
Other financial liabilities	29.73	-	-	-	29.73
Total	307.16	16.78	27.03	27.09	378.06

14. EQUITY INSTRUMENTS

The authorised, issued, subscribed and fully paid up share capital consist of the following:

	As at March 31, 2025	As at March 31, 2024
(a) Authorised		
Equity shares of USD 10 each (March 31,2025 20,000 shares and March 31, 2024 20,000 shares)	**0.20**	0.20
	0.20	0.20
(b) Issued, Subscribed and Fully paid up		
Equity shares of USD 10 each (March 31,2025 20,000 shares and March 31, 2024 20,000 shares)	**0.20**	0.20
Total	**0.20**	0.20

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. The Company is not subject to any externally imposed capital requirements.

Fully paid equity shares, which have a par value of USD 10 each carry one vote per share and have a right to dividend. Dividend can be declared out of retained earnings. In the event of liquidation of the Company, the holders of shares are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

15. LEASES

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The

Notes to Financial Statements

estimated useful lives of right-of- use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in profit or loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readi ly determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease-by-lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and profit o r loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in profit or loss.

The Company has elected not to apply the requirements of IFRS 16 - Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

Company as a lessor

At the inception of the lease, the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Company applies IFRS 15 – Revenue from contracts with customers to allocate the consideration in the contract.

The details of the right-of-use asset held by the Company is as follows:

(In millions of USD)

	Additions for the year ended March 31, 2025	Net carrying amount as at March 31, 2025
Buildings	**8.64**	**52.21**
Total	**8.64**	**52.21**

(In millions of USD)

	Additions for the year ended March 31, 2024	Net carrying amount as at March 31, 2024
Buildings	**1.34**	65.78
Total	**1.34**	65.78

Notes to Financial Statements

Depreciation on right-of-asset is as follows:

(In millions of USD)

	Year ended March 31, 2025	Year ended March 31, 2024
Buildings	**14.73**	15.90
Total	**14.73**	15.90

Changes in lease liabilities are as follows:

(In millions of USD)

	Year ended March 31, 2025	Year ended March 31, 2024
Balance at the beginning of the year	**76.94**	92.98
Additions during the year	**2.15**	1.07
Payments during the year	**(15.88)**	(17.36)
Other non-cash movements	**(1.14)**	0.25
Balance at the end of the year	**62.07**	76.94

Interest on lease liabilities is USD 2.30 and USD 2.79 million for the year ended on March 31, 2025 and 2024 respectively.

The Company incurred USD 0.69 and USD 0.92 million for the year ended March 31, 2025 and 2024 respectively towards expenses relating to short-term leases and leases of low-value assets.

The total cash outflow for leases is USD 18.85 and USD 21.07 million for the year ended March 31, 2025 and 2024 respectively, including cash outflow for short-term leases and leases of low-value assets.

The Company does not have lease term extension options that are not reflected in the measurement of lease liabilities.

Lease contracts entered by the Company majorly pertains for buildings taken on lease to conduct its business in the ordinary course.

The Company does not have any lease restrictions and commitment towards variable rent as per the contract.

16. NON-FINANCIAL ASSETS AND NON-FINANCIAL LIABILITIES

a. Property, plant and equipment

Property, plant and equipment are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use, less accumulated depreciation (other than freehold land) and impairment loss, if any.

Depreciation is provided for property, plant and equipment on a straight line basis so as to expense the cost less residual values over their estimated useful lives based on a technical evaluation. The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

The estimated useful lives are as mentioned below:

Type of asset	Useful lives
Buildings	20 years
Leasehold improvements	Lease term
Computer equipment	4 years
Furniture, fixtures, Plant and Machinery, office equipment and other assets	2-10 years

Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use. Capital work-in-progress includes capital advances.

Property, plant and equipment with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the

Notes to Financial Statements

fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss.

Property, plant and equipment consist of the following:

(In millions of USD)

	Freehold land	Buildings	Leasehold improvements	Computer equipments	Plant and machinery	Furniture and fixtures	Office equipments and other assets	Total
Cost as at April 1, 2024	**3.31**	**13.82**	**16.75**	**13.26**	**1.57**	**14.61**	**18.55**	**81.87**
Additions*	**-**	**0.44**	**2.01**	**0.27**	**-**	**0.63**	**0.98**	**4.32**
Disposals	**-**	**-**	**3.34**	**2.08**	**-**	**1.38**	**3.16**	**9.96**
Cost as at March 31, 2025	**3.31**	**14.26**	**15.42**	**11.45**	**1.57**	**13.86**	**16.37**	**76.23**
Accumulated depreciation as at April 1, 2024	**-**	**8.59**	**13.36**	**11.49**	**0.98**	**13.60**	**15.94**	**63.96**
Disposals	**-**	**-**	**3.31**	**2.06**	**-**	**1.37**	**3.16**	**9.91**
Depreciation	**-**	**0.86**	**1.29**	**0.89**	**0.16**	**0.66**	**1.14**	**5.00**
Accumulated depreciation as at March 31, 2025	**-**	**9.45**	**11.34**	**10.32**	**1.14**	**12.89**	**13.92**	**59.05**
Net carrying amount as at March 31, 2025	**3.31**	**4.81**	**4.08**	**1.13**	**0.43**	**0.97**	**2.45**	**17.18**
Capital work-in-progress								**2.64**
Total								**19.82**

*USD 4.32 million has been capitalised and transferred to property, plant and equipment during the year ended March 31, 2025.

(In millions of USD)

	Freehold land	Buildings	Leasehold improvements	Computer equipments	Plant and machinery	Furniture and fixtures	Office equipments and other assets	Total
Cost as at April 1, 2023	3.31	11.84	16.88	13.41	1.48	15.13	17.58	79.64
Additions*	-	1.98	-	0.85	0.09	0.07	1.10	4.09
Disposals	-	-	0.13	1.00	-	0.59	0.13	1.85
Cost as at March 31, 2024	3.31	13.82	16.75	13.26	1.57	14.61	18.55	81.87
Accumulated depreciation as at April 1, 2023	-	7.82	12.21	11.41	0.83	13.10	14.78	60.16
Disposals	-	-	0.13	1.00	-	0.59	0.13	1.85
Depreciation	-	0.77	1.28	1.08	0.15	1.09	1.29	5.65
Accumulated depreciation as at March 31, 2024	-	8.59	13.36	11.49	0.98	13.60	15.94	63.96
Net carrying amount as at March 31, 2024	3.31	5.23	3.39	1.78	0.59	1.01	2.61	17.92
Capital work-in-progress								2.90
Total								20.82

*USD 4.09 million has been capitalised and transferred to property, plant and equipment during the year ended March 31,2024.

Back to content

Notes to Financial Statements

b. Intangible assets

Intangible assets purchased are measured at cost as at the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any. Intangible assets consist of software licences. Following table summarises the nature of intangibles and their estimated useful lives:

Type of asset	Useful lives
Software licences	Lower of licence period and 1-5 years

Intangible assets are amortised on a straight-line basis over the period of its economic useful life.

Intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss.

(In millions of USD)

	Rights under licensing agreements and software licences
Cost as at April 1, 2024	**0.01**
Additions	**-**
Cost as at March 31, 2025	**0.01**
Accumulated amortisation as at April 1, 2024	**0.00**
Amortisation for the year	**0.01**
Accumulated amortisation as at March 31, 2025	**0.01**
Net carrying amount as at March 31, 2025	**-**

(In millions of USD)

	Rights under licensing agreements and software licences
Cost as at April 1, 2023	-
Additions	0.01
Cost as at March 31, 2024	0.01
Accumulated amortisation as at April 1, 2023	-
Amortisation for the year	0.00
Accumulated amortisation as at March 31, 2024	0.00
Net carrying amount as at March 31, 2024	0.01

Notes to Financial Statements

c. Other assets

Other assets consist of the following:

i. Other assets – Current

(In millions of USD)

	As at March 31, 2025	As at March 31, 2024
Advances to suppliers	**2.01**	1.23
Indirect taxes recoverable	**0.03**	4.48
Prepaid expenses	**9.59**	5.57
Prepaid rent	**0.16**	0.00
Contract assets	**0.61**	0.49
Contract fullfillment costs	**0.30**	0.32
Others	**0.10**	0.11
Total	**12.80**	12.20

Contract fulfillment costs is USD 0.30 million and USD 0.32 million for the years ended March 31, 2025 and March 31, 2024, respectively, have been amortised in the profit or loss. Refer note 17 for changes in contract assets.

d. Other liabilities

Other liabilities consist of the following:

i. Other liabilities – Current

(In millions of USD)

	As at March 31, 2025	As at March 31, 2024
Advance received from customers	**0.00**	0.14
Indirect taxes payable and other statutory liabilities	**4.92**	0.00
Others	**0.04**	0.04
Total	**4.96**	0.18

17. REVENUE RECOGNITION

The Company, a wholly owned subsidiary of Tata Consultancy Services Limited, India, primarily operates as a sales and marketing entity for the holding company. The Company is engaged in the business of promoting, marketing and delivery of software services and products, information technology and information technology enabled services, in the US to third parties. The Company also earns some revenue from providing IT services, consulting and business solutions, directly to customers.

Whenever the Company acts in the capacity of a sales and marketing agent it recognises revenue for the agreed commission based on the commercial arrangement it has entered with the holding company. Such contracts have a single performance obligation which is the promise to transfer the marketing and promotional services. The revenue is recognised over time by utilizing the month as unit of measurement. The Company has applied the practical expedient to recognise revenue for services over the term of the agreement in proportion to the amount it has right to invoice the customer.

Where the Company enters into a contract with a customer to provide IT services directly to the customer, the Company controls the services to be provided to the customer, and has therefore, determined that it is acting in the capacity of a 'principal' for the said transactions. Accordingly, the Company recognises revenue at the gross amount of consideration. Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services. Revenue is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc for time and material and job contracts; straight lined over period for fixed price maintenance contracts; using percentage of completion method for other fixed price contracts; on delivery in case of sale of software and transfer of control in case of sale of hardware.

Notes to Financial Statements

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract and to ascribe the transaction price to each distinct performance obligation. Transaction price could be either a fixed amount consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Contract fulfilment costs are generally expensed as incurred except for certain software licence costs which meet the criteria for capitalisation. Such costs are amortised over the contractual period or useful life of licence, whichever is less. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

The billing schedules agreed with customers include periodic performance based payments and/or milestone based progress payments. Invoices are payable within contractually agreed credit period.

In accordance with IAS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Company disaggregates revenue from contracts with customers by nature of services, industry verticals and geography.

Revenue and Commission – agency services disaggregation by nature of services and geography is as follows:

(In millions of USD)

	Year ended March 31, 2025	Year ended March 31, 2024
Consultancy services	**95.37**	82.82
Commission - agency services	**500.52**	564.58
Total	**595.89**	647.40

Notes to Financial Statements

Geographical revenue is allocated based on the location of the customers.

(In millions of USD)

Geography	Year ended March 31, 2025	Year ended March 31, 2024
America - Consultancy services	**95.37**	82.82
India - Commission	**500.52**	564.58
Total	**595.89**	647.40

Consultancy services revenue disaggregation by industry vertical is as follows:

(In millions of USD)

Industry Vertical	Year ended March 31, 2025	Year ended March 31, 2024
Banking, Financial Services and Insurance	**3.38**	4.81
Manufacturing	**58.08**	44.99
Energy and Utilities	**25.31**	24.89
Hi-Tech Industry Practice	**1.86**	1.98
Others	**6.74**	6.15
Total	**95.37**	82.82

Agency commission revenue disaggregation by industry vertical is as follows:

(In millions of USD)

Industry vertical	Year ended March 31, 2025	Year ended March 31, 2024
Hi-Tech Industry Practice	**500.52**	564.58
Total	**500.52**	564.58

While disclosing the aggregate amount of transaction price yet to be recognised as revenue towards unsatisfied (or partially satisfied) performance obligations along with the broad time band for the expected time to recognise those revenues, the Company has applied the practical expedient in IFRS 15 and not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognised corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts.

Unsatisfied (or partially satisfied) performance obligations are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc.). The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is USD 108.92 million out of which 41.49% is expected to be recognised as revenue within the next year and the balance thereafter. No consideration from contracts with customers is excluded from the amount mentioned above.

Changes in contract asset are as follows:

(In millions of USD)

	Year ended March 31, 2025	Year ended March 31, 2024
Balance at the beginning of the year	**0.49**	0.93
Invoices raised that were included in the contract assets balance at the beginning of the year	**(0.48)**	(0.37)
Increase due to revenue recognised during the year, excluding amounts billed during the year	**0.60**	(0.06)
Balance at the end of the year	**0.61**	0.49

Back to content

Notes to Financial Statements

Changes in unearned and deferred revenue are as follows:

(In millions of USD)

	Year ended March 31, 2025	Year ended March 31, 2024
Balance at the beginning of the year	**7.79**	1.50
Revenue recognised that was included in the unearned and deferred revenue at the beginning of the year	**(7.62)**	(0.81)
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	**1.29**	7.10
Balance at the end of the year	**1.46**	7.79

18. Cost recognition

Costs and expenses are recognised when incurred and have been classified according to their primary functions in the following categories:

Cost of revenue

These costs primarily include employee compensation of personnel engaged in providing services, travel expenses, fees to external consultants, cost of equipment and software licenses, depreciation and amortisation of production related equipment and software, facility expenses, communication expenses and other project related expenses.

Selling, general and administrative expenses

Selling costs primarily include employee compensation for sales and marketing personnel, travel expenses, advertising, business promotion expenses, bad debts and advances written off, allowance for expected credit losses and doubtful advances(net), facility expenses for sales and marketing offices and market research costs.

General and administrative costs primarily include employee compensation for administrative, supervisory, managerial and practice management personnel, depreciation and amortisation expenses of non-production equipment and software, facility expenses for administrative offices, communication expenses, fees to external consultants and other general expenses.

Expenses by function

(In millions of USD)

	Year ended March 31, 2025	Year ended March 31, 2024
Cost of revenue	**69.86**	71.74
Selling, general and administrative expenses	**370.57**	410.83
Total	**440.43**	482.56

Costs and expenses are recognised when incurred and have been classified according to their nature.

The costs of the Company are broadly categorised in employee benefit expenses, depreciation expense and other expenses. Employee benefit expenses include salaries, incentives and allowances, contributions to provident and other funds and staff welfare expenses. Other expenses mainly include sub-contracting cost, facility expenses, travel expenses, communication expenses, bad debts and advances written off, allowance for doubtful trade receivable and advances (net) and other expenses. Other expenses is an aggregation of costs which are individually not material such as fees to external consultants, commission and brokerage, recruitment and training, entertainment, etc.

Refer Note 21 for employee benefit expenses.

Notes to Financial Statements

Other expenses by nature

(In millions of USD)

	Year ended March 31, 2025	Year ended March 31, 2024
Sub-contacting cost	**2.35**	1.40
Fees to external consultants	**11.97**	15.40
Facility expenses	**10.39**	9.43
Travel expenses	**21.29**	21.31
Communication expenses	**1.92**	2.75
Bad debts and advances written off, allowance for expected credit losses and doubtful advances (net)*	**-**	0.07
Marketing, Advertising & Sales Promotion	**36.52**	35.49
Other expenses	**20.72**	32.24
Total	**105.16**	118.09

19. OTHER INCOME

a. Finance and other income

Dividend income is recorded when the right to receive payment is established. Interest income is recognised using effective interest method.

(In millions of USD)

	Year ended March 31, 2025	Year ended March 31, 2024
Dividend received from mutual funds	**1.56**	1.73
Rental revenue	**8.67**	9.40
Interest received	**0.84**	1.24
Total	**11.07**	12.37

b. Finance costs

(In millions of USD)

	Year ended March 31, 2025	Year ended March 31, 2024
Interest on loans other than banks*	**0.03**	0.01
Other interest expense	**0.07**	0.08
Interest on lease liabilities	**2.30**	2.79
Total	**2.40**	2.88

c. Other gains (net)

(in millions of USD)

	Year ended March 31, 2025	Year ended March 31, 2024
Loss on sale of property, plant and eqiupment	**(0.05)**	-
Net foreign exchange gains / (losses)	**(0.21)**	0.04
Gain / Loss on modification of Lease - IFRS 16 / Ind AS 116	**0.13**	0.02
Others	**0.16**	0.00
Total	**0.03**	0.06

Notes to Financial Statements

20. INCOME TAXES

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current income taxes

The current income tax is based on the taxable profit for the year and is calculated using tax rates that have been enacted, by the end of the reporting period.

Advance taxes and provisions for current income taxes are presented in the statement of financial position after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the Company intends to settle the asset and liability on a net basis.

Deferred income taxes

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination, affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax liabilities are recognised for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

The Organisation for Economic Co-operation and Development (OCED) has published the model rules for Global Minimum tax (Pillar Two model rules). Pillar Two legislation has not been enacted in the jurisdictions where the Company operates. The Company does not expect any financial impact for the current period.

The income tax expense consists of the following:

(In millions of USD)

	Year ended March 31, 2025	Year ended March 31, 2024
Current tax		
Current tax expense for current year	**36.34**	42.76
Current tax expenses / benefit pertaining to prior years	**(5.71)**	(9.91)
	30.63	32.85
Deferred tax		
Deferred tax expense for current year	**1.36**	0.24
	1.36	0.24
Total	**31.99**	33.10

Notes to Financial Statements

The reconciliation of estimated income tax expense at statutory income tax rate to income tax expense reported in statements of profit or loss is as follows: Year ended Year ended

(In millions of USD)

	Year ended March 31, 2025	Year ended March 31, 2024
Profit before taxes		
Statutory income tax rate	**157.98**	174.39
Expected income tax expense	**21.00%**	21.00%
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense	**33.17**	36.62
Income exempt from tax	**(5.14)**	(5.41)
State tax (net of federal tax benefit)	**8.75**	11.35
Tax pertaining to prior years	**(5.71)**	(9.91)
Others (net)	**0.92**	0.45
Total income tax expense	**31.99**	33.10

Significant components of net deferred tax assets and liabilities for the year ended March 31, 2025 are as follows:

(In millions of USD)

	Opening balance	Recognised in profit or loss	Closing balance
Deferred tax assets / (liabilities) in relation to			
Property, plant and equipment	**2.35**	**0.71**	**3.06**
Provision for employee benefits	**3.64**	**0.14**	**3.78**
Receivables, financial assets at amortised cost	**0.83**	**(0.02)**	**0.81**
Lease liability and right-of-use assets	**4.90**	**(2.02)**	**2.88**
Others	**(1.47)**	**(0.18)**	**(1.65)**
Total deferred tax asset / (liabilities)	**10.25**	**(1.37)**	**8.88**

Gross deferred tax assets and liabilities are as follows:

(In millions of USD)

As at March 31, 2025	Assets	Laibilities	Net
Deferred tax assets / (liabilities) in relation to			
Property, plant and equipment	**3.06**	**-**	**3.06**
Provision for employee benefits	**3.78**	**-**	**3.78**
Receivables, financial assets at amortised cost	**0.81**	**-**	**0.81**
Right-of-use asset	**17.35**	**-**	**17.35**
Lease liabilities	**(14.47)**	**-**	**(14.47)**
Others	**-**	**(1.65)**	**(1.65)**
Total deferred tax asset / (liabilities)	**10.53**	**(1.65)**	**8.88**

Notes to Financial Statements

Significant components of net deferred tax assets and liabilities for the year ended March 31, 2024 are as follows:

(In millions of USD)

	Opening balance	Recognised in profit or loss	Closing balance
Deferred tax assets / (liabilities) in relation to			
Property, plant and equipment	1.76	0.59	2.35
Provision for employee benefits	3.75	(0.11)	3.64
Receivables, financial assets at amortised cost	1.01	(0.18)	0.83
Lease liability and right-of-use assets	5.44	(0.54)	4.90
Others	(1.47)	(0.00)	(1.47)
Total deferred tax asset / (liabilities)	10.49	(0.24)	10.25

Gross deferred tax assets and liabilities are as follows:

(In millions of USD)

As at March 31, 2024	Assets	Laibilities	Net
Deferred tax assets / (liabilities) in relation to			
Property, plant and equipment	2.35	-	2.35
Provision for employee benefits	3.64	-	3.64
Receivables, financial assets at amortised cost	0.83	-	0.83
Right-of-use asset	(16.09)	-	(16.09)
Lease liabilities	20.99	-	20.99
Others	-	(1.47)	(1.47)
Total deferred tax asset / (liabilities)	11.72	(1.47)	10.25

21. EMPLOYEE BENEFITS

Defined contribution plans

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits.

The Company has a 401(k) plan with profit sharing feature. Eligible employees may elect to defer up to 50 percent of their total compensation each year, not to exceed the annual limitations established by the Internal Revenue Code. The Company's contributions were USD 7.73 million and USD 6.42 million for the years ended March 31, 2025 and March 31, 2024 respectively.

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Compensated absences

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as undiscounted liability at the date of statement of financial position. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the date of financial position.

Notes to Financial Statements

Employee benefit expenses consists of the following:

(In millions of USD)

	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, incentives and allowances	**288.82**	312.53
Contribution to provident and other funds	**24.17**	19.38
Staff welfare expenses	**8.73**	11.00
Total	**321.72**	342.91

Employee benefit obligations consist of the following:

(a) Employee benefit obligations – Current

(In millions of USD)

	Year ended March 31, 2025	Year ended March 31, 2024
Compensated absences	**13.62**	13.41
Other employee benefit obligations	**0.01**	0.01
Total	**13.63**	13.42

(b) Employee benefit obligations – Non-current

(In millions of USD)

	Year ended March 31, 2025	Year ended March 31, 2024
Other employee benefit obligations	**0.01**	0.03
Total	**0.01**	0.03

22. COMMITMENTS AND CONTINGENCIES

- **Capital commitments**

  The Company has contractually committed (net of advances) USD 4.54 million and USD 1.76 million as at March 31, 2025 and 2024 respectively, for purchase of property, plant and equipment.

- **Contingencies**

  In October 2014, Epic Systems Corporation (referred to as Epic) filed a legal claim against the Company in the Court of Western District Madison, Wisconsin alleging unauthorised access to and download of their confidential information and use thereof in the development of the Company's product MedMantra.

  Pursuant to unfavorable judgment from the District Court and Appeals Court which awarded $140 million as compensatory damages and $140 million as punitive damages, Epic invoked payment of $140 million out of $440 million Letter of Credit provided as security, towards compensatory damages in April 2022. The Company's petition to the Supreme Court to review the entire judgement including both the compensatory and punitive damages reaffirmed by the Appeals Court was rejected by the Supreme Court on November 20, 2023, pursuant to which, punitive damages of $140 million was paid by the parent Company on December 1, 2023.

  Any obligation out of this litigation will be fulfilled by the parent Company. Accordingly, Tata America International Corporation has no potential liability arising out of this litigation.

23. RELATED PARTY TRANSACTIONS

The Company's principal related parties consist of its holding company Tata Consultancy Services Limited, subsidiaries of Tata Consultancy Services Limited and the key management personnel. The ultimate holding company of Tata America International Corporation is Tata Sons Private Limited. The Company's material related party transactions and outstanding balances are with related parties with whom the Company routinely enters into transactions in the ordinary course of business.

Back to content

Notes to Financial Statements

Transactions with related parties are as follows:

(In millions of USD)

		Year ended March 31, 2025	Year ended March 31, 2024
Revenue from operations			
	Tata Consultancy Services Limited	**500.06**	564.58
	Tata Consultancy Services Do Brasil Ltda	**0.46**	-
Other income			
	Tata Sons Private Limited, its subsidiaries and associates		
	Tata Steel International (Americas) Inc	**0.01**	0.01
	Tata Incorporated	**0.20**	-
	Tata Electronics Private Limited	**0.11**	-
	Tata Consultancy Services Limited	**1.92**	9.10
	Subsidiaries of Tata Consultancy Services Limited		-
	TCS e-Serve International Ltd	**0.36**	0.39
Purchases of goods and services			
	Tata Consultancy Services Limited	**15.15**	(0.27)
	Subsidiaries of Tata Consultancy Services Limited		
	Tata Consultancy Services (Philippines) Inc.*	**-**	(0.00)
	Tata Consultancy Services De Mexico S.A.,De C.V.	**-**	0.05
	TCS e-Serve International Ltd	**0.01**	(0.00)
	TCS e-Serve America Inc	**-**	0.00
	Tata Consultancy Services France*	**0.00**	0.00
	Taj International Hotels Limited	**0.11**	-
	Tata Consumer Products US Inc	**0.00**	-
Purchases of goods and services (reimbursements)	**Tata Consultancy Services Limited**	**34.56**	72.31
	Subsidiaries of Tata Consultancy Services Limited		
	Tata Consultancy Services Canada Inc.	**1.15**	1.28
	Tata Consultancy Services De Espana S.A.*	**-**	0.00
	Tata Consultancy Services De Mexico S.A.,De C.V.	**0.09**	0.09
	Tata Consultancy Services Deutschland GmbH*	**0.01**	0.00
	Tata Consultancy Services Do Brasil Ltda	**0.07**	0.14
	TCS e-Serve International Ltd	**(0.52)**	(0.20)
	Tata Consultancy Services Italia s.r.l.*	**-**	0.00
	Tata Consultancy Services Netherlands BV*	**0.01**	0.00
	TCS Solution Center S.A. *	**0.00**	-
	Tata Consultancy Services Switzerland Ltd.	**0.01**	(0.00)
	TCS Uruguay S.A.*	**0.01**	0.01
	TCS Belgium S.A./N.V.	**0.00**	-
Brand equity contribution	**Tata Sons Private Limited, its subsidiaries and associates**		
	Tata Sons Private Limited	**0.24**	0.21
Dividend paid	**Tata Consultancy Services Limited**	**215.00**	140.00

Notes to Financial Statements

Balances with related parties are as follows:

(In millions of USD)

		As at March 31, 2025	As at March 31, 2024
Trade receivables and contract assets			
	Tata Consultancy Services Limited	**208.55**	357.63
	Subsidiaries of Tata Consultancy Services Limited		
	Tata Consultancy Services (Philippines) Inc.*	**0.00**	0.00
	Tata Consultancy Services Argentina S.A.*	**0.00**	0.00
	Tata Consultancy Services Canada Inc.	**0.19**	0.12
	Tata Consultancy Services (China) Co., Ltd.	**-**	0.02
	Tata Consultancy Services De Espana S.A.*	**0.00**	0.00
	Tata Consultancy Services Do Brasil Ltda*	**0.08**	-
	TCS e-Serve International Ltd	**0.37**	0.26
	PT Tata Consultancy Services Indonesia*	**0.00**	0.00
	Tata Consultancy Services (Portugal), Unipessoal Limitada	**(0.01)**	0.01
	TCS IberoAmerica SA*	**0.00**	-
Loans, other financial assets and other assets			
	Tata Consultancy Services Limited	**2.28**	2.18
	Subsidiaries of Tata Consultancy Services Limited		
	Tata Consultancy Services De Mexico S.A.,De C.V.	**-**	0.01
	Tata Consultancy Services Deutschland GmbH	**-**	0.02
	Tata Consultancy Services Do Brasil Ltda*	**0.02**	0.00
	TCS e-Serve International Ltd	**-**	0.05
Trade payables, unearned and deferred revenue, other financial liabilities and other liabilities			
	Tata Sons Private Limited, its subsidiaries and associates		
	Tata Sons Private Limited	**0.24**	0.20
	Tata Consultancy Services Limited	**180.67**	238.54
	Subsidiaries of Tata Consultancy Services Limited		
	Tata Consultancy Services Asia Pacific Pte Ltd. *	**0.00**	0.00
	Tata Consultancy Services Canada Inc.	**0.39**	0.15
	Tata Consultancy Services (China) Co., Ltd.*	**0.01**	0.00
	Tata Consultancy Services De Mexico S.A.,De C.V.	**0.10**	0.20
	Tata Consultancy Services Do Brasil Ltda	3.19	0.01
	TCS e-Serve International Ltd	**0.01**	-
	Tata Consultancy Services France*	**0.00**	0.00

Notes to Financial Statements

(In millions of USD)

	As at March 31, 2025	As at March 31, 2024
Tata Consultancy Services Italia s.r.l.*	**0.00**	0.00
Tata Consultancy Services Netherlands BV	**0.23**	0.40
TCS Solution Center S.A.*	**0.00**	0.00
Tata Consultancy Services Switzerland Ltd.*	**(0.00)**	0.06
TCS Japan Limited*	**(0.00)**	0.00
TCS Belgium S.A./N.V.*	**0.00**	-
Tata Consultancy Services De Espana S.A.*	**0.00**	0.00
TCS Uruguay S.A.	**0.02**	0.01
Tata Consultancy Services Deutschland GmbH*	**0.00**	0.00

*Amount is less than USD 0.01 million.

Transactions with key management personal are as follows:

(In millions of USD)

Compensation to Key Management Personnel	Year ended March 31, 2025	Year ended March 31, 2024
Short-term benefits	**0.27**	0.87

24. DIVIDENDS

Dividends paid during the year ended March 31, 2025 and March 31, 2024 include an amount of USD 10,750 (Total Dividend USD 215 million) and USD 7,000 (Total Dividend USD 140 million) per equity share towards interim dividends respectively.

25. SUBSEQUENT EVENTS

The Company has evaluated subsequent events from the balance sheet date through May 19, 2025 the date on which the financials were available for issue and determined that there is no material event to be disclosed.

TATA CONSULTANCY SERVICES CANADA INC.

(Company Registration Number: 887750719)

FINANCIAL STATEMENTS

For the year ended
March 31, 2025

FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

CONTENTS **PAGE**

Independent Auditor's Report	20.2
Statement of Financial Position	20.4
Statement of Profit & Loss and Other comprehensive Income	20.5
Statement of Changes in Equity	20.6
Statement of Cash Flow	20.7
Notes of Financial statements	20.8

Back to main content

INDEPENDENT AUDITOR'S REPORT

KPMG LLP

Bay Adelaide Centre
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Toronto, ON M5H 2S5
Canada
Telephone 416 777 8500
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TO THE BOARD OF DIRECTORS AND SHAREHOLDER OF TATA CONSULTANCY SERVICES CANADA INC.

Opinion

We have audited the financial statements of Tata Consultancy Services Canada Inc. (the Entity), which comprise:

- the statement of financial position as at March 31, 2025
- the statement of profit and loss and other comprehensive income for the year then ended
- the statement of changes in equity for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of material accounting policy information

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at March 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the **"Auditor's Responsibilities for the Audit of the Financial Statements"** section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 Canadian generally accepted auditing standards 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 the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

  The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants, Licensed Public Accountants
Toronto, Canada
May 2, 2025

Statement of Financial Position

(In millions of CAD)

	Note	As at March 31, 2025	As at March 31, 2024
ASSETS			
Current assets			
Cash and cash equivalents	7(a)	**85.01**	77.97
Bank deposits		**-**	45.00
Trade receivables			
Billed	7(b)	**423.22**	345.13
Unbilled		**88.94**	93.15
Other financial assets	7(c)	**18.44**	15.10
Other assets	9(b)	**47.50**	52.06
Total current assets		**663.11**	628.41
Non-current assets			
Income tax assets (net)		**0.44**	0.05
Deferred tax assets (net)	13	**0.98**	0.46
Property, plant and equipment	9(a)	**3.65**	5.20
Intangible asset		**0.01**	0.01
Right-of-use assets	8	**11.12**	11.39
Other assets		**0.32**	2.44
Total non-current assets		**16.52**	19.55
TOTAL ASSETS		**679.63**	647.96
LIABILITIES AND EQUITY			
Liabilities			
Current liabilities			
Trade payables		**160.94**	146.85
Lease liabilities		**0.55**	0.22
Other financial liabilities	7(d)	**81.58**	74.97
Unearned and deferred revenue		**31.95**	17.03
Employee benefit obligations	14	**61.75**	50.45
Provisions		**0.09**	0.05
Income tax liabilities (net)		**-**	2.96
Other liabilities	9(c)	**24.71**	30.80
Total current liabilities		**361.57**	323.33
Non-current liabilities			
Unearned and deferred revenue		**-**	2.19
Lease liabilities		**11.93**	11.58
Total non-current liabilities		**11.93**	13.77
TOTAL LIABILITIES		**373.50**	337.10
Equity			
Share capital	7(h)	**7.07**	7.07
Retained earnings		**299.06**	303.79
TOTAL EQUITY		**306.13**	310.86
TOTAL LIABILITIES AND EQUITY		**679.63**	647.96

See accompanying notes to financial statements

Statement of profit or loss and other comprehensive income

(In millions of CAD)

	Note	Year ended March 31, 2025	Year ended March 31, 2024
Revenue	10	**2,062.33**	1,910.42
Expenses			
Employee benefits expenses	14	**1,083.34**	966.00
Cost of equipment and software licenses		**0.33**	(0.05)
Depreciation and amortisation expense	8, 9(a)	**3.83**	4.28
Other expenses	11	**708.01**	715.76
TOTAL EXPENSES		**1,795.51**	1,685.99
Operating profit		**266.82**	224.43
Other income			
Finance and other income		**4.04**	5.48
Finance costs		**(0.59)**	(0.50)
Other gains/(loss)(net)	12	**(1.21)**	2.02
Other income (net)		**2.24**	7.00
Profit before taxes		**269.06**	231.43
Income tax expense	13	**70.79**	60.96
Profit for the year		**198.27**	170.47
Total comprehensive income for the year		**198.27**	170.47

See accompanying notes to financial statements

Statement of changes in equity

(In millions of CAD, except share data)

	Number of shares	Share capital	Retained earnings	Total equity
Balance as at April 1, 2024	**1,100**	**7.07**	**303.79**	**310.86**
Profit for the year	**-**	**-**	**198.27**	**198.27**
Total comprehensive income	**-**	**-**	**198.27**	**198.27**
Dividend (including tax on dividend of CAD 30.45 million) (Refer note 17)	**-**	**-**	**(203.00)**	**(203.00)**
Balance as at March 31, 2025	**1,100**	**7.07**	**299.06**	**306.13**
Balance as at April 1, 2023	1,100	7.07	218.32	225.39
Profit for the year	-	-	170.47	170.47
Total comprehensive income	-	-	170.47	170.47
Dividend (including tax on dividend of CAD 12.75 million) (Refer note 17)	-	-	(85.00)	(85.00)
Balance as at March 31, 2024	1,100	7.07	303.79	310.86

Statement of Cash Flows

(In millions of CAD)

	Year ended March 31, 2025	Year ended March 31, 2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the year	**198.27**	170.47
Adjustment for:		
Depreciation and amortisation expense (Refer note 8, 9(a))	**3.83**	4.28
Income tax expense (Refer note 13)	**70.79**	60.96
Net gain on lease modification	**-**	(0.61)
Net gain (loss) on disposal of property, plant and equipment*	**0.00**	(0.00)
Bad debts and advances written off, allowances for expected credit losses and doubtful advances (net) (Refer note 11)	**(0.03)**	0.19
Unrealised foreign exchange (gain)/loss	**(0.57)**	0.39
Operating profit before working capital changes	**272.29**	235.68
Net change in		
Trade receivables		
Billed	**(78.06)**	(82.50)
Unbilled	**4.21**	2.67
Other financial assets	**(3.33)**	1.40
Other assets	**6.68**	(18.63)
Trade payables	**14.09**	1.92
Unearned and deferred revenue	**12.73**	0.63
Other financial liabilities	**6.18**	(8.42)
Other liabilities and provisions	**5.25**	22.38
Cash flow generated from operations	**240.04**	155.13
Taxes paid (net of refunds)	**(74.66)**	(53.41)
Net cash flow generated from operating activities	**165.38**	101.72
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for purchase of property, plant and equipment	**(0.59)**	(2.37)
Proceeds from bank deposits	**45.00**	170.30
Proceeds from disposal of property, plant and equipment*	**(0.00)**	0.00
Bank deposits placed	**-**	(170.30)
Net cash flow (used in)/generated from investing activities	**44.41**	(2.37)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid (including tax on dividend)	**(203.00)**	(85.00)
Repayment of lease liabilities	**(0.31)**	(0.91)
Net cash flow used in financing activities	**(203.31)**	(85.91)
Net change in cash and cash equivalents	**6.48**	13.44
Cash and cash equivalents at the beginning of the year	**77.97**	64.92
Exchange difference on translation of foreign currency cash and cash equivalents	**0.57**	(0.39)
Cash and cash equivalents at the end of the year (Refer note 7(a))	**85.02**	77.97
Components of cash and cash equivalents		
Cash at banks and in hand	**8.28**	15.37
Bank deposits (original maturity less than three months)	**76.73**	62.60
	85.01	77.97
SUPPLEMENTARY CASH FLOW INFORMATION		
Interest paid	**0.59**	0.50
Interest received	**4.30**	5.34

*Amount is less than CAD 0.01mn

See accompanying notes to financial statements

Notes to Financial Statements

1. Corporate information

Tata Consultancy Services Canada Inc. ("the Company") a Toronto based Canadian corporation, is an information technology (IT) consulting, services and business process outsourcing organisation. The Company provides services in the area of IT application development and maintenance, asset-based solutions, IT infrastructure management, engineering and industrial services and business process outsourcing. The Company is a wholly owned subsidiary of Tata Consultancy Services Limited ("TCS Limited") and Tata Sons Private Limited is the ultimate parent company.

The Company is incorporated under the *Canada Business Corporations Act* and is domiciled in Canada. The address of its corporate office is 400 University Avenue, 25th Floor Toronto, Ontario M5G 1S5, Canada. The financial statements for the year ended March 31, 2025 were approved by the Board of Directors and authorised for issue on May 2, 2025.

2. Statement of compliance

These financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS"), as issued by the International Accounting Standard Board ("IASB").

3. Basis of preparation

These financial statements have been prepared on historical cost basis except for certain financial instruments which are measured at fair value or amortised cost at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for 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. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

The statement of cash flows has been prepared under the indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The Company classifies interest paid and interest received as cash flow from operating activities. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value to be cash equivalents.

The functional currency of the Company is the Canadian Dollar ("CAD"). The functional currency of the Company is the currency of the primary economic environment in which the entity operates. Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are retranslated at the exchange rate prevailing on the dates of statement of financial position and exchange gains and losses arising on settlement and restatement are recognised in profit or loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

The material accounting policy information used in preparation of the financial statements have been discussed in the respective notes.

4. Use of estimates and judgements

The preparation of financial statements in conformity with the recognition and measurement principles of International Financial Reporting Standards (IFRS) requires management to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of the financial statements and the reported amounts of income and expenses for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The Company uses the following critical accounting judgements, estimates and assumptions in preparation of its financial statements:

a. Revenue recognition

Revenue for fixed-price contracts is recognised using percentage-of-completion method. The Company estimates the future cost-to-completion of the contracts, which is used to determine degree of completion of the performance obligation.

Notes to Financial Statements

The Company exercises judgement for identification of performance obligations, determination of transaction price, ascribing the transaction price to each distinct performance obligation and in determining whether the performance obligation is satisfied at a point in time or over a period of time. These judgements have been explained in detail under the revenue recognition note (Refer note 10).

b. Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods (Refer note 9(a)).

c. Impairment of financial assets (other than at fair value)

Measurement of impairment of financial assets require use of estimates, which have been explained in the note on financial assets, financial liabilities and equity instruments, under impairment of financial assets (other than at fair value) (Refer note 7).

d. Deferred tax assets

A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

e. Provision and contingent liabilities

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Company uses significant judgements to assess contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

f. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of IFRS 16. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non- cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

5. Nature and purpose of reserves

Retained earnings

This reserve represents undistributed accumulated earnings of the Company as on the date of statement of financial position.

6. Recent accounting standards

The Company has not applied the following new and revised IFRS that have been issued but are not yet effective:

Amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates[1]

Amendments to IFRS 9 and IFRS 7[2]

Notes to Financial Statements

Annual Improvements to IFRS Accounting Standards[2] – Amendments to:

- IFRS 1 – First-time Adoption of International Financial Reporting Standards
- IFRS 7 – Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7
- IFRS 9 – Financial Instruments
- IFRS 10 – Consolidated Financial Statements
- IAS 7 – Statement of Cash flows

IFRS 18 – Presentation and the Disclosures in Financial Statements[3]

IFRS 19 – Subsidiaries without Public Accountability: Disclosures[3]

[1] Effective for annual periods beginning on or after January 1, 2025.

[2] Effective for annual periods beginning on or after January 1, 2026.

[3] Effective for annual periods beginning on or after January 1, 2027.

IAS 21 – The Effects of Changes in Foreign Exchange Rates

In August 2023, the IASB issued 'Lack of Exchangeability (Amendments to IAS 21)' to provide guidance to specify which exchange rate to use when the currency is not exchangeable. An entity must estimate the spot exchange rate as the rate that would have applied to an orderly transaction between market participants at the measurement date and that would faithfully reflect the economic conditions prevailing. The Company does not expect this amendment to have any significant impact in its financial statements.

IFRS 9 and IFRS 7 – Financial Instruments and Financial Instruments: Disclosures

In May 2024, the IASB issued "Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) to address matters identified during the post-implementation review of IFRS 9. The amendments relate to derecognition of a financial liability settled through electronic transfer, classification of financial assets and disclosures of certain financial assets and financial liabilities. The Company will evaluate the amendments and implement them accordingly.

In December 2024, the IASB issued targeted amendments to help companies better report the financial effects of nature dependent electricity contracts, which are often structured as power purchase agreements (PPAs). The amount of electricity generated under these contracts can vary based on uncontrollable factors such as weather conditions. Current accounting requirements may not adequately capture how these contracts affect a company's performance. The amendments include: clarifying the application of the 'own-use' requirements; permitting hedge accounting if these contracts are used as hedging instruments; and adding new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows. The Company does not expect this amendment to have any significant impact in its financial statements.

Annual Improvements to IFRS Accounting Standards

In July 2024, the IASB issued narrow amendments to IFRS Accounting Standards and accompanying guidance as part of its regular maintenance of the Standards. These amendments include clarifications, simplifications, corrections and changes aimed at improving the consistency of several IFRS Accounting Standards. Annual improvements are limited to changes that either clarify the wording in an IFRS Accounting Standard or correct relatively minor unintended consequences or oversights in the Accounting Standards. They also correct minor conflicts between the requirements of the Accounting Standards. The Group does not expect these narrow amendments to have any significant impact in its financial statements.

IFRS 18 – Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued its new standard IFRS 18 – Presentation and Disclosures in Financial Statements that will replace IAS 1 – Presentation of Financial Statements. The new standard aims at improving how entities communicate in their financial statements. The Company will evaluate the standard and implement it accordingly.

Notes to Financial Statements

IFRS 19 – Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued a new standard IFRS 19 - Subsidiaries without Public Accountability: Disclosures. The standard allows a subsidiary which does not have public accountability and has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards, to elect IFRS 19. Such an entity applies the requirements in other IFRS Accounting Standards, except for the disclosure requirements, instead the entity applies the requirements in IFRS 19.

7. Financial assets, financial liabilities and equity instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

The Company derecognises a financial asset only 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 entity. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

Cash and cash equivalents

The Company considers all highly liquid investments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

The Company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in other comprehensive income.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received net of direct issue cost.

Derivative accounting

Instruments not in hedging relationship

The Company enters into contracts that are effective as hedges from an economic perspective, but they do not qualify for hedge accounting. The change in the fair value of such an instrument is recognised in profit or loss.

Notes to Financial Statements

Impairment of financial assets (other than at fair value)

The Company assesses at each date of statement of financial position whether a financial asset or a group of financial assets is impaired. IFRS 9 - Financial Instruments requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. In determining the allowances for expected credit loss the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

a. Cash and cash equivalents

Cash and cash equivalents consist of the following:

(In millions of CAD)

	As at March 31, 2025	As at March 31, 2024
Cash at banks	**8.28**	15.37
Bank deposits (original maturity less than three months)	**76.73**	62.60
Total	**85.01**	77.97

b. Trade receivables – Billed

Trade receivables - Billed consist of the following:

Trade receivables – Billed - Current

(In millions of CAD)

	As at March 31, 2025	As at March 31, 2024
Trade receivables - Billed	**424.34**	346.26
Less: Allowance for expected credit losses	**(1.12)**	(1.13)
Total	**423.22**	345.13

c. Other financial assets

Other financial assets consist of the following:

Other financial assets – Current

(In millions of CAD)

	As at March 31, 2025	As at March 31, 2024
Interest receivable	**0.18**	0.43
Loans and advances to employees (net of allowances of CAD 0.20 million)	**2.72**	3.98
Fair value of foreign exchange derivative assets	**0.07**	-
Security deposits	**0.01**	0.01
Volume discount receivable	**15.46**	10.68
Total	**18.44**	15.10

Notes to Financial Statements

d. Other financial liabilities

Other financial liabilities consist of the following:

Other financial liabilities – Current

(In millions of CAD)

	As at March 31, 2025	As at March 31, 2024
Capital creditors	**0.54**	0.11
Fair value of foreign exchange derivatives liabilities	**0.35**	0.34
Liabilities towards customer contracts	**22.45**	17.35
Accrued payroll	**58.24**	57.17
Total	**81.58**	74.97

e. Financial instrument by category

The carrying value of financial instruments by categories as at March 31, 2025 is as follows:

(In millions of CAD)

	Derivative instruments not in hedging relationship	Amortised cost	Total carrying value
Financial assets			
Cash and cash equivalents	**-**	**85.01**	**85.01**
Trade receivables			
Billed	**-**	**423.22**	**423.22**
Unbilled	**-**	**88.94**	**88.94**
Other financial assets	**0.07**	**18.37**	**18.44**
Total	**0.07**	**615.54**	**615.61**
Financial liabilities			
Trade payables	**-**	**160.94**	**160.94**
Lease liabilities	**-**	**12.48**	**12.48**
Other financial liabilities	**0.35**	**81.23**	**81.58**
Total	**0.35**	**254.65**	**255.00**

Notes to Financial Statements

The carrying value of financial instruments by categories as at March 31, 2024 is as follows:

(In millions of CAD)

	Derivative instruments not in hedging relationship	Amortised cost	Total carrying value
Financial assets			
Cash and cash equivalents	-	77.97	77.97
Bank deposits	-	45.00	45.00
Trade receivables			
Billed	-	345.13	345.13
Unbilled	-	93.15	93.15
Other financial assets	-	15.10	15.10
Total	-	576.35	576.35
Financial liabilities			
Trade payables	-	146.85	146.85
Lease liabilities	-	11.80	11.80
Other financial liabilities	0.34	74.63	74.97
Total	0.34	233.28	233.62

Carrying amounts of cash and cash equivalents, trade receivables and trade payables as at March 31, 2025 and March 31, 2024 approximate the fair value due to their nature. Carrying amounts of bank deposits, other financial assets and other financial liabilities which are subsequently measured at amortised cost also approximate the fair value due to their nature in each of the periods presented. Fair value measurement of lease liabilities is not required.

f. 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.

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosures are required):

(In millions of CAD)

As at March 31, 2025	Level 1	Level 2	Level 3	Total
Financial assets				
Fair value of foreign exchange derivative assets	**-**	**0.07**	**-**	**0.07**
Total	**-**	**0.07**	**-**	**0.07**
Financial liabilities				
Fair value of foreign exchange derivative liabilities	**-**	**0.35**	**-**	**0.35**
Total	**-**	**0.35**	**-**	**0.35**

Notes to Financial Statements

(In millions of CAD)

As at March 31, 2024	Level 1	Level 2	Level 3	Total
Financial assets				
Fair value of foreign exchange derivative assets	-	-	-	-
Total	-	-	-	-
Financial liabilities				
Fair value of foreign exchange derivative liabilities	-	0.34	-	0.34
Total	-	0.34	-	0.34

The Company has entered into derivative instruments not in hedging relationship by way of foreign exchange forwards. The notional amount of outstanding contracts aggregated to CAD 269.40 million and CAD 108.81 million and the fair value of these contracts have a net loss of CAD 0.28 million and CAD 0.34 million in March 31, 2025 and March 31, 2024 respectively.

g. Financial risk management

The Company is exposed primarily to fluctuations in foreign currency exchange rates, credit, liquidity and interest rate risk, which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which covers risks associated with the financial assets and liabilities.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

Foreign currency exchange rate risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the entity. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries.

The Company, as per its risk management policy, uses derivative instruments primarily to hedge foreign exchange. Further, any movement in the functional currencies of the various operations of the Company against major foreign currencies may impact the Company's revenue in international business.

The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. It hedges a part of these risks by using derivative financial instruments in line with its risk management policies.

The foreign exchange rate sensitivity is calculated by aggregation of the net foreign exchange rate exposure and a simultaneous parallel foreign exchange rates shift of all the currencies by 10% against the functional currency of the Company.

The following analysis has been worked out based on the net exposures for the Company as at the date of statement of financial position which could affect the statement of profit or loss and other comprehensive income and equity.

The following table sets forth information relating to unhedged foreign currency exposure as at March 31, 2025:

	USD	Others[1]	Total
Net financial assets	**37.08**	**1.66**	**38.74**
Net financial liabilities	**37.06**	**0.59**	**37.66**

Notes to Financial Statements

10% appreciation / depreciation of the functional currency of the Company with respect to various foreign currencies would result in decrease / increase in the Company's profit before taxes by approximately CAD 0.11 million and equity approximately by CAD 0.08 million for the year ended March 31, 2025.

The following table sets forth information relating to unhedged foreign currency exposure as at March 31, 2024:

	USD	Others[1]	Total
Net financial assets	43.68	2.16	45.84
Net financial liabilities	20.72	0.34	21.06

10% appreciation / depreciation of the functional currency of the Company with respect to various foreign currencies would result in decrease / increase in the Company's profit before taxes by approximately CAD 2.48 million and equity approximately by CAD 1.82 million for the year ended March 31, 2024.

[1]Others include currencies such as Australian Dollar, South Korean won, Great Britain Pound, Euro and Swiss Franc, Singapore Dollar, Hong Kong Dollar, Mexican Peso, Swedish Krona

Interest rate risk

The Company's investments are primarily in fixed rate interest bearing investments. Hence, the Company is not significantly exposed to interest rate risk.

Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to credit risk principally consist of trade receivables, derivative financial instruments, unbilled receivables, cash and cash equivalents, bank deposits and other financial assets. Cash and cash equivalent include an amount of CAD 85.01 million held with a bank having high credit ratings which are in excess of 10 percent or more of the Company's total cash and cash equivalent as at March 31, 2025 (CAD 77.97 million as at March 31, 2024). None of the other financial instruments of the Company result in material concentration of credit risk.

Exposure to credit risk

The carrying amount of financial assets and contract assets represents the maximum credit exposure. The maximum exposure to credit risk was CAD 643.33 million and CAD 617.36 million as at March 31, 2025 and March 31, 2024 respectively, being the total of the carrying amount of balances with banks, bank deposits, trade receivables, contract assets and other financial assets.

Company's exposure to customers is diversified, and customer's which contribute individually to more than 10% of outstanding trade receivable and contract assets as at March 31, 2025 and March 31, 2024 are as follows

	As at March 31, 2025		As at March 31, 2024	
	Gross Percentage	Net Percentage	Gross Percentage	Net Percentage
Customer E	**38.09**	**38.17**	30.44	30.51
Customer F	**8.24**	**8.26**	9.24	9.26
Customer B	**6.96**	**6.97**	8.99	9.02

- **Geographic concentration of credit risk**

  The Company's cash and cash equivalents, trade receivables and contract assets are allocated based on the location of the customer and are substantially held in the Americas.

Notes to Financial Statements

The reconciliation of allowance for expected credit losses is as follows:

(In millions of CAD)

	Year ended March 31, 2025	Year ended March 31, 2024
Balance at the beginning of the year	**1.13**	1.09
Change during the year	**(0.01)**	0.04
Bad debts written off	**0.00**	(0.00)
Balance at the end of the year	**1.12**	1.13

Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company consistently generated sufficient cash flows from operations to meet its financial obligations including lease liabilities as and when they fall due.

The tables below provide details regarding the contractual maturities of significant financial liabilities as at:

(In millions of CAD)

As at March 31, 2025	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5th year	Total
Non-derivative financial liabilities:					
Trade payables	**160.94**	**-**	**-**	**-**	**160.94**
Lease liabilities	**1.12**	**0.99**	**3.74**	**9.97**	**15.82**
Other financial liabilities	**81.23**	**-**	**-**	**-**	**81.23**
Total	**243.29**	**0.99**	**3.74**	**9.97**	**257.99**

(In millions of CAD)

As at March 31, 2024	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5th year	Total
Non-derivative financial liabilities:					
Trade payables	146.85	-	-	-	146.85
Lease liabilities	0.78	0.90	0.77	13.17	15.62
Other financial liabilities	74.62	-	-	-	74.62
Total	222.25	0.90	0.77	13.17	237.09

h. Equity instruments

The issued, subscribed and fully paid up share capital consist of the following:

(In millions of CAD)

	As at March 31, 2025	As at March 31, 2024
Issued, Subscribed and Fully paid up		
1,100 common shares (March 31, 2025: 1,100 common shares)	**7.07**	7.07
Total	**7.07**	7.07

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. The Company is not subject to any externally imposed capital requirements.

Notes to Financial Statements

8. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets are subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in profit or loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses an incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease-by-lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and profit or loss depending upon the nature of modification. Where the carrying amount of the right-of-use assets is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the remeasurement in profit or loss.

The Company has elected not to apply the requirements of IFRS 16 "Leases" to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

The details of the right-of-use assets held by the Company are as follows:

(In millions of CAD)

	Additions for the year ended March 31, 2025	Net carrying amount as at March 31, 2025
Buildings	**0.94**	**11.07**
Office equipment	**0.05**	**0.05**
Total	**0.99**	**11.12**

Notes to Financial Statements

(In millions of CAD)

	Additions for the year ended March 31, 2024	Net carrying amount as at March 31, 2024
Buildings	11.20	11.39
Total	11.20	11.39

Depreciation on right-of-assets is as follows:

(In millions of CAD)

	Year ended March 31, 2025	Year ended March 31, 2024
Buildings	**1.25**	1.24
Computer equipment	**0.01**	0.01
Total	**1.26**	1.25

Interest on lease liabilities is CAD 0.58 million and CAD 0.50 million for the year ended on March 31, 2025 and March 31, 2024 respectively.

The Company incurred CAD 0.01 million and CAD 0.29 million for the year ended March 31, 2025, and March 31, 2024 towards expenses relating to short-term leases and leases of low-value assets.

The total cash outflow for leases is CAD 0.90 million and CAD 1.70 million for the year ended March 31, 2025, and March 31, 2024, including cash outflow for short term and low value leases. The Company has no lease term extension options.

Lease contracts entered by the Company pertain to buildings and office equipment taken on lease to conduct its business in the ordinary course.

The Company does not have any lease restrictions and commitment towards variable rent as per the contract.

9. Non-financial assets and non-financial liabilities

a. Property, plant and equipment

Property, plant and equipment are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use, less accumulated depreciation (other than freehold land) and impairment loss, if any.

Depreciation is provided for property, plant and equipment on a straight-line basis so as to expense the cost less residual values over their estimated useful lives based on a technical evaluation. The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

The estimated useful lives are as mentioned below:

Type of asset	Useful lives
Leasehold improvements	Lease term
Computer equipment	4 years
Furniture, fixtures and office equipment	5 years
Electrical installation	10 years

Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use. Capital work-in-progress includes capital advances.

Property, plant and equipment with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

Notes to Financial Statements

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss..

Property, plant and equipment consist of the following:

(In millions of CAD)

	Leasehold improvements	Computer equipment	Electrical installation	Furniture and fixture	Office equipment	Total
Cost as at April 1, 2024	**8.25**	**6.45**	**0.05**	**1.43**	**2.32**	**18.50**
Additions	**-**	**0.51**	**-**	**0.02**	**0.06**	**0.59**
Disposals	**-**	**(0.65)**	**-**	**-**	**-**	**(0.65)**
Cost as at March 31, 2025	**8.25**	**6.31**	**0.05**	**1.45**	**2.38**	**18.44**
Accumulated depreciation as at April 1, 2024	**7.38**	**3.21**	**0.01**	**1.15**	**1.59**	**13.34**
Disposals	**0.87**	**1.30**	**0.00**	**0.10**	**0.30**	**2.75**
Depreciation	**-**	**-**	**-**	**-**	**-**	**-**
Eliminated on disposals of assets	**-**	**(0.65)**	**-**	**-**	**-**	**(0.65)**
Accumulated depreciation as at March 31, 2025	**8.25**	**3.86**	**0.01**	**1.25**	**1.89**	**15.26**
Net carrying amount as at March 31, 2025	**0.00**	**2.45**	**0.04**	**0.20**	**0.49**	**3.18**
Capital work-in-progress[1]						**0.47**
Total						**3.65**

[1]CAD 0.59 million has been capitalised and transferred to property, plant and equipment during the year ended March 31, 2025.

(In millions of CAD)

	Leasehold improvements	Computer equipment	Electrical installation	Furniture and fixture	Office equipment	Total
Cost as at April 1, 2023	8.25	4.04	0.05	1.42	2.19	15.95
Additions	-	2.42	0.00	0.03	0.13	2.58
Disposal	-	(0.01)	-	(0.02)	-	(0.03)
Cost as at March 31, 2024	8.25	6.45	0.05	1.43	2.32	18.50
Accumulated depreciation as at April 1, 2023	5.83	2.15	0.01	1.06	1.30	10.35
Disposals	-	-	-	-	-	-
Depreciation	1.55	1.07	0.00	0.11	0.29	3.02
Eliminated on disposals of assets	-	(0.01)	-	(0.02)	-	(0.03)
Accumulated depreciation as at March 31, 2024	7.38	3.21	0.01	1.15	1.59	13.34
Net carrying amount as at March 31, 2024	0.87	3.24	0.04	0.28	0.73	5.16
Capital work-in-progress[1]						0.04
Total						5.20

[1]CAD 2.58 million has been capitalised and transferred to property, plant and equipment during the year ended March 31, 2024.

Notes to Financial Statements

b. Other assets

Other assets consist of the following:

Other assets - Current (In millions of CAD)

	As at March 31, 2025	As at March 31, 2024
Advances to suppliers	**0.00**	0.63
Prepaid expenses	**19.49**	11.29
Contract asset	**27.42**	38.59
Contract fulfillment costs	**0.26**	0.13
Others	**0.33**	1.42
Total	**47.50**	52.06

Contract fulfillment costs of CAD 0.26 million and CAD 0.04 million for the years ended March 31, 2025 and March 31, 2024, respectively, have been amortised in the profit or loss. Refer note 10 for changes in contract assets.

c. Other liabilities

Other liabilities consist of the following:

Other liabilities – Current (In millions of CAD)

	As at March 31, 2025	As at March 31, 2024
Advance received from customers	**0.41**	0.14
Indirect tax payable and other statutory liabilities	**24.30**	30.66
Others	**(0.00)**	(0.00)
Total	**24.71**	30.80

10. Revenue recognition

The Company earns revenue primarily from providing IT services, consulting and business solutions. The Company offers a consulting-led, cognitive powered, integrated portfolio of IT, business and engineering services and solutions.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.
- In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ("POC method") of accounting with contract cost incurred determining the degree of completion of the performance obligation. The contract cost used in computing the revenues include cost of fulfilling warranty obligations.
- Revenue from the sale of distinct internally developed software and manufactured systems and third party software is recognised upfront at the point in time when the system / software is delivered to the customer. In cases where implementation and / or customisation services rendered significantly modifies or customises the software, these services and software are accounted for as a single performance obligation and revenue is recognised over time on a POC method .
- Revenue from the sale of distinct third party hardware is recognised at the point in time when control is transferred to the customer.

Notes to Financial Statements

- The solutions offered by the Company may include supply of third-party equipment or software. In such cases, revenue for supply of such third party products are recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent of the customer. The Company recognises revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract and to ascribe the transaction price to each distinct performance obligation. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Contract fulfilment costs are generally expensed as incurred except for certain software license costs which meet the criteria for capitalisation. Such costs are amortised over the contractual period or useful life of license whichever is less. The assessment of these criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there are billings in excess of revenues.

The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

In accordance with IAS 37 - Provisions, Contingent Liabilities and Contingent Assets, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, on basis of which the transaction price could be allocated to a new performance obligation or the transaction price of an existing obligation could undergo a change. In the event the transaction price is revised for an existing obligation, a cumulative adjustment is accounted for.

The Company disaggregates revenue from contracts with customers by industry verticals, geography and nature of services.

Notes to Financial Statements

Revenue disaggregation by nature of service is as follows:

(In millions of CAD)

	Year ended March 31, 2025	Year ended March 31, 2024
Consultancy services	**2,061.72**	1,910.17
Sale of equipment and software licenses	**0.61**	0.25
Total	**2,062.33**	1,910.42

Revenue disaggregation by industry vertical is as follows:

(In millions of CAD)

Industry Vertical	Year ended March 31, 2025	Year ended March 31, 2024
Banking, Financial Services and Insurance	**1,277.24**	1,197.98
Communication, Media and Technology	**122.39**	115.60
Others	**662.70**	596.84
Total	**2,062.33**	1,910.42

Revenue disaggregation by geography is as follows:

(In millions of CAD)

Geography	Year ended March 31, 2025	Year ended March 31, 2024
Americas	**2,041.22**	1,884.27
Rest of the world	**21.11**	26.15
Total	**2,062.33**	1,910.42

Information about major customers

Customers representing 10% or more of the Company's total revenue for the year ended March 31, 2025 and 2024 are:

	Year ended March 31, 2025		Year ended March 31, 2024	
	(In millions of CAD)	Percentage	(In millions of CAD)	Percentage
Customer E	**488.72**	**23.70**	416.58	21.81
Customer B	**225.17**	**10.92**	227.18	11.89
Customer F	**206.88**	**10.03**	197.19	10.32

While disclosing the aggregate amount of transaction price yet to be recognised as revenue towards unsatisfied (or partially satisfied) performance obligations, along with the broad time band for the expected time to recognise those revenues, the Company has applied the practical expedient in IFRS 15. Accordingly, the Company has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognised corresponds to the value transferred to customer typically involving time and material, outcome based and event¬based contracts.

Unsatisfied (or partially satisfied) performance obligations are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc.). The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations, other than those meeting the exclusion criteria mentioned above is CAD 787.75 million out of which 56.11% is expected to be recognised as revenue in the next year and the balance thereafter. No consideration from contracts with customers is excluded from the amount mentioned above.

Notes to Financial Statements

Changes in contract assets are as follows:

(In millions of CAD)

	Year ended March 31, 2025	Year ended March 31, 2024
Balance at the beginning of the year	**41.00**	26.26
Increase due to revenue recognised during the year, excluding amounts billed during the year	**20.03**	36.83
Invoice raised that was included in the contract asset balance at the beginning of the period	**(33.86)**	(20.49)
Translation exchange difference	**0.56**	(1.60)
Balance at the end of the year	**27.73**	41.00

Changes in unearned and deferred revenue are as follows

(In millions of CAD)

	Year ended March 31, 2025	Year ended March 31, 2024
Balance at the beginning of the year	**19.22**	18.62
Revenue recognised that was included in the unearned and deffered revenue at the beginning of the period	**(17.75)**	(17.92)
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	**31.89**	18.48
Translation exchange difference	**(1.40)**	0.04
Balance at the end of the year	**31.95**	19.22

11. Cost recognition

Costs and expenses are recognised when incurred and have been classified according to their primary functions in the following categories:

Cost of revenue

These costs primarily include employee compensation of personnel engaged in providing services, travel expenses, fees to external consultants, cost of equipment and software licenses, depreciation and amortisation of production related equipment and software, facility expenses, communication expenses and other project related expenses.

Selling, general and administrative expenses

Selling costs primarily include employee compensation for sales and marketing personnel, travel expenses, advertising, business promotion expenses, bad debts and advances written off, allowance for expected credit losses and doubtful advances(net), facility expenses for sales and marketing offices and market research costs.

General and administrative costs primarily include employee compensation for administrative, supervisory, managerial and practice management personnel, depreciation and amortisation expenses of non-production equipment and software, facility expenses for administrative offices, communication expenses, fees to external consultants and other general expenses.

Expenses by function

(In millions of CAD)

	Year ended March 31, 2025	Year ended March 31, 2024
Cost of revenue	**1,645.88**	1,533.44
Selling, general and administrative expenses	**149.63**	152.54
Total	**1,795.51**	1,685.98

Costs and expenses are recognised when incurred and have been classified according to their nature.

Notes to Financial Statements

The costs of the Company are broadly categorised into employee benefit expenses, cost of equipment and software license, depreciation and other expenses. Employee benefit expenses include salaries, incentives, allowances, contribution to various funds and staff welfare expenses. Other expenses mainly include sub-contracting cost, fees to external consultants, facility expenses, travel expenses, communication expenses, bad debts, cost paid for shared services, royalty paid and other expenses. Other expenses is an aggregation of costs which are individually not material such as marketing, education recruitment and training expense, printing and stationery, bank charges, insurance etc.

Refer note 14 for employee benefit expenses.

Other expenses consist of the following:

(In millions of CAD)

	Year ended March 31, 2025	Year ended March 31, 2024
Sub-contracting cost	**618.62**	593.26
Fees to external consultants	**45.19**	74.64
Facility expenses	**1.48**	1.38
Travel expenses	**7.50**	10.04
Communication expenses	**5.65**	4.24
Bad debts and advances written off/(back), allowance for doubtful trade receivable and advances (net)	**(0.03)**	0.19
Cost paid for shared services	**15.79**	20.79
Royalty paid	**3.91**	3.70
Other expenses	**9.90**	7.52
Total	**708.01**	715.76

12. Other (loss)/gains(net)

(In millions of CAD)

	Year ended March 31, 2025	Year ended March 31, 2024
Net foreign exchange loss	**(1.59)**	(0.17)
Others	**0.38**	2.19
Total	**(1.21)**	2.02

13. Income taxes

Income tax expense comprises current tax expenses and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current income taxes

The current income tax is based on the taxable profit for the year and is calculated using tax rates that have been enacted, by the end of the reporting period.

Advance taxes and provisions for current income taxes are presented in the statement of financial position after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the Company intend to settle the asset and liability on a net basis.

Deferred income taxes

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of goodwill or an asset or

Notes to Financial Statements

liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax liabilities are recognised for all taxable temporary differences where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred income tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

The income tax expense consists of the following:

(In millions of CAD)

	Year ended March 31, 2025	Year ended March 31, 2024
Current tax expense	**71.42**	60.91
Current tax expense for current year	**(0.12)**	(5.18)
Current tax benefit pertaining to prior years	**71.30**	55.73
Deferred tax expense/(benefit)		
Deferred tax expense/(benefit) for current year	**(0.47)**	0.08
Deferred tax expense pertaining to prior years	**(0.04)**	5.15
	(0.51)	5.23
Total	**70.79**	60.96

The reconciliation of estimated income tax expense at statutory income tax rate to income tax expense reported in statements of profit or loss is as follows:

(In millions of CAD)

	Year ended March 31, 2025	Year ended March 31, 2024
Profit before taxes	**269.05**	231.43
Statutory income tax rate	**26.31%**	26.29%
Expected income tax expense	**70.79**	60.84
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense		
Current tax (benefit) pertaining to prior years	**(0.12)**	(5.18)
Deferred tax with expense pertaining to current and prior years	**(0.51)**	5.23
Non-deductible items and others	**0.63**	0.07
Total income tax expense	**70.79**	60.96

Notes to Financial Statements

Significant components of net deferred tax assets and liabilities for the year ended March 31, 2025 are as follows:

(In millions of CAD)

	Opening balance	Recognised in profit or loss	Closing balance
Deferred tax assets / (liabilities) in relation to			
Property, plant and equipment	**(0.04)**	**0.23**	**0.19**
Net asset adjustment for tax purpose on purchase of Canadian Branch	**0.23**	**(0.02)**	**0.21**
Lease liability and right-of-use assets	**0.27**	**0.25**	**0.52**
Others including volume discount payable	**0.01**	**0.05**	**0.06**
Total deferred tax assets / (liabilities)	**0.47**	**0.51**	**0.98**

Gross deferred tax assets and liabilities are as follows:

(In millions of CAD)

As at March 31, 2025	Assets	Liabilities	Net
Deferred tax assets / (liabilities) in relation to			
Property, plant and equipment	**0.19**	**-**	**0.19**
Net asset adjustment for tax purpose on purchase of Canadian Branch	**0.21**	**-**	**0.21**
Lease liability and right-of-use assets	**0.52**	**-**	**0.52**
Others including volume discount payable	**0.06**	**-**	**0.06**
Total deferred tax assets / (liabilities)	**0.98**	**-**	**0.98**

Significant components of net deferred tax assets and liabilities for the year ended March 31, 2024 are as follows:

(In millions of CAD)

	Opening balance	Recognised in profit or loss	Closing balance
Deferred tax assets / (liabilities) in relation to			
Property, plant and equipment	0.02	(0.06)	(0.04)
Net asset adjustment for tax purpose on purchase of Canadian Branch	0.25	(0.02)	0.23
Lease liability and right-of-use assets	0.24	0.03	0.27
Others including volume discount payable	5.18	(5.18)	0.00
Total deferred tax assets / (liabilities)	5.69	(5.23)	0.46

Gross deferred tax assets and liabilities are as follows:

(In millions of CAD)

As at March 31, 2024	Assets	Liabilities	Net
Deferred tax assets / (liabilities) in relation to			
Property, plant and equipment	-	0.04	(0.04)
Net asset adjustment for tax purpose on purchase of Canadian Branch	0.23	-	0.23
Lease liability and right-of-use assets	0.27	-	0.27
Others including volume discount payable	0.00	-	0.00
Total deferred tax assets / (liabilities)	0.50	0.04	0.46

Notes to Financial Statements

14. Employee benefit

Defined contribution plans

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits.

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Compensated absences

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as undiscounted liability at the date of statement of financial position.

Registered Retirement Savings Plan

The Company has a Registered Retirement Savings Plan ("RRSP") for local staff of Canada referred to as Employer Sponsored RRSP. Under such plan, as per written instructions of each employee, a fixed percentage of their base salary per pay cycle is deducted as employee contribution to the plan and employer also matches the employee contribution with a cap of 4% of the base salary of the employee. The Company's contribution was CAD 11.48 million and CAD 9.82 million for the years ended March 31, 2025, and March 31, 2024, respectively.

Employee cost consist of the following:

(In millions of CAD)

	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, incentives and allowances	**1,011.58**	901.87
Contribution to RRSP and other funds	**49.92**	42.93
Staff welfare expenses	**21.84**	21.20
Total	**1,083.34**	966.00

Employee benefit obligations consist of the following:

Employee benefit obligation – Current

(In millions of CAD)

	As at March 31, 2025	As at March 31, 2024
Compensated absences	**61.75**	50.45
Other employee benefit obligations	**-**	-
Total	**61.75**	50.45

15. Commitments and contingencies

Capital commitments

The Company has contractually committed (net of advances) CAD 0.10 million and CAD 0.52 million as at March 31, 2025 and March 31, 2024 respectively, for purchase of property, plant and equipment.

Contingencies

The contingencies as of March 31, 2025 and March 31, 2024 were CAD 0.20 million and CAD 0.85 million, respectively.

Notes to Financial Statements

16. Related party transactions

The Company's principal related parties consist of its holding company Tata Consultancy Services Limited, the subsidiaries of Tata Consultancy Services Limited and the key management personnel. The ultimate holding company is Tata Sons Private Limited. The Company's material related party transactions and outstanding balances are with related parties with whom the Company routinely enters into transactions in the ordinary course of business.

Transactions with related parties are as follows:

(In millions of CAD)

	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from operations		
Tata Sons Private Limited, its subsidiaries and associates		
Jaguar Land Rover Canada ULC	**0.10**	0.10
Jaguar Land Rover Limited	**0.09**	-
Tata Communications (Canada) Limited	**2.31**	2.52
Tata Consultancy Services Limited	**488.72**	416.58
Subsidiaries of Tata Consultancy Services Limited		
Tata America International Corporation		
Tata Consultancy Services Asia Pacific Pte Ltd.	**1.08**	1.02
Tata Consultancy Services De Mexico S.A.,De C.V.	**0.09**	0.19
Tata Consultancy Services Deutschland GmbH	**0.72**	1.35
Tata Consultancy Services Netherlands BV	**0.34**	0.59
Tata Consultancy Services Switzerland Ltd.	**5.02**	6.71
Tata Consultancy Services Belgium	**0.21**	0.39
Tata Consultancy Services France	**1.85**	0.62
Tata Consultancy Services Ireland Limited	**1.23**	2.92
Tata Consultancy Services Sverige AB	**0.46**	0.45
Tata Consultancy Services Osterreich GmbH	**0.04**	0.09
Purchases of goods and services (including reimbursements)		
Tata Sons Private Limited, its subsidiaries and associates		
Jaguar Land Rover Limited	**0.00**	-
Tata Communications (Canada) Limited	**1.90**	2.20
Tata Communications Transformation Services Limited	**0.04**	-
Tata Consultancy Services Limited	**734.96**	698.17
Subsidiaries of Tata Consultancy Services Limited		
Tata America International Corporation	**(1.59)**	(1.72)
Tata Consultancy Services De Mexico S.A.,De C.V.	**10.76**	9.39
Tata Consultancy Services Deutschland GmbH	**0.18**	0.19
Tata Consultancy Services Do Brasil Ltda	**0.70**	0.39
Tata Consultancy Services Belgium	**-**	(0.00)
Tata Consultancy Services Netherlands BV	**0.22**	0.12
TCS Uruguay S. A.	**5.20**	5.07
Tata Consultancy Services Switzerland Ltd.	**-**	(0.00)
Tata Consultancy Services (China) Co., Ltd.	**-**	0.01
Tata Consultancy Services Luxembourg S.A.	**-**	-
Tata Consultancy Services (Portugal), Unipessoal Limitada	**1.06**	1.03
Tata Consultancy Services Ireland Limited	**0.19**	0.10
Tata Consultancy Services France	**0.06**	0.10

Back to content

Notes to Financial Statements

(In millions of CAD)

	Year ended March 31, 2025	Year ended March 31, 2024
TCS Solution Center S.A.	**0.00**	0.00
Tata Consultancy Services Asia Pacific Pte Ltd.	**0.06**	-
Tata Consultancy Services (Philippines) Inc.	**0.50**	0.79
Brand equity contribution		
Tata Sons Private Limited, its subsidiaries and associates		
Tata Sons Private Limited	**3.91**	3.70
Dividend paid		
Tata Consultancy Services Limited	**203.00**	85.00

Balances receivable/payable from/to related parties are as follows:

(In millions of CAD)

	Aa at March 31, 2025	As at March 31, 2024
Trade receivables and contract assets		
Tata Sons Private Limited, its subsidiaries and associates		
Jaguar Land Rover Canada ULC	**-**	0.02
Tata Communications (Canada) Limited	**0.45**	0.73
Tata Consultancy Services Limited	**234.05**	171.32
Subsidiaries of Tata Consultancy Services Limited		
Tata America International Corporation	**0.56**	0.21
Tata Consultancy Services Asia Pacific Pte Ltd.	**0.10**	0.15
Tata Consultancy Services De Mexico S.A.,De C.V.	**-**	0.01
Tata Consultancy Services Deutschland GmbH	**0.18**	0.18
Tata Consultancy Services Netherlands BV	**0.06**	0.09
Tata Consultancy Services Sverige AB	**0.10**	0.02
Tata Consultancy Services Belgium	**0.02**	0.04
Tata Consultancy Services Switzerland Ltd.	**0.58**	0.89
Tata Consultancy Services France	**0.26**	0.14
Tata Consultancy Services Ireland Limited	**0.08**	0.20
Tata Consultancy Services Osterreich GmbH	**-**	0.09
Other financial assets and other assets		
Tata Consultancy Services Limited	**34.19**	21.31
Subsidiaries of Tata Consultancy Services Limited		
TCS Uruguay S. A.	**0.08**	0.12
Tata Consultancy Services (China) Co., Ltd.	**0.04**	0.04
Tata Consultancy Services Luxembourg S.A.	**-**	0.00
Tata Consultancy Services De Mexico S.A.,De C.V.	**0.29**	0.14
Tata Consultancy Services Asia Pacific Pte Ltd.	**0.14**	0.13
Tata Consultancy Services Ireland Limited	**0.01**	
Tata Consultancy Services (Philippines) Inc.	**0.03**	0.00
Tata Consultancy Services Deutschland GmbH	**0.04**	0.02
Tata Consultancy Services Ireland Limited	**-**	0.01
Tata Consultancy Services Netherlands BV	**0.00**	0.01

Back to content

Notes to Financial Statements

(In millions of CAD)

	Aa at March 31, 2025	As at March 31, 2024
Trade payables, unearned and deferred revenue, other financial liabilities and other liabilities		
Tata Sons Private Limited, its subsidiaries and associates		
Tata Sons Private Limited	**3.91**	3.65
Tata Communications (Canada) Limited	**0.52**	0.37
Tata Communications Transformation Services Limited	**0.04**	-
Tata Consultancy Services Limited	**147.78**	138.56
Subsidiaries of Tata Consultancy Services Limited		
Tata America International Corporation	**0.27**	0.17
Tata Consultancy Services Asia Pacific Pte Ltd.	**0.08**	0.01
Tata Consultancy Services De Mexico S.A.,De C.V.	**2.53**	1.95
Tata Consultancy Services Deutschland GmbH	**0.06**	0.03
Tata Consultancy Services Do Brasil Ltda	**0.08**	0.04
Tata Consultancy Services Netherlands BV	**0.01**	0.03
Tata Consultancy Services Switzerland Ltd.	**0.21**	0.30
TCS Solution Center S.A.	**0.00**	0.00
TCS Uruguay S. A.	**0.51**	0.41
Tata Consultancy Services Luxembourg S.A.	**-**	-
Tata Consultancy Services (Portugal), Unipessoal Limitada	**0.15**	0.13
Tata Consultancy Services (Philippines) Inc.	**0.32**	0.35
Tata Consultancy Services Belgium	**0.01**	0.01
Tata Consultancy Services France	**0.04**	0.01
Tata Consultancy Services Ireland Limited	**0.01**	0.00

(In millions of CAD)

	Year ended March 31, 2025	Year ended March 31, 2024
Compensation to key management personnel		
Short-term benefits	**0.57**	0.61
Professional fees	**-**	0.01

17. Dividend

Dividend (including tax on dividend) paid during the year ended March 31, 2025 include an amount of CAD 184,545.5 (March 31, 2024: CAD 77,272.72) per equity share towards interim dividend.

18. Subsequent event

The Company has evaluated subsequent events from the balance sheet date through May 2, 2025 the date on which the financials were available for issue and determined that there is no material event to be disclosed.

TATA CONSULTANCY SERVICES UK LIMITED

(REGISTRATION NUMBER: 08055387)

DIRECTORS' REPORT AND
ANNUAL FINANCIAL STATEMENTS

For the period ended
December 31, 2024

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT FOR THE PERIOD ENDED DECEMBER 31, 2024

CONTENT	PAGE
Directors' report	21.2
Independent Auditor's report	21.3
Statement of Financial Position	21.5
Statement of Profit or Loss and Other Comprehensive Income	21.6
Statement of Changes in Equity	21.7
Statement of Cash Flows	21.8
Notes forming part of the Financial Statements	21.9

Back to main content

DIRECTORS' REPORT FOR THE PERIOD JANUARY 1, 2024 TO DECEMBER 31, 2024

The directors present their report and the financial statements for the year ended 31 December 2024.

Directors' responsibilities statement

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRS).

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors

The directors who served during the year were:

S Sankaranarayanan

Krishnan Ramanujam

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

S Sankaranarayanan
Director

Krishnan Ramanujam
Director

Independent Auditor's Report

TO THE BOARD OF DIRECTORS

TATA CONSULTANCY SERVICES UK LIMITED

SPECIAL PURPOSE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying special purpose financial statements of Tata Consultancy Services UK Limited ('the Company'), which comprise the statement of financial position as of 31st December 2024, and the related statement of profit or loss and other comprehensive income, changes in equity, and cash flow for the year ended on 31st December 2024, and the related notes to the special purpose financial statements. The special purpose financial statements have been prepared by the management as described in Note 2 to the Special Purpose financial statements in accordance with the International Financial Reporting Standards (IFRS).

In our opinion, the special purpose financial statements referred to above present fairly, in all material respects, the financial position of the Company as of 31st December 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS as issued by the International Accounting Standard Board.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) generally accepted in India. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Special purpose financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Special purpose financial statements under the provisions of the Act and the Rules there under and fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide basis for our opinion.

Management's Responsibility for special purpose Financial Statements

The Company's management and Board of Directors are responsible preparation of these Special purpose financial statements that give a true and fair view of the state of affairs, profit/ loss and (including other comprehensive income), changes in equity cash flows of the Company in accordance with the IFRS. 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 Special purpose financial statements that give a true and fair view and are free from misstatement, whether due to fraud or error.

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

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

Auditors' Responsibility

Our objectives are to obtain reasonable assurance about whether the Special purpose 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 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 Special purpose financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than

for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. We are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue going concern.
- Evaluate the overall presentation, structure statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

Comparative figures for the financial year ended 31st December 2023 have been taken as per Financial Statements considered by the management for the purpose of Audit of IFRS Consolidated Financial Statements of holding company; TATA Consultancy Services Limited (TCSL); year ended 31st December 2023.

Restriction on Distribution and Use

Audit of this special purpose financial statements, in accordance with IFRS of the Company for the period ended 31st December 2024 have been prepared for the limited purpose of consolidated financial statements, to comply with the Section 129(3) of the Companies Act 2013, of Tata Consultancy Services Ltd. for the year ended 31st December 2024. Our report is strictly intended solely for the information and use by TCS for the preparation of consolidated financial statements and for the use at their annual general meetings for the information of their members. It is not intended to be and should not be used by anyone other than specified parties.

For K B J & ASSOCIATES.
(Chartered Accountants)
(Firm Registration No. 114934W)

Kaushik B. Joshi
Proprietor
(Membership No. 48889)

Place : Mumbai
Date : 22nd May 2025

Statement of Financial Position as at December 31, 2024

(Amount in GBP)

	Note	As at December 31, 2024	As at December 31, 2023
ASSETS			
Current assets			
Cash and cash equivalents	7(a)	4,784,043	2,769,494
Trade receivables	7(b)	2,869,137	255,619
Unbilled receivables	7(b)	1,708,297	222,000
Other assets	8(a)	1,807,780	1,267,852
Total current assets		**11,169,257**	**4,514,965**
TOTAL ASSETS		**11,169,257**	**4,514,965**
EQUITY AND LIABILITIES			
Equity			
Share capital		1	1
Retained earnings		3,759,770	2,957,054
Total equity		**3,759,771**	**2,957,055**
Liabilities			
Current liabilities			
Trade payables	7(c)	6,430,226	1,468,557
Income tax liabilities (net)		275,883	47,657
Other liabilities	8(b)	703,377	41,696
Total current liabilities		**7,409,486**	**1,557,910**
TOTAL EQUITY AND LIABILITIES		**11,169,257**	**4,514,965**

See accompanying notes forming part of the financial statements

As per our report of even date attached

For **KBJ & Associates**
Chartered Accountants
Firm registration no.114934W

Kaushik B. Joshi
Partner
Membership number: 48889
Mumbai
Date: 22nd May 2025

For and on behalf of the Board of Directors of
Tata Consultancy Services UK Limited

S Sankaranarayanan
Director
United Kingdom

Krishnan Ramanujam
Director
Mumbai

Statement of Profit or Loss and Other Comprehensive Income
For the period January 1, 2024 to December 31, 2024

(Amount in GBP)

	Note	For the period January 1, 2024 to December 31, 2024	For the period January 1, 2023 to December 31, 2023
REVENUE	9	12,492,759	1,697,779
Operating expenses			
Other operating expenses	10	11,444,603	1,482,470
Total operating expenses		**11,444,603**	**1,482,470**
Operating profit		**1,048,157**	**215,309**
Other income			
Other gains / (losses)	11	2,836	(27,503)
Finance income	12	18,089	9,561
Total other income		**20,924**	**(17,942)**
Profit before taxes		**1,069,081**	**197,367**
Income Tax Expense	13	**266,364**	**111,228**
Profit for the period		**802,717**	**86,139**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**802,717**	**86,139**

See accompanying notes forming part of the financial statements

As per our report of even date attached

For **KBJ & Associates**
Chartered Accountants
Firm registration no.114934W

Kaushik B. Joshi
Partner
Membership number: 48889
Mumbai
Date: 22nd May 2025

For and on behalf of the Board of Directors of
Tata Consultancy Services UK Limited

S Sankaranarayanan
Director
United Kingdom

Krishnan Ramanujam
Director
Mumbai

Statement of Changes in Equity For the period January 1, 2024 to December 31, 2024

(Amount in GBP)

	Share capital	Retained earnings	Total equity
Balance as at January 1, 2024	1	2,957,054	2,957,055
Profit for the period	-	802,717	802,717
Balance as at December 31, 2024	**1**	**3,759,770**	**3,759,771**

	Share capital	Retained earnings	Total equity
Balance as at January 1, 2023	1	2,870,915	2,870,916
Profit for the period	-	86,139	86,139
Balance as at December 31, 2023	**1**	**2,957,054**	**2,957,055**

See accompanying notes forming part of the financial statements

As per our report of even date attached

For **KBJ & Associates**
Chartered Accountants
Firm registration no.114934W

Kaushik B. Joshi
Partner
Membership number: 48889
Mumbai
Date: 22nd May 2025

For and on behalf of the Board of Directors of
Tata Consultancy Services UK Limited

S Sankaranarayanan
Director
United Kingdom

Krishnan Ramanujam
Director
Mumbai

Statement of Cash Flows For the period January 1, 2024 to December 31, 2024

(Amount in GBP)

	Note	For the period January 1, 2024 to December 31, 2024	For the period January 1, 2023 to December 31, 2023
CASH FLOWS FROM OPERATING ACTIVITIES:			
Profit for the period		802,717	86,139
Adjustment to reconcile profit or loss to net cash provided by operating activities:			
Income tax expense	13	266,364	111,228
Unrealised exchange (gain)/loss		(2,835)	27,503
Operating profit before working capital changes		**1,066,246**	**224,870**
Net change in:			
Trade receivables		(2,613,518)	(255,619)
Unbilled receivables		(1,486,297)	(222,000)
Other assets		(539,926)	(1,198,195)
Trade payables		4,961,669	1,468,137
Other liabilities		661,681	41,696
Cash generated from operating activities		**2,049,854**	**58,889**
Taxes paid (net of refunds)		(38,140)	(63,660)
Net cash generated from operating activities		**2,011,714**	**(4,771)**
Net change in cash and cash equivalents		**2,011,714**	**(4,771)**
Cash and cash equivalents at the beginning of the period		2,769,494	2,801,768
Exchange difference on translation of foreign currency cash and cash equivalents		2,835	(27,503)
Cash and cash equivalents at the end of the period	7(a)	**4,784,043**	**2,769,494**

See accompanying notes forming part of the financial statements

As per our report of even date attached

For **KBJ & Associates**
Chartered Accountants
Firm registration no.114934W

Kaushik B. Joshi
Partner
Membership number: 48889
Mumbai
Date: 22nd May 2025

For and on behalf of the Board of Directors of
Tata Consultancy Services UK Limited

S Sankaranarayanan
Director
United Kingdom

Krishnan Ramanujam
Director
Mumbai

Notes forming part of the Financial Statements

1. Corporate Information

Tata Consultancy Services UK Limited is a private company limited by shares, incorporated in England and Wales.

The address of the company's registered office is 75 Bayham Street, London, England, NW1 0AA. The registration number is 08055387.

2. Statement of Compliance

These special purpose financial statements have been prepared in accordance with the International Financial Reporting Standards (referred to as "IFRS") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time for sole purpose of inclusion for Tata Consultancy Services Limited (Holding Company) under the requirement of Section 129(3) of the Companies Act, 2013('the Act'). The presentation currency of these financial statements is GBP.

3. Basis of Preparation

These financial statements have been prepared on historical cost basis except for certain financial instrument which are measured at fair value or amortised cost at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for 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.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customer and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

Cash flows have been prepared using the indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value to be cash equivalents.

These financial statements have been presented in GBP which is the functional currency of the company.

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are retranslated at the exchange rate prevailing on the dates of statement of financial position and exchange gains and losses arising on settlement and restatement are recognised in profit or loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

The material accounting policy information used in preparation of the financial statements have been discussed in the respective notes.

4. Use of estimates and judgments

The preparation of these financial statements is in conformity with the recognition and measurement principles of International Financial Reporting Standards (IFRS) requires management to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses for the years presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.

The Company uses the following critical accounting estimates in preparation of its financial statements:

a. Revenue recognition

Revenue for fixed-price contracts are recognised using percentage-of-completion method. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.

The Company exercises judgement for identification of performance obligations, determination of transaction price, ascribing the transaction price to each distinct performance obligation and in determining whether the performance obligation is satisfied at a point in time or over a period of time. These judgements have been explained in detail under the revenue recognition note (Refer note.9)

Notes forming part of the Financial Statements

b. Fair value measurement of financial instruments

When the fair value of financial assetsand financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

c. Provision for income tax and deferred tax assets

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

d. Provisions and contingent liabilities

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Company uses significant judgements to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

5. Nature and purpose of reserves

a. Retained earnings

This reserve represents undistributed accumulated earnings of the Company as on the date of statement of financial position.

6. Recent accounting standards

The Company has not applied the following new and revised IFRSs that have been issued but are not yet effective

Amendments to IAS 21 : The Effects of Changes in Foreign Exchange Rates[1]

Amendments to IFRS 9 and IFRS 7 2

IFRS 18 – Presentation and Disclosures in Financial Statements 3

IFRS 19 – Subsidiaries without Public Accountability: Disclosures 3

[1] Effective for annual periods beginning on or after January 1, 2025.

[2] Effective for annual periods beginning on or after January 1, 2026.

[3] Effective for annual periods beginning on or after January 1, 2027.

IAS 21 – The Effects of Changes in Foreign Exchange Rates

In August 2023, the IASB issued 'Lack of Exchangeability (Amendments to IAS 21)' to provide guidance to specify which exchange rate to use when the currency is not exchangeable. An entity must estimate the spot exchange rate as the rate that would have applied to an orderly transaction between market participants at the measurement date and that would faithfully reflect the economic conditions prevailing. The Group does not expect this amendment to have any significant impact in its financial statements.

IAS 1 – Non-current Liabilities with Covenants

In October 2022, IASB issued 'Non-current Liabilities with Covenants (Amendments to IAS 1)' to clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The

Notes forming part of the Financial Statements

Group does not expect the amendments to have any significant impact on its classification of non-current liabilities in its statement of financial position.

IFRS 9 and IFRS 7 – Financial Instruments and Financial Instruments: Disclosure

In May 2024, the IASB issued "Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) to address matters identified during the post-implementation review of IFRS 9. The amendments relate to derecognition of a financial liability settled through electronic transfer, classification of financial assets and disclosures of certain financial assets and financial liabilities. The Group will evaluate the amendments and implement them accordingly.

IFRS 18 – Presentation and Disclosures in Financial Statements

In April 2024, the IASB issued its new standard IFRS 18 – Presentation and Disclosures in Financial Statements that will replace IAS 1 – Presentation of Financial Statements. The new standard aims at improving how entities communicate in their financial statements. The Group will evaluate the standard and implement it accordingly.

IFRS 19 – Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued a new standard IFRS 19 - Subsidiaries without Public Accountability: Disclosures. The standard allows a subsidiary which does not have public accountability and has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards, to elect IFRS 19. Such an entity applies the requirements in other IFRS Accounting Standards, except for the disclosure requirements, instead the entity applies the requirements in IFRS 19.

7. Financial assets, financial liabilities and equity instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and 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 measured on initial recognition of financial asset or financial liability.

The company derecognises a financial asset only 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 entity. The company derecognises financial liabilities when, and only when, the Company obligations are discharged, cancelled or have expired.

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

The Company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in other comprehensive income.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the

Notes forming part of the Financial Statements

acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments recognised by the Company are recognised at the proceeds received net of direct issue cost.

Impairment of financial assets (other than at fair value)

The Company assesses at each date of statement of financial position whether a financial asset or a group of financial assets is impaired. IFRS 9 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. In determining the allowance forexcepted credit loss the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

a. Cash and cash equivalents

(Amount in GBP)

	As at Dec 31, 2024	As at Dec 31, 2023
Balances with bank	4,784,043	2,769,494
Total	**4,784,043**	**2,769,494**

b. Trade receivables

Trade receiavbles consist of the following:

(Amount in GBP)

Trade receivables - Current	As at Dec 31, 2024	As at Dec 31, 2023
Trade receivables	2,869,137	255,619
Less: Allowance for doubtful trade receivables	-	-
Total	**2,869,137**	**255,619**
Unbilled receivables	1,708,297	222,000
Total	**4,577,433**	**477,618**

c. Trade payables

Trade payables consist of the following:

(Amount in GBP)

Trade payables - Current	As at Dec 31, 2024	As at Dec 31, 2023
Trade payables	6,430,226	1,468,557
Total	**6,430,226**	**1,468,557**

Notes forming part of the Financial Statements

i. Financial instruments by category

The carrying value of financial assets and financial liabilities as at December 31, 2024 is as follows:

(Amount in GBP)

Financial assets	Amortised cost	Total carrying Value
Cash and cash equivalents	4,784,043	4,784,043
Trade receivables	2,869,137	2,869,137
Unbilled receivables	1,708,297	1,708,297
Total	**9,361,476**	**9,361,476**
Financial liabilities		
Trade payables	6,430,226	6,430,226
Total	**6,430,226**	**6,430,226**

The carrying value of financial assets and financial liabilities as at December 31, 2023 is as follows:

(Amount in GBP)

Financial assets	Amortised cost	Total carrying Value
Cash and cash equivalents	2,769,494	2,769,494
Trade receivables	255,619	255,619
Unbilled receivables	222,000	222,000
Total	**3,247,113**	**3,247,113**
Financial liabilities		
Trade payables	1,468,557	1,468,557
Total	**1,468,557**	**1,468,557**

Carrying amounts of cash and cash equivalents, trade receivables, unbilled receivables and trade payables as at December 31, 2024 approximate the fair value.

j. 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.

k. Financial risk management

The Company is exposed primarily to fluctuations in foreign currency exchange rates, credit, liquidity and interest rate risks, which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which covers risks associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors. The focus of the risk management committee is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the Company.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

Notes forming part of the Financial Statements

- **Foreign currency exchange rate risk**

  The fluctuation in foreign currency exchange rate may have potential impact on the statement of financial statement, where any transaction references more than one currency or where assets/ liabilities are denominated in a currency other than functional currency of the Company. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries.

  The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

  The risk primarily relate to fluctuation of USD and EUR against the functional currency of the Company.

  The foreign exchange rate sensitivity is calculated by aggregation of the net foreign exchange rate exposure and a simultaneous parallel foreign exchange rates shift of all the currencies by 10% against the functional currency of the company.

  The following table sets forth information relating to foreign currency exposure as at December 31, 2024:

	USD (equivalent GBP)	EUR (equivalent GBP)
Net financial assets	503,182	97,342
Net financial liabilities	-	-

The following table sets forth information relating to foreign currency exposure as at December 31, 2023:

	USD (equivalent GBP)	EUR (equivalent GBP)
Net financial assets	483,513	101,952
Net financial liabilities	-	-

10% depreciation / appreciation of the respective foreign currencies with respect to functional currency of Tata Consultancy Services UK Limited Company would result in decrease / increase in the Company's profit before taxes by approximately GBP 60,052 and GBP 58,546 for the period ended December 31, 2024 and December 31, 2023 respectively.

- **Interest rate risk**

  The Company is not exposed to interest rate risk.

Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, unbilled receivables, cash and cash equivalents, and other financial assets.

- **Exposure to credit risk**

  The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was GBP 2,931,250 and GBP 1,778,559 as of December 31, 2024 and December 31, 2023 respectively, being the total of the carrying amount of balances with bank, trade receivable and unbilled receivables

  Tata Consultancy Services UK Limited Company's exposure has single customer who contributes to more than 10% of outstanding trade receivables, unbilled receivables as at December 31, 2024 and December 31, 2023 respectively.

(Amount in GBP)

Client Name	As at Dec 31, 2024	
	Amount	Percentage
Customer A	4,516,918	99%

Notes forming part of the Financial Statements

(Amount in GBP)

Client Name	As at Dec 31, 2023	
	Amount	Percentage
Customer A	477,618	100%

- **Geographic concentration of credit risk**

  The Company has a geographic concentration of trade receivables (net of allowances), unbilled receivables and contract assets as given below:

	As at December 31, 2024	
	Gross	Net
UK	100%	100%

	As at December 31, 2023	
	Gross	Net
UK	100%	100%

Geographical concentration of trade receivables, unbilled receivables and contract assets is allocated based on the location of the customers.

Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company consistently generates sufficient cash flows from operations to meet its financial obligations including lease liabilities as and when they fall due.

The tables below provide details regarding the contractual maturities of significant financial liabilities as at:

(Amount in GBP)

Dec 31, 2024	Due in 1st year	Due in 2nd to 5th year	Total
Financial liabilities			
Trade and other payables	6,430,226	-	6,430,226
Lease Liability	-	-	-
Other financial liabilities	-	-	-
Total	**6,430,226**	**-**	**6,430,226**

(Amount in GBP)

Dec 31, 2023	Due in 1st year	Due in 2nd to 5th year	Total
Financial liabilities			
Trade and other payables	1,468,557	-	1,468,557
Lease Liability	-	-	-
Other financial liabilities	-	-	-
Total	**1,468,557**	**-**	**1,468,557**

Notes forming part of the Financial Statements

l. Equity instruments

(Amount in GBP)

	As at Dec 31, 2024	As at Dec 31, 2023
(a) Authorised		
(Share Capital of GBP 0.00001 , PY GBP 0.00001)	1	1
(b) Issued, Subscribed and Fully paid up		
(Share Capital of GBP 0.00001 , PY GBP 0.00001)	1	1

Capital management

The Company's objective for capital management is to maximize shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated.The Company is not subject to any externally imposed capital requirements.

8. Non-financial assets and liabilities

a. Other assets

(Amount in GBP)

	As at Dec 31, 2024	As at Dec 31, 2023
Other assets consist of the following:		
Other assets - Current		
Prepaid expenses - Current	69,901	-
Tax Credit Entitlements	907	-
Contract assets	1,682,961	1,262,763
Other current assets - others	48,921	-
Other Advances	5,090	5,090
Total	**1,807,780**	**1,267,854**

b. Other liabilities

(Amount in GBP)

	As at Dec 31, 2024	As at Dec 31, 2023
Other liabilities consist of the following:		
Other liabilities - current		
Indirect tax payable and other statutory liabilities	703,377	41,696
Total	**703,377**	**41,696**

9. Revenue recognition

The Company earns revenue primarily from providing information technology , consultancy services and business solutions for its customers. The Company offers a consulting-led, integrated portfolio of IT, business and engineering services and solutions.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.

Notes forming part of the Financial Statements

- Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.
- In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract cost incurred determining the degree of completion of the performance obligation. The contract cost used in computing the revenues include cost of fulfilling warranty obligations.
- Revenue from the sale of distinct internally developed software and manufactured systems and third party software is recognised upfront at the point in time when the system / software is delivered to the customer. In cases where implementation and / or customisation services rendered significantly modifies or customises the software, these services and software are accounted for as a single performance obligation and revenue is recognised over time on a POC method .
- Revenue from the sale of distinct third party hardware is recognised at the point in time when control is transferred to the customer.
- The solutions offered by the Company may include supply of third-party equipment or software. In such cases, revenue for supply of such third party products are recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent of the customer. The Company recognises revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract and to ascribe the transaction price to each distinct performance obligation. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Contract fulfilment costs are generally expensed as incurred except for certain software licence costs which meet the criteria for capitalisation. Such costs are amortised over the contractual period or useful life of the licence, whichever is less. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

The billing schedules agreed with customers include periodic performance based payments and/or milestone based progress payments. Invoices are payable within contractually agreed credit period.

Notes forming part of the Financial Statements

In accordance with IAS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Company disaggregates revenue from contracts with customers by nature of services, industry verticals and geography.

Revenue disaggregation by nature of services is as follows:

(Amount in GBP)

	For the period Jan 1, 2024 to Dec 31, 2024	For the period Jan 1, 2023 to Dec 31, 2023
Revenue from consultancy services	12,492,759	1,697,779
Total	**12,492,759**	**1,697,779**

Revenue disaggregation by industry vertical is as follows:

(Amount in GBP)

Industry vertical	For the period Jan 1, 2024 to Dec 31, 2024	For the period Jan 1, 2023 to Dec 31, 2023
Others	12,492,759	1,697,779
Total	**12,492,759**	**1,697,779**

Revenue disaggregation by geography is as follows:

(Amount in GBP)

Geography	For the period Jan 1, 2024 to Dec 31, 2024	For the period Jan 1, 2023 to Dec 31, 2023
UK	12,492,759	1,697,779
Total	**12,492,759**	**1,697,779**

Geographical revenue is allocated based on the location of the customers.

While disclosing the aggregate amount of transaction price yet to be recognized as revenue towards unsatisfied or partially satisfied performance obligations, along with the broad time band for the expected time to recognize those revenues, the Company has applied the practical expedient in IFRS 15. Accordingly, the Company has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognized corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts.

10. Cost recognition

Costs and expenses are recognised when incurred and have been classified according to their primary functions in the following categories:

Cost of revenue

These costs primarily include employee compensation of personnel engaged in providing services, travel expenses, fees to external consultants, cost of equipment and software licences, depreciation and amortisation of production related equipment and software, facility expenses, communication expenses and other project related expenses.

Notes forming part of the Financial Statements

Selling, general and administrative expenses

Selling costs primarily include employee compensation for sales and marketing personnel, travel expenses, advertising, business promotion expenses, bad debts and advances written off, allowance for doubtful trade receivables and advances, facility expenses for sales and marketing offices and market research costs.

General and administrative costs primarily include employee compensation for administrative, supervisory, managerial and practice management personnel, depreciation and amortisation expenses of non-production equipment and software, facility expenses for administrative offices, communication expenses, fees to external consultants and other general expenses.

Costs and expenses are recognized when incurred and have been classified according to their nature.

Expenses by nature

(Amount in GBP)

Other operating expenses	For the period Jan 1, 2024 to Dec 31, 2024	For the period Jan 1, 2023 to Dec 31, 2023
Fees to external consultants	11,173,319	1,450,813
Other expenses	271,284	31,657
Total	**11,444,603**	**1,482,470**

11. Other income

(Amount in GBP)

	For the period Jan 1, 2024 to Dec 31, 2024	For the period Jan 1, 2023 to Dec 31, 2023
Other gains / (losses)		
Net foreign exchange gain / (loss)	2,836	(27,503)
Total	**2,836**	**(27,503)**

12. Finance income

(Amount in GBP)

	For the period Jan 1, 2024 to Dec 31, 2024	For the period Jan 1, 2023 to Dec 31, 2023
Finance income consist of the following:		
Interest revenue - Bank deposits	18,089	9,561
Total	**18,089**	**9,561**

13. Income taxes

Current income taxes

Current tax is based on the taxable profit for the year and is calculated using tax rates that have been enacted by the end of the reporting period. Advance taxes and provisions for current income taxes are presented in the statement of financial position after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying unit intends to settle the asset and liability on a net basis.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Notes forming part of the Financial Statements

Deferred income tax liabilities are recognised for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

The income tax expense consists of the following:

(Amount in GBP)

	For the period Jan 1, 2024 to Dec 31, 2024	For the period Jan 1, 2023 to Dec 31, 2023
Current tax		
Current tax expense for current year	266,364	111,228
Total tax expense	**266,364**	**111,228**

The reconciliation of estimated income tax expense at the Statutory income tax rate to income tax expense reported in statement of profit or loss and other comprehensive income is as follows:

(Amount in GBP)

	For the period Jan 1, 2024 to Dec 31, 2024	For the period Jan 1, 2023 to Dec 31, 2023
Current tax expenses		
Income before taxes	1,069,081	197,367
Statutory tax rate	25.00%	25.00%
Expected income tax expense	**267,270**	**49,342**
Previous period impact	0	56,203
Others	(906)	5,683
Total tax expense	**266,364**	**111,228**

14. Employees

The average monthly number of employees during the period was Nil (year ended 31 December 2023: Nil).

15. Related party transactions

Tata Consultancy Services UK Limited's principal related parties consist of its ultimate holding company Tata Sons Private Limited, its parent of holding company Tata Consultancy Services Limited and its subsidiaries, affiliates and its key managerial personnel. The Company routinely enters into transactions with its related parties in the ordinary course of business.

Transactions with related parties

For the period January 1, 2024 to December 31, 2024

(Amount in GBP)

Particulars	With Tata Sons Private Limited, Ultimate Holding Company	With Tata Consultancy Services Limited, Holding Company	With Subsidiaries of TCSL	Total
Brand equity contribution	31,232	-	-	**31,232**
Fees to External consultants	-	11,173,319	-	**11,173,319**
Others	-	186,276	-	**186,276**

Notes forming part of the Financial Statements

For the period January 1, 2023 to December 31, 2023

(Amount in GBP)

Particulars	With Tata Sons Private Limited, Ultimate Holding Company	With Tata Consultancy Services Limited, Holding Company	With Subsidiaries of TCSL	Total
Brand equity contribution	6,744	-	-	**6,744**
Fees to External consultants	-	1,450,813	-	**1,450,813**
Others	-	-	-	**-**

Balances with related parties

For the period January 1, 2024 to December 31, 2024

(Amount in GBP)

Particulars	With Tata Sons Private Limited, Ultimate Holding Company	With Tata Consultancy Services Limited, Holding Company	With Subsidiaries of TCSL	Total
Trade payables and other liabilities	23,592	6,391,635	-	**5,415,226**
Other assets	-	69,901	-	**69,901**

For the period January 1, 2023 to December 31, 2023

(Amount in GBP)

Particulars	With Tata Sons Private Limited, Ultimate Holding Company	With Tata Consultancy Services Limited, Holding Company	With Subsidiaries of TCSL	Total
Trade payables and other liabilities	6,744	1,450,813	-	**1,457,557**
Other assets	-	-	-	**-**

16. Director's remuneration

Remuneration paid/ payable to directors for the year ended is Nil.

17. Going concern

Management have made an assessment of the Company's ability to continue as a going concern taking into account all available information about the future , but not limited to, twelve months from the end of the reporting period. Based on the analysis they have concluded that the Company has sufficient resources to continue as a going concern.

18. Subsequent events

There have been no circumstances of a material nature that have occurred between the financial year end and the date of approval of these financial statements that require adjustment or disclosure in the financial statements.

As per our report of even date attached

For **KBJ & Associates**
Chartered Accountants
Firm registration no.114934W

Kaushik B. Joshi
Partner
Membership number: 48889
Mumbai
Date: 22nd May 2025

For and on behalf of the Board of Directors of
Tata Consultancy Services UK Limited

S Sankaranarayanan
Director
United Kingdom

Krishnan Ramanujam
Director
Mumbai

TATA CONSULTANCY SERVICES IRELAND LIMITED

(Registration Number: 683660)

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended
December 31, 2024

Back to content
Back to content
Back to content

ANNUAL REPORT AND FINANCIAL STATEMENTS
For the year ended December 31, 2024

Index	PAGE
Directors and other information	22.2
Directors' report	22.3
Statement of Directors' responsibilities in respect of the Directors' report and financial statements	22.6
Independent auditor's report	22.7
Statement of Profit or Loss and Other Comprehensive Income	22.9
Statement of Changes in Equity	22.10
Statement of Financial Position	22.11
Statement of Cash Flows	22.12
Notes forming part of the Financial Statements	22.13

Back to main content

DIRECTORS' AND OTHER INFORMATION

For the year ended December 31, 2024

Directors

Amit Kapur

Director
(Indian national, British resident)

Subramanian Sankaranarayanan

Director
(British national, British resident)

Vennimalai Rabindran

Director
(Indian national, Netherlands resident)

Company Secretary

Hariharan Subramanian

(Indian national, British resident)

Auditor

KPMG
Chartered Accountants
Dockgate, Dock Road
Galway

Bankers

Citibank Europe plc, Ireland branch
1 North Wall Quay, Dublin 1

Registered office

29 Earlsfort Terrace
Dublin 2 D02 AY28

Registered number

683660

DIRECTORS' REPORT

For the year ended December 31, 2024

Principal activities and business review including key performance indicators.

Tata Consultancy Services Ireland Limited ("the Company") was incorporated on 2 December, 2020 as a subsidiary of Tata Consultancy Services Limited India to insource approximately 1500 associates and selected assets of Pramerica Systems Ireland Limited (subsidiary of Prudential Financial Inc, US) based in Letterkenny, Ireland. The Company became operational in December2020.

The business purpose of the Company is to provide its main customer, Prudential Financial Inc with a range of IT business, digital and technology services, while also expanding the Company's nearshore capabilities to provide the multifunctional, digital services and solutions to other customers in Ireland, the UK, Europe and the US.

The principal key performance indicators used by management to monitor performance are as follows:

- Actual financial results versus forecasts
- Regulatory filings
- Employee turnover
- Customer satisfaction
- Operational efficiencies

Principal risks and uncertainties

The principal risks and uncertainties facing the company are as follows:

- the movement in currency rates between USD and EUR.
- current attrition levels and increases tn labour costs in the local market.

The Company and its parent have a strong management team in place to address and manage these risks.

Results and dividends

Profit on ordinary activities before taxation for the year ended December 31, 2024, amounted to EUR 21,080,077 (December 31,2023, EUR 11,163,625).

EUR 19,000,000 dividend paid for the year ended 31 December 2024 (2023: NIL)

Future developments

The Company is expected to increase its level of operations throughout 2025.

Events since the end of the financial year

There have been no significant events affecting the Company since the balance sheet date.

Financial Risk Management

The Company is exposed to financial risk through both its financial assets and liabilities. The most important components of this financial risk for the Company are credit risk, foreign exchange risk, interest rate risk and liquidity risk.

Risk Management Framework

The Company's internal organisational and management structure and its system of internal financial reporting to the board of directors is the basis for identifying the predominant source and nature of the differing risks facing the entity.

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Credit risk is controlled by the Company by ensuring credit limits and the credit worthiness of customers are monitored on an ongoing basis.

The Company has identified the credit risks associated with the cash and deposits it has placed with third party banking institutions.

Liquidity Risk

Liquidity risk is the risk that cash may not be available to pay obligations when due at a reasonable cost, the Company maintains a significant proportion of its funds in liquid form and maintains sufficient liquidity even at unexpected levels of demand.

Interest Rate Risk

Interest rate risk is the risk that the value/future cash flows of a financial instrument will fluctuate because of changes in interest rates. Based on current Company operations it is not envisaged that the entity is exposed to significant interest rate risk.

Foreign exchange risk

The Company conducts business in foreign countries with certain transactions denominated in currencies other than the functional currency of the Company (euros). The purpose of the Company's foreign currency management is to manage the effect of exchange rate fluctuations on transactions denominated in foreign currencies (US dollars).

Accounting Records

The directors believe that they have complied with the requirements of sections 281 to 285 of the Companies Act, 2014 with regard to adequate accounting records by employing accounting personnel with appropriate expertise and by providing adequate resources to the financial function. The accounting records of the Company are maintained at TCS Drive, Letterkenny Business and Technology Park, Letterkenny, Co Donegal, F92 W8CY.

Directors' and secretary's interests

The directors and secretary who held office at 31 December, 2024 had no disclosable interests in the shares, debentures or loan stock of the Company or group companies.

The names of the persons who were directors and secretary at any time during the period ended 31 December 2024 are set out below.

1. **Amit Kapur (Appointed 02/12/2020)**
   (Director)
2. **Subramanian Sankaranarayanan (Appointed 10/06/2024)**
   (Director)
3. **Vennimalai Rabindran (Appointed 10/06/2024)**
   (Director)
4. **Hariharan Subramanian (Appointed 18/01/2022)**
   (Company secretary)
5. **Pradeep Manohar Gaitonde (Resigned 03/07/2024)**
   (Director)
6. **Kunchitham Krithivasan (Resigned 03/07/2024)**
   (Director)

Political contribution

The Company made no political contributions or incurred any political expenditure during the period.

Directors Compliance Statement

The directors, in accordance with Section 225(2) of the Companies Act 2014, acknowledge that they are responsible for securing the Company's compliance with certain obligations specified in that section arising from the Companies Act 2014 and Tax Laws.

The directors confirm that:

- A compliance policy statement has been drawn up setting out the Company's policies with regard to such compliance;
- Appropriate arrangements or structures that are designed to secure material compliance with the Company's relevant obligations have been put in place; and
- A review of the arrangements and structures referred to above has been conducted during the financial period ended 31 December 2024.

Relevant audit information

The directors believe that they have taken all the steps necessary to make themselves aware of any relevant audit information and have established that the Company's statutory auditors are aware of that information. In so far as they are aware, there is no relevant audit information of which the Company's statutory auditors are unaware.

Audit Committee

The Company has decided not to establish an audit committee for the following reasons:

- the Company's parent company has an Audit Committee in place;
- internal audits are carried out; and
- the Company has a risk department in place.

Statutory Auditors

During the period, KPMG Chartered Accountants will continue in office as auditor, in accordance with Section 383(2) of the Companies Act.

For and on behalf of board of directors of
Tata Consultancy Services Ireland Limited

Vennimalai Rabindran
Director
Netherlands

Amit Kapur
Director
United Kingdom

Date: April 2, 2025

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS REPORT AND FINANCIAL STATEMENTS

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and applicable law.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company and of its profit or loss for that year.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Company and enable them to ensure that the financial statements are prepared in accordance with the applicable accounting framework and comply with the provisions of the Companies Act 2014. They are responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities. The directors are also responsible for preparing a directors' report that complies with the requirements of the Companies Act 2014.

For and on behalf of board of directors of
Tata Consultancy Services Ireland Limited

Vennimalai Rabindran
Director
Netherlands

Amit Kapur
Director
United Kingdom

Date: April 2, 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TATA CONSULTANCY SERVICES IRELAND LIMITED

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Tata Consultancy Services Ireland Limited ('the Company') for the year ended 31 December 2024 set out on pages 07 to 33, which comprise the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, Statement of Financial Position, Statement of Cash Flows and related notes, including the summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is Irish Law and International Financial Reporting Standards (IFRS) as adopted by the European Union.

In our opinion:

- the financial statements give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2024 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with IFRS as adopted by the European Union; and
- the financial statements have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the directors' report. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Based solely on our work on the other information undertaken during the course of the audit, we report that:

- we have not identified material misstatements in the directors' report;
- in our opinion, the information given in the directors' report is consistent with the financial statements; and
- in our opinion, those parts of the directors' report specified for our review, which does not include sustainability reporting when required by Part 28 of the Companies Act 2014, have been prepared in accordance with the Companies Act 2014.

Our opinions on other matters prescribed by the Companies Act 2014 are unmodified

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by Sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

Respective responsibilities and restrictions on use

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 20.6, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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 ISAs (Ireland) 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 financial statements.

A fuller description of our responsibilities is provided on IAASA's website at

https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the- financial- statements/.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Christopher Wood
for and on behalf of
KPMG
Chartered Accountants, Statutory Audit Firm
Dockgate, Dock Road, Galway
H91 V6RR

Date: April 2, 2025

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(Amount in EUR)

	Note	For the year ended December 31, 2024	For the year ended December 31, 2023
Revenue	6 '	**163,179,788**	153,635,288
Cost of sales	7	**(126,101,840)**	(120,737,365)
Gross profit		**37,077,948**	32,897,923
Other income	8	**3,308,180**	316,380
Selling, general and administrative expenses	7	**(19,305,973)**	(20,701,086)
Operating profit		**21,080,155**	12,513,217
Finance cost and other expense		**(78)**	(1,349,592)
Profit before taxes		**21,080,077**	11,163,625
Income tax expense	10	**(2,551,459)**	(1,282,269)
Profit for the period		**18,528,618**	9,881,356
Other comprehensive income			
Total comprehensive income for the period		**18,528,618**	9,881,356

The accompanying notes form an integral part of the financial statements.

STATEMENT OF CHANGES IN EQUITY

(Amount in EUR)

	Share capital	Retained earnings	Total equity
Balance as at January 1st, 2023	25,000,000	9,661,203	34,661,203
Profit for the period	-	9,881,356	9,881,356
Balance as at December 31, 2023	25,000,000	19,542,559	44,542,559

(Amount in EUR)

	Share capital	Retained earnings	Total equity
Balance as at January 1st, 2024	**25,000,000**	**19,542,559**	**44,542,559**
Profit for the period	**-**	**18,528,618**	**18,528,618**
Dividend paid	**-**	**(19,000,000)**	**(19,000,000)**
Balance as at December 31, 2024	**25,000,000**	**19,071,177**	**44,071,177**

The accompanying notes form an integral part of the financial statements.

STATEMENT OF FINANCIAL POSITION

(Amount in EUR)

	Note	As at December 31, 2024	As at December 31, 2023
ASSETS			
Non-current assets			
Investments	12(b)	**1**	1
Deferred tax assets (net)	10	**884,578**	541,534
Property, plant, and equipment	13(a)	**2,703,338**	3,487,303
Other intangible assets	13(b)	**-**	-
Other assets	13(c)	**185,570**	14,907
Total non-current assets		**3,773,487**	4,043,745
Current assets			
Cash and cash equivalents	12(a)	**22,713,851**	16,867,259
Trade and other receivables	12(c)	**28,754,586**	36,065,045
Other financial assets	12(d)	**655,519**	701,682
Income tax assets (net)		**-**	5,360
Other assets	13(c)	**3,679,150**	2,940,054
Total current assets		**55,803,106**	56,579,400
TOTAL ASSETS		**59,576,593**	60,623,145
LIABILITIES AND EQUITY			
Liabilities			
Current liabilities			
Trade payables	12(e)	**7,454,909**	8,007,668
Other financial liabilities	12(f)	**1,724,571**	3,008,004
Deferred income		**1,605,653**	1,298,602
Employee benefit obligations	11	**664,991**	478,048
Provisions	13(e)	**145**	581
Other liabilities	13(d)	**3,887,045**	3,287,683
Income tax liabilities (net)		**168,102**	-
Total current liabilities		**15,505,416**	16,080,586
TOTAL LIABILITIES		**15,505,416**	16,080,586
Equity			
Share capital	12(j)	**25,000,000**	25,000,000
Retained earnings		**19,071,177**	19,542,559
Total equity		**44,071,177**	44,542,559
TOTAL LIABILITIES AND EQUITY		**59,576,593**	60,623,145

The accompanying notes form an integral part of the financial statements.

For and on behalf of board of directors of
Tata Consultancy Services Ireland Limited

Vennimalai Rabindran
Director
Netherlands

Amit Kapur
Director
United Kingdom

Date: April 2, 2025

Back to content

STATEMENT OF CASH FLOWS

(Amount in EUR)

	Note	For the year ended December 31, 2024	For the year ended December 31, 2023
Cash flows from operating activities:			
Profit for the year		**18,528,618**	9,881,356
Adjustment to reconcile profit or loss to net cash provided by operating activities:			
Depreciation expense	13	**1,034,083**	1,044,578
Income tax expense	10	**2,551,459**	1,282,269
Gain on disposal of property, plant and equipment		**(6,129)**	-
Finance cost		**78**	81
Unrealised exchange (gain)/loss		**(2,752,090)**	1,349,511
Operating profit before working capital changes		**19,356,019**	13,557,795
Net change in: Trade receivables		**7,310,458**	6,254,004
Other financial assets		**46,162**	(167,834)
Other assets		**(909,758)**	1,124,724
Trade and other payables		**(552,759)**	(10,480,052)
Other financial liabilities		**(1,283,434)**	(1,679,995)
Unearned and deferred revenues		**307,053**	(305,176)
Employee benefit obligations		**186,943**	(219,826)
Other liabilities and provisions		**598,925**	165,405
Cash generated from operating activities		**25,059,609**	8,249,045
Taxes paid (net of refunds)		**(2,721,041)**	(1,134,428)
Net cash generated from operating activities		**22,338,568**	7,114,617
Cash flows from investing activities:			
Purchase of property, plant and equipment		**(252,769)**	(534,333)
Disposal of property, plant and equipment		**8,782**	-
Net cash used in investing activities		**(243,988)**	(534,333)
Cash flows from financing activities:			
Dividend paid		**(19,000,000)**	
Finance cost		**(78)**	(81)
Net cash used in financing activities		**(19,000,078)**	(81)
Net change in cash and cash equivalents		**3,094,502**	6,580,203
Cash and cash equivalents, beginning of the period		**16,867,259**	11,636,567
Exchange difference on translation of foreign currency cash and cash equivalents		**2,752,090**	(1,349,511)
Cash and cash equivalents, end of the period	12(a)	**22,713,851**	16,867,259

The accompanying notes form an integral part of the financial statements.

Notes forming part of the Financial Statements

1. CORPORATE INFORMATION

Tata Consultancy Services Ireland Limited ("the Company") provides IT services, consulting and business solutions. The Company offers a consulting-led, cognitive powered, integrated portfolio of IT, business and engineering services and solutions. This is delivered through its unique Location-Independent Agile delivery model, recognised as a benchmark of excellence in software development.

The Company was incorporated on 2 December 2020 in Ireland as a subsidiary of Tata Consultancy Services Limited India to insource approximately 1,500 associates and selected assets of Pramerica Systems Ireland Limited (subsidiary of Prudential Financials Inc, US) based in Letterkenny, Ireland. The Company became operational in December 2020. The registered address of the Company is 29 Earlsfort Terrace, Dublin 2, D02 AY28. Tata Consultancy Services Ireland Limited is a 100% subsidiary of Tata Consultancy Services Limited. The business address of the Company is TCS Drive, Letterkenny Business & Technology Park, Letterkenny, Co Donegal, Ireland, F92 W8CY.

The Company's immediate parent undertaking and controlling entity is Tata Consultancy Services Limited ("TCSL"), a company incorporated in India, which is registered as an external company in Ireland. The registered office is 9th Floor, Nirmal Building, Nariman Point, Mumbai, 400 021, India. The Company's ultimate parent undertaking and controlling entity is Tata Sons Private Limited whose registered office is Bombay House, 24 Homi Mody Street, Mumbai 400 001.

2. STATEMENT OF COMPLIANCE

The financial statements have been prepared and approved by the directors in accordance with International Financial Reporting Standards (IFRS's) as adopted by the European Union.

3. BASIS OF PREPARATION

These financial statements have been prepared on a historical cost basis except for certain financial instruments which are measured at fair value or amortised cost at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for 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.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customer and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

The statement of cash flows has been prepared under indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The Company classifies interest paid and dividend paid as cash flow from financing activities. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value to be cash equivalents.

The functional and reporting currency of the Company is EURO ("EUR")

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are retranslated at the exchange rate prevailing on the dates of statement of financial position and exchange gains and losses arising on settlement and restatement are recognised in profit or loss. Non- monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

The material accounting policy information used in preparation of the financial statements have been discussed in the respective notes.

Consolidation exemption

The Company has a wholly owned subsidiary, Tata Consultancy Services Bulgaria EOOD. In preparation of these financial statements, the Company is exempt by virtue of section 300 of Companies Act 2014 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual and undertaking and not about its group.

Notes forming part of the Financial Statements

4. NATURE AND PURPOSE OF RESERVES

a. Retained earnings

This reserve represents undistributed accumulated earnings of the Company as on the date of statement of financial position.

5. RECENT ACCOUNTING STANDARDS

The Company has not applied the following new and revised IFRSs that have been issued but are not yet effective

Amendments to IAS 21 : The Effects of Changes in Foreign Exchange Rates [1]

Amendments to IFRS 9 and IFRS 7[2]

IFRS 18 - Presentation and Disclosures in Financial Statements[3]

IFRS 19 - Subsidiaries without Public Accountability: Disclosures[3]

[1]Effective for annual periods beginning on or after January 1, 2025.

[2]Effective for annual periods beginning on or after January 1,2026.

[3]Effective for annual periods beginning on or after January 1, 2027.

IAS 21 - The Effects of Changes in Foreign Exchange Rates

In August 2023, the IASB issued 'Lack of Exchangeability (Amendments to IAS 21)' to provide guidance to specify which exchange rate to use when the currency is not exchangeable. An entity must estimate the spot exchange rate as the rate that would have applied to an orderly transaction between market participants at the measurement date and that would faithfully reflect the economic conditions prevailing. The Company does not expect this amendment to have any significant impact in its financial statements.

IFRS 9 and IFRS 7 - Financial Instruments and Financial Instruments: Disclosure

In May 2024, the IASB issued "Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) to address matters identified during the post-implementation review of IFRS 9. The amendments relate to derecognition of a financial liability settled through electronic transfer, classification of financial assets and disclosures of certain financial assets and financial liabilities. The Company will evaluate the amendments and implement them accordingly.

IFRS 18 - Presentation and Disclosures in Financial Statements

In April 2024, the IASB issued its new standard IFRS 18 - Presentation and Disclosures in Financial Statements that will replace IAS 1 - Presentation of Financial Statements. The new standard aims at improving how entities communicate in their financial statements. The Company will evaluate the standard and implement it accordingly.

IFRS 19 - Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued a new standard IFRS 19 - Subsidiaries without Public Accountability: Disclosures. The standard allows a subsidiary which does not have public accountability and has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards, to elect IFRS 19. Such an entity applies the requirements in other IFRS Accounting Standards, except for the disclosure requirements, instead the entity applies the requirements in IFRS 19.

6. REVENUE RECOGNITION

The Company earns revenue primarily from providing information technology, consultancy services and business solutions. The Company offers a consulting-led, integrated portfolio of IT, business and engineering services and solutions.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.

Notes forming part of the Financial Statements

- In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract cost incurred determining the degree of completion of the performance obligation. The contract cost used in computing the revenues include cost of fulfilling warranty obligations.
- Revenue from the sale of distinct internally developed software and manufactured systems and third- party software is recognised upfront at the point in time when the system / software is delivered to the customer. In cases where implementation and / or customisation services rendered significantly modifies or customises the software, these services and software are accounted for as a single performance obligation and revenue is recognised overtime on a POC method.
- Revenue from the sale of distinct third-party hardware is recognised at the point in time when control is transferred to the customer.
- The solutions offered by the Company may include the supply of third-party equipment or software. In such cases, revenue for supply of such third-party products are recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent of the customer. The Company recognises revenue in the gross amount of consideration when it is acting as a principal and at a net amount of consideration when it is acting as an agent.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract and to ascribe the transaction price to each distinct performance obligation. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Contract fulfilment costs are generally expensed as incurred except for certain software licence costs which meet the criteria for capitalisation. Such costs are amortised over the contractual period or useful life of the licence, whichever is less. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

The billing schedules agreed with customers include periodic performance-based payments and/or milestone based progress payments. Invoices are payable within a contractually agreed credit period.

In accordance with IAS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Notes forming part of the Financial Statements

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Company disaggregates revenue from contracts with customers by nature of services, industry verticals and geography.

Revenue disaggregation by nature of services is as follows:

(Amount in EUR)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Revenue from consultancy services	**163,179,788**	153,635,288
Total	**163,179,788**	153,635,288

Revenue disaggregation by industry vertical is as follows:

(Amount in EUR)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Industry vertical		
Banking, financial services and insurance	**106,274,603**	97,205,166
Manufacturing	**23,248,721**	19,551,823
Retail and consumer business	**1,489,477**	1,560,064
Communication, media and technology	**5,348,770**	127,350
Energy & Utilities	**1,247,789**	1,626,345
Hi-Tech Industry Practice	**2,372,609**	2,516,912
Life Sciences & Healthcare	**20,472,544**	23,599,195
Transportation	**1,780,586**	2,401,375
Others	**944,689**	5,047,058
Total	**163,179,788**	153,635,288

Revenue disaggregation by geography is as follows:

(Amount in EUR)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Geography		
America	**70,137,021**	66,738,519
UK	**89,871,890**	82,793,012
Europe	**3,167,708**	4,102,657
India	**2,568**	1,100
Asia Pacific	**601**	-
Total	**163,179,788**	153,635,288

Notes forming part of the Financial Statements

Geographical revenue is allocated based on the location of the customers.

While disclosing the aggregate amount of transaction price yet to be recognized as revenue towards unsatisfied or partially satisfied performance obligations, along with the broad time band for the expected time to recognize those revenues, the Company has applied the practical expedient in IFRS 15. Accordingly, the Company has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognized corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts.

Unsatisfied (or partially satisfied) performance obligations are futuristic and therefore subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc). The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is EUR 131,667,673 out of which 71.16% is expected to be recognized as revenue within the next year and the balance thereafter. No consideration from contracts with customers is excluded from the amount mentioned above.

Changes in contract assets is given below:

(Amount in EUR)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Balance at the beginning of the year	**826,720**	1,388,136
Invoices raised that were included in the contract assets balance at the beginning of the year	**(566,446)**	(895,663)
increase due to revenue recognised during the year, excluding amounts billed during the year	**1,766,935**	324,439
Translation exchange difference	**50,426**	9,808
Balance at the end of the year	**2,077,635**	826,720

Changes in unearned and deferred revenue is as given below:

(Amount in EUR)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Balance at the beginning of the year	**1,298,602**	1,603,777
Revenue recognised that was included in the unearned and deferred revenue at the beginning of the year	**(1,277,804)**	(1,566,616)
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	**1,569,421**	1,312,462
Translation exchange difference	**15,434**	(51,021)
Balance at the end of the year	**1,605,653**	1,298,602

Notes forming part of the Financial Statements

7. COST RECOGNITION

Costs and expenses are recognised when incurred and have been classified according to their primary functions in the following categories:

Cost of revenue

These costs primarily include employee compensation of personnel engaged in providing services, travel expenses, fees to external consultants, cost of equipment and software licences, depreciation and amortisation of production related equipment and software, facility expenses, communication expenses and other project related expenses.

Selling, general and administrative expenses

Selling costs primarily include employee compensation for sales and marketing personnel, travel expenses, advertising, business promotion expenses, bad debts and advances written off, allowance for doubtful trade receivables and advances, facility expenses for sales and marketing offices and market research costs.

General and administrative costs primarily include employee compensation for administrative, supervisory, managerial and practice management personnel, depreciation and amortisation expenses of non-production equipment and software, facility expenses for administrative offices, communication expenses, fees to external consultants and other general expenses.

(Amount in EUR)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Expenses by function		
Cost of sales	**126,101,840**	120,737,365
Selling, general and administrative expenses	**19,305,973**	20,701,086
Total	**145,407,813**	141,438,451

8. OTHER INCOME

(Amount in EUR)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Gain disposal of property, plant and equipment	**6,129**	-
Net foreign exchange gain	**2,752,090**	-
Interest from banks	**549,961**	316,380
Total	**3,308,180**	316,380

9. FINANCE COST AND OTHER EXPENSES

Finance costs consist of the following:

(Amount in EUR)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Interest on bank overdrafts and loans	**78**	81
Net foreign exchange loss	**-**	1,349,511
Total	**78**	1,349,592

Notes forming part of the Financial Statements

10. INCOME TAXES

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year.

Current income taxes

Current tax is based on the taxable profit for the year and is calculated using tax rates that have been enacted by the end of the reporting period. Advance taxes and provisions for current income taxes are presented in the statement of financial position after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying unit intends to settle the asset and liability on a net basis.

Deferred income taxes

Deferred Income tax is recognised using the balance sheet approach. Deferred income tax assets and inabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the 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 or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax liabilities are recognised for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

The income tax expense consists of the following:

(Amount in EUR)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Current tax		
Current tax expense for current year	**2,664,405**	1,463,103
Current tax (benefit) / expense pertaining to prior years	**230,098**	-
	2,894,503	1,463,103
Deferred tax		
Deferred tax credit for current year	**(566,793)**	(180,834)
Deferred tax pertaining to prior year	**223,749**	-
	(343,044)	(180,834)
Total tax expense	**2,551,459**	1,282,269

Notes forming part of the Financial Statements

The reconciliation of estimated income tax expense at the statutory income tax rate to income tax expense reported in statement of profit or loss and other comprehensive income is as follows:

(Amount in EUR)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Current tax expenses		
Income before taxes	**21,080,077**	11,163,625
Statutory tax rate	**12.50%**	12.50%
Expected income tax expense	**2,635,010**	1,395,453
Temporary disallowed expenses		
Impact of higher tax rate	**-**	1,345
Capital allowances versus depreciation	**(521,016)**	(160,290)
Expenses adjustments	**(16,382)**	45,761
Prior period tax	**453,847**	-
Total tax expense	**2,551,459**	1,282,269

Note: Income is taxable at Irish corporate tax rate which is 12.5% except income from leased office which taxable at higher tax rate i.e. 25%.

Significant components of net deferred tax assets and liabilities for the year ended December 31, 2024 are as follows:

(Amount in EUR)

	Opening balance	Recognised through profit or loss	Closing balance as on December, 2024
Deferred tax assets			
Deferred tax assets in relation to:			
Property, plant and equipment	**481,434**	**310,241**	**791,675**
Others	**60,100**	**32,803**	**92,903**
Total deferred tax asset (net)	**541,534**	**343,044**	**884,578**

Significant components of net deferred tax assets and liabilities for the year ended December 31, 2023 are as follows:

(Amount in EUR)

	Opening balance	Recognised through profit or loss	Closing balance as on December, 2023
Deferred tax assets			
Deferred tax assets in relation to:			
Property, plant and equipment	325,109	156,325	481,434
Others	35,591	24,509	60,100
Total deferred tax asset (net)	360,700	180,834	541,534

The Company has recognised a deferred tax asset on the basis that it will be recovered through future profitability.

Notes forming part of the Financial Statements

11. EMPLOYEE BENEFITS

The Company provides for amount payable to employees for compensated absences per the Company's policy, which are expected to occur within twelve months after the end of the period in which the employee render the related services are recognised as undiscounted liability at the date of statement of financial position.

Employee costs consist of the following:

(Amount in EUR)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Salaries & wages	**40,622,640**	41,618,980
Contributions to defined contribution plans	**1,813,846**	1,836,731
Social Security contributions	**4,274,456**	4,229,279
Total	**46,710,942**	47,684,990

Staff numbers

Average number of persons employed by the Company (including directors) during the year, analysed by category are as follows

(Amount in EUR)

	Year ended December 31, 2024	Year ended December 31, 2023
Billable roles	**782**	818
Support staff	**58**	57
	840	875

Employee benefit obligation consist of the following:

(Amount in EUR)

	As at Dec 31, 2024	As at Dec 31, 2023
Employee benefit obligations - current		
Compensated absences	**664,991**	478,048
Total	**664,991**	478,048

12. FINANCIAL ASSETS, FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

The Company derecognises a financial asset only 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 entity. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

Notes forming part of the Financial Statements

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets. The Company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in other comprehensive income.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments recognised by the Company are recognised at the proceeds received net of direct issue cost.

Impairment of financial assets (other than at fair value)

The Company assesses at each date of statement of financial position whether a financial asset or a group of financial assets is impaired. IFRS 9 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. In determining the allowances for doubtful trade receivables the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition

a. Cash and cash equivalents

(Amount in EUR)

	As at Dec 31, 2024	As at Dec 31, 2023
Balances with bank	**22,713,851**	16,867,259
	22,713,851	16,867,259

Notes forming part of the Financial Statements

b. Investments

(Amount in EUR)

	As at Dec 31, 2024	As at Dec 31, 2023
Investments Non-current		
Investment carried at cost		
Equity shares	**1**	1
	1	1

Investments carried at cost includes investments made in Equity shares of Tata Consultancy Services Bulgaria EOOD on 31 August, 2021, which is wholly owned subsidiary of the company, having registered address Sofia Business Park, Building 3,1 Floor, 1766 Sofia, Bulgaria.

Tata Consultancy Services Bulgaria EOOD ("the Company") provides IT services, consulting and business solutions. The Company offers a consulting-led, cognitive powered, integrated portfolio of IT, business and engineering services and solutions. This is delivered through its unique Location-Independent Agile delivery model recognised as a benchmark of excellence in software development. The Company will provide F&A operations supporting It's EU region for Xerox for the F&A consolidation / transformation initiative.

c. Trade and other receivables

Trade receivables consist of the following:

(Amount in EUR)

Trade receivables - Current	As at Dec 31, 2024	As at Dec 31, 2023
Trade receivables*	**23,595,654**	33,919,383
Less: Allowance for doubtful trade receivables	**(13,101)**	(32,536)
	23,582,553	33,886,847
Unbilled receivables*	**5,172,033**	2,178,198
Total	**28,754,586**	36,065,045

* Trade receivables include balances with related party of EUR 9,108,306 as at December 31, 2024 (EUR 11,853,193 as at December 31, 2023). (Refer Note No. 14)

d. Other financial assets

Other financial asset consists of the following:

(Amount in EUR)

Other financial assets - current	As at Dec 31, 2024	As at Dec 31, 2023
Employee advances (net of allowance)	**17,162**	14,143
Other Advance (Back-to-Back Provision for Volume Discount)	**638,357**	687,539
Total	**655,519**	701,682

Notes forming part of the Financial Statements

e. Trade payables

Trade payables consist of the following:

(Amount in EUR)

Trade payables - Current	As at Dec 31, 2024	As at Dec 31, 2023
Trade payables*	**3,027,443**	5,555,673
Accrued expenses	**4,427,466**	2,451,995
Total	**7,454,909**	8,007,668

* Trade payables and Accrued expenses include balances with related party of EUR 6,271,533 as at December 31, 2024 (EUR 7,316,414 as at December 31, 2023) (Refer Note No. 14)

f. Other financial liabilities

(Amount in EUR)

Other financial liabilities -current	As at Dec 31, 2024	As at Dec 31, 2023
Capital creditors	**9,062**	114,272
Accrued payroll	**1,272,952**	2,513,955
Liabilities towards customer contracts	**442,557**	379,777
Total	**1,724,571**	3,008,004

g. Financial instruments by category

The carrying value of financial assets and financial liabilities as at December 31, 2024 is as follows:

(Amount in EUR)

	Amortized cost	Total carrying value
Financial assets		
Cash and cash equivalents	**22,713,851**	**22,713,851**
Trade receivables and other receivables	**28,754,586**	**28,775,501**
Other financial assets	**655,519**	**655,519**
Total	**52,123,956**	**52,144,871**
Financial liabilities		
Trade payables	**7,454,909**	**7,454,909**
Other financial liabilities	**1,724,571**	**1,724,571**
Total	**9,179,480**	**9,179,480**

Notes forming part of the Financial Statements

The carrying value of financial assets and financial liabilities as at December 31,2023 is as follows:

(Amount in EUR)

	Amortized cost	Total carrying value
Financial assets		
Cash and cash equivalents	16,867,259	16,867,259
Trade receivables and other receivables	36,065,045	36,065,045
Other financial assets	701,682	701,681
Total	53,633,986	53,633,985
Financial liabilities		
Trade payables	8,007,668	8,007,668
Other financial liabilities	3,008,004	3,008,004
Total	11,015,672	11,015,672

Carrying amounts of cash and cash equivalents, trade receivables, unbilled receivables and trade payables as at December 31, 2024 approximate the fair value.

h. 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.

i. Financial risk management

The Company is exposed primarily to fluctuations in foreign currency exchange rates, credit, liquidity and interest rate risks, which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which covers risks associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors. The focus of the risk management committee is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the Company.

- **Market risk**

  Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

- **Foreign currency exchange rate risk**

  The fluctuation in foreign currency exchange rate may have potential impact on the statement of financial statement, where any transaction references more than one currency or where assets/ liabilities are denominated in a currency other than functional currency of the company. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries.

Notes forming part of the Financial Statements

The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

The risk primarily relate to fluctuation of USD, GBP and EUR against the functional currency of the Company.

The following table sets forth information relating to foreign currency exposure as at December 31,2024:

(equivalent EUR)

	USD	GBP	NOK	CAD
Net financial assets	**39,417,228**	**4,825,692**	**321,056**	**-**
Net financial liabilities	**2,841,145**	**200,745**	**8,994**	**5,594**

10% depreciation / appreciation of the respective foreign currencies with respect to functional currency of Tata Consultancy Services Ireland Limited Company would result in decrease / increase in the Company's profit before taxes by approximately EUR 4,150,750 for the period ended December 31,2024.

The following table sets forth information relating to foreign currency exposure as at December 31,2023;

(equivalent EUR)

	USD	GBP	NOK	CAD
Net financial assets	33,854,358	5,134,028	719,478	-
Net financial liabilities	3,525,198	184,794	8,172	5,709

10% depreciation / appreciation of the respective foreign currencies with respect to functional currency of Tata Consultancy Services Ireland Limited Company would result in decrease / increase in the Company's profit before taxes by approximately EUR 3,598,399 for the period ended December 31, 2023.

- **Interest rate risk**

  The Company is not exposed to interest rate risk.

- **Credit risk**

  Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

  Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, unbilled receivables, cash and cash equivalents, and other financial assets.

- **Exposure to credit risk**

  The carrying amount of financial assets and contract assets represents the maximum credit exposure. The maximum exposure to credit risk was EUR 54,201,591 as of December 31, 2024 (EUR 54,460,705 as of December 31, 2023) being the total of the carrying amount of balances with bank, bank deposit, trade receivable, unbilled receivables, contract assets and other financial assets.

  The Company's exposure to customers is diversified and following customers contributes to more than 10% of outstanding trade receivables, unbilled receivables and contract assets as at December 31,2024.

Notes forming part of the Financial Statements

(Amount in EUR)

Client Name	As at Dec 31, 2024	
	Total trade receivables, Unbilled revenue and Contract assets.	Percentage
Customer A	**-**	**0%**
Customer B	**8,724,722**	**28%**
Customer C	**-**	**0%**
Customer D	**7,190,328**	**23%**

The Company's exposure to customers is diversified and following customers contributes to more than 10% of outstanding trade receivables, unbilled receivables and contract assets as at December 31,2023.

(Amount in EUR)

Client Name	As at Dec 31, 2023	
	Total trade receivables, Unbilled revenue and Contract assets.	Percentage
Customer A	7,934,453	22%
Customer B	6,493,953	18%
Customer C	-	-
Customer D	11,087,177	30%

Geographic concentration of credit risk

The Company has a geographic concentration of trade receivables (net of allowances), unbilled receivables and contract assets as given below:

(Amount in EUR)

Geography	As at December 31, 2024	
	Gross	Net
America	**30%**	**30%**
UK	**67%**	**67%**
Europe	**3%**	**3%**

(Amount in EUR)

Geography	As at December 31, 2023	
	Gross	Net
America	30%	30%
UK	66%	66%
Europe	4%	4%

The geographical concentration of trade receivables, unbilled receivables and contract assets is allocated based on the location of the customers.

Notes forming part of the Financial Statements

Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company consistently generates sufficient cash flows from operations to meet its financial obligations including lease liabilities as and when they fall due.

The tables below provide details regarding the contractual maturities of significant financial liabilities as at:

(Amount in EUR)

Dec 31, 2024	Due in 1st year	Due in 2nd to 5th year	Total
Financial liabilities			
Trade and other payables	**7,454,909**	**-**	**7,454,909**
Other financial liabilities	**1,724,571**	**-**	**1,724,571**
Total	**9,179,480**	**-**	**9,179,480**

(Amount in EUR)

Dec 31, 2023	Due in 1st year	Due in 2nd to 5th year	Total
Financial liabilities			
Trade and other payables	8,007,668	-	8,007,668
Other financial liabilities	3,008,004	-	3,008,004
Total	11,015,672	-	11,015,672

j. Equity instruments

(Amount in EUR)

	As at Dec 31, 2024	As at Dec 31, 2023
Authorised		
25,000,000 ordinary shares of EUR 1 each	**25,000,000**	25,000,000
Issued, Subscribed and Fully paid up*		
25,000,000 ordinary shares of EUR 1 each	**25,000,000**	25,000,000

*100 ordinary shares of EUR 1 each were originally issued at par to Stembridge Limited, 22 Northumberland Road, Bailsbridge, Dublin 4 on incorporation. These were transferred to Tata Consultancy Services Limited on 2 December 2020.

* 24,999,900 ordinary shares of EUR 1 each were issued at par to Tata Consultancy Services Limited on 17 December 2020.

Capital management

The Company's objective for capital management is to maximize shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. The Company is not subject to any externally imposed capital requirements.

Notes forming part of the Financial Statements

13. NON-FINANCIAL ASSETS AND LIABILITIES

a. Property, plant and equipment

The Company has taken over the running business from a vendor including the fixed assets deployed in the Business. Total Consideration paid for the all the fixed assets has been allocated to each asset based on the value of the assets as assessed by the Company.

Property, plant and equipment are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use, less accumulated depreciation (other than freehold land) and impairment loss, if any.

Depreciation is provided for property, plant and equipment on a straight line basis so as to expense the cost less residual values over their estimated useful lives based on a technical evaluation. The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

The estimated useful lives are as mentioned below:

Type of asset	Useful life (in years)
Automobiles	4 years
Computer and equipment	3-4 years
Furniture and fixtures	3-5 years
Office equipment	3-5 years
Electrical installations	5-10 years
Leasehold improvements	Lease term

Depreciation is not recorded on capital work in progress until construction and installation are complete and the asset is ready for its intended use. Capital work-in-progress includes capital advances.

Property, plant and equipment with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) Is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss

Property, Plant and equipment consist of the following:

(Amount in EUR)

	Land	Leasehold improvements	Computer equipment	Furniture and fixtures	Office equipment	Electrical installations	Total
Cost as at January 1, 2024	**557,226**	**3,891,941**	**2,029,853**	**562,030**	**304,500**	**69,165**	**7,414,715**
Additions	-	**46,410**	**324,487**	**27,944**	**63,486**	**10,140**	**472,467**
Disposals	-	-	**(56,659)**	-	-	-	**(56,659)**
Cost as at December 31, 2024	**557,226**	**3,938,351**	**2,297,681**	**589,974**	**367,986**	**79,305**	**7,830,523**
Accumulated depreciation as at January 1, 2024	-	**(2,053,290)**	**(1,671,050)**	**(523,041)**	**(297,219)**	**(65,820)**	**(4,610,420)**
Depreciation for the year	-	**(680,924)**	**(302,064)**	**(27,223)**	**(19,693)**	**(4,179)**	**(1,034,083)**
On disposals	-	-	-	-	-	-	**54,007**
Accumulated depreciation as at December 31, 2024	-	**(2,734,214)**	**(1,919,107)**	**(550,264)**	**(316,912)**	**(69,999)**	**(5,590,496)**
Net carrying amount as at December 31,2024	**557,226**	**1,204,137**	**378,574**	**39,710**	**51,074**	**9,306**	**2,240,027**
Capital work in progress							**463,311**
Total							**2,703,338**

Back to content

Notes forming part of the Financial Statements

(Amount in EUR)

	Land	Leasehold improvements	Computer equipment	Furniture and fixtures	Office equipment	Electrical installations	Total
Cost as at January 1, 2023	557,226	3,891,941	1,968,473	562,030	300,410	69,165	7,349,245
Additions	-	-	61,451	-	4,090	-	65,541
Disposals	-	-	(71)	-	-	-	(71)
Cost as at December 31,2023	557,226	3,891,941	2,029,853	562,030	304,500	69,165	7,414,715
Accumulated depreciation as at January 1, 2023	-	(1,377,823)	(1,401,368)	(465,094)	(262,894)	(58,734)	(3,565,913)
Depreciation for the year	-	(675,467)	(269,753)	(57,947)	(34,325)	(7,086)	(1,044,578)
On disposals	-	-	71	-	-	-	71
Accumulated depreciation as at December 31, 2023	-	(2,053,290)	(1,671,050)	(523,041)	(297,219)	(65,820)	(4,610,420)
Net carrying amount as at December 31, 2023	557,226	1,838,651	358,803	38,989	7,281	3,345	2,804,295
Capital work in progress							683,008
Total							3,487,303

b. Intangible assets

Intangible assets are measured at cost less accumulated amortisation and accumulated impairment, if any.

Intangible assets are amortised on a straight line basis.

Intangible assets consist of software licenses.

Nature of intangible	Useful lives
Software licenses	Lower of licenses period and 4 years

(Amount in EUR)

	Software Licences
Cost as at January 1,2024	**17**
Additions	**-**
Disposals	**-**
Cost as at December 31, 2024	**17**
Accumulated amortisation as at January 1, 2024	**(17)**
Amortisation	**-**
Disposals	**-**
Accumulated amortisation as at December 31,2024	**(17)**
Net carrying amount as at December 31, 2024	**-**

(Amount in EUR)

	Software Licences
Cost as at January 1, 2023	17
Additions	-
Disposals	-
Cost as at December 31, 2023	17
Accumulated amortisation as at January 1, 2023	(17)
Amortisation	-
Disposals	-
Accumulated amortisation as at December 31, 2023	(17)
Net carrying amount as at December 31, 2023	-

Notes forming part of the Financial Statements

c. Other assets

Other assets consist of the following:

(Amount in EUR)

Other assets - Current	As at Dec 31, 2024	As at Dec 31, 2023
Contract assets	**1,892,065**	813,436
Advance to suppliers	**485,119**	485,119
Prepaid expenses	**1,008,743**	1,044,793
Contract fulfillment cost	**293,202**	596,685
Other advances	**21**	21
Total	**3,679,150**	2,940,054

(Amount in EUR)

Other assets - non-current	As at Dec 31, 2024	As at Dec 31, 2023
Contract assets	**185,570**	13,284
Contract fulfillment costs	**-**	1,623
Total	**185,570**	14,907

d. Other liabilities

Other liabilities consist of the following:

(Amount in EUR)

Other liabilities – Current	As at Dec 31, 2024	As at Dec 31, 2023
Indirect tax payable and other statutory liabilities	**3,883,850**	3,250,343
Other current liabilities - Others	**1,882**	31,640
Provision for rent	**1,313**	5,700
Total	**3,887,045**	3,287,683

e. Provisions

Provisions consist of the following:

(Amount in EUR)

	As at Dec 31, 2024	As at Dec 31, 2023
Provision for foreseeable loss	**145**	581
	145	581

14. RELATED PARTY TRANSACTIONS

Tata Consultancy Services Ireland Limited principal related parties consist of its ultimate holding company Tata Sons Private Limited, its immediate parent company Tata Consultancy Services Limited and its subsidiaries, affiliates, and its key managerial personnel. The Company routinely enters into transactions with its related parties in the ordinary course of business. The company has not entered into any transaction with its key managerial personnel for the year ended 31 December 2023.

Notes forming part of the Financial Statements

Transactions with related parties

(Amount in EUR)

Particulars	For the period Jan 1, 2024 to Dec 31, 2024			
	With Tata Sons Private Limited (Ultimate Holding Company)	With Tata Consultancy Services Limited (Parent of Holding Company)	With Subsidiaries of Tata Consultancy Services Limited	Total
Revenue	-	27,696,874	3,769,018	31,465,892
Purchases of goods and services (including reimbursement)	-	89,180,302	2,686,591	91,866,893
Facility expenses	-	1,776,494	-	1,776,494
Brand equity contribution	329,285	-		329,285
Dividend paid	-	19,000,000	-	19,000,000

(Amount in EUR)

Particulars	For the period Jan 1, 2023 to Dec 31, 2023			
	With Tata Sons Private Limited (Ultimate Holding Company)	With Tata Consultancy Services Limited (Parent of Holding Company)	With Subsidiaries of Tata Consultancy Services Limited	Total
Revenue	-	27,675,642	3,296,293	30,971,935
Purchases of goods and services (including reimbursement)	-	83,419,675	3,785,719	87,205,394
Facility expenses	-	1,791,469	-	1,791,469
Brand equity contribution	307,035	-	-	307,035

Balances with related parties

(Amount in EUR)

Particulars	For the year ended Dec 31, 2024			
	With Tata Sons Private Limited (Ultimate Holding Company)	With Tata Consultancy Services Limited (Parent of Holding Company)	With Subsidiaries of Tata Consultancy Services Limited	Total
Trade receivables and unbilled receivables	-	8,137,841	970,465	9,108,306
Other assets*	-	1,558,800	17,714	1,576,514
Trade payables	554,833	5,384,655	332,045	6,271,533
Unearned and deferred revenue	-	445,313	68,940	514,253
Other liabilities**	-	294,409	100,401	394,810

Notes forming part of the Financial Statements

(Amount in EUR)

Particulars	For the year ended Dec 31, 2023			
	With Tata Sons Private Limited (Ultimate Holding Company)	With Tata Consultancy Services Limited (Parent of Holding Company)	With Subsidiaries of Tata Consultancy Services Limited	Total
Trade receivables and unbilled receivables	-	11,087,175	766,018	11,853,193
Other assets*		1,602,052	28,689	1,630,741
Trade payables	761,228	6,192,391	362,795	7,316,414
Unearned and deferred revenue	-	303,042	-	303,042
Other liabilities**		310,840	61,540	372,380

*Includes prepayment and volume discount asset which arise in the normal course of business.

**Includes volume discount liability, which arise in the normal course of business and do not have any specific terms of repayment.

15. DIRECTOR'S REMUNERATION

Remuneration paid/ payable to directors for the period ended 31 December 2024 is EUR Nil and 31 December 2023 is EUR Nil.

16. SUBSEQUENT EVENTS

There have been no circumstances of a material nature that have occurred between the financial year end and the date of approval of these financial statements that require adjustment or disclosure in the financial statements;

17. CONTINGENCIES

The Company has contractually committed (net of advances) for EUR 8,580 as at 31 December, 2024 and EUR 8,106 as at 31 December, 2023 for purchase of property, plant and equipment.

18. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Board on April 2, 2025

TATA CONSULTANCY SERVICES (SOUTH AFRICA) (PTY) LTD

(Registration Number: 2007/031334/07)

ANNUAL FINANCIAL STATEMENTS

For the year ended December 31, 2024

Audited in compliance with section 30
of the Companies Act of South Africa

Prepared under the supervision of Gilroy Fernandes

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2024

INDEX	Page
Directors' statement of responsibility	23.2
Directors' report	23.3
Independent auditor's report	23.4
Statement of Financial Position	23.6
Statement of Profit or Loss and Other Comprehensive Income	23.7
Statement of Changes in Equity	23.8
Statement of Cash Flows	23.9
Notes forming part of the Financial Statements	23.10

Back to main content

Directors' Statement Of Responsibility

The directors of the Company are responsible for the maintenance of adequate accounting records and the preparation and integrity of the annual financial statements and related information. The auditors are responsible for reporting on the fair presentation of the financial statements. The financial statements have been prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standard Board (IFRS® Accounting Standards) and the requirements of the Companies Act of South Africa.

The directors are also responsible for the Company's system of internal financial control. These are designed to provide reasonable, but not absolute, assurance as to the reliability of the financial statements, and to adequately safeguard, verify and maintain accountability of the Company's assets, and to prevent and detect misstatement and loss. Nothing has come to the attention of the directors to indicate that any material breakdown in the functioning of these controls, procedures and systems have occurred during the year under review.

The financial statements have been prepared on the going concern basis since the directors believe that the Company has adequate resources in place to continue in operation for the foreseeable future.

Directors' approval of the annual financial statements

The annual financial statements and directors report were approved by the Directors on April 25, 2025 and are signed on their behalf by:

Lakshminarayanan Gomatam Seshadri
Authorised Director

Henry Langa Dube
Authorised Director

Directors' report

The directors have pleasure in presenting their report on the activities of the Company for the year ended December 31, 2024. This financial report covers the period 1st January 2024 to 31st December 2024. Comparative figures are for the year ended 31st December 2023.

Nature of business

The Company provides IT consulting services.

General review of operations

The financial position of the Company and the results of its operations for the year under review are set out in the attached financial statements and in the opinion of the directors require no further comment. Profit after tax for the Company amounted to ZAR 71,895,027 for the year ended December 2024 (December 2023: ZAR 104,438,080).

Dividends

A dividend of ZAR 147,240,007 was paid during the year ended December 31, 2024 (December 31, 2023: ZAR 77,760,004)

Shareholders

The current shareholders of TATA CONSULTANCY SERVICES (SOUTH AFRICA) (PTY) LTD are:

	As at December 31, 2024	As at December 31, 2023
TATA CONSULTANCY SERVICES (AFRICA) (PTY) LTD	70%	100%
Isisekelo Sethu Trust	30%	-

Directors and secretary

The directors of the Company during the year under review and up to the date of this report are:
Henry Langa Dube (Reappointed on September 11, 2019)
Lakshminarayanan Gomatam Seshadri* (Appointed on July 22, 2019)
*Indian

Registered office and postal address

The registered office and postal address of the Company are:
Registered Address: 39, Ferguson Road, Illovo, 2196
Postal address: P.O. Box 706, Melrose Arch, 2076

Independent Auditor's Report

TO THE SHAREHOLDERS OF TATA CONSULTANCY SERVICES (SOUTH AFRICA) PROPRIETARY LIMITED

Opinion

We have audited the financial statements of Tata Consultancy Services (South Africa) Proprietary Limited (the Company) set out on pages 1 to 24, which comprise the statement of financial position as at 31 December 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policy information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Tata Consultancy Services (South Africa) Proprietary Limited as at 31 December 2024, and its financial performance and cash flows for the year then ended in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and the requirements of the Companies Act of South Africa.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Tata Consultancy Services (South Africa) Proprietary Limited Annual Financial Statements for the year ended 31 December 2024", which includes the Directors' Report as required by the Companies Act of South Africa. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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 ISAs 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 financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG Inc.
Registered Auditor

Per DW Matthews
Chartered Accountant (SA)
Registered Auditor
Director
26 April 2025

Statement of Financial Position
As at December 31, 2024 and December 31, 2023

(Amount in ZAR)

	Note	As at December 31, 2024	As at December 31, 2023
		ZAR	ZAR
ASSETS			
Current assets			
Cash and cash equivalents	7(a)	**235,248,196**	139,847,399
Trade receivables	7(b)	**344,812,489**	444,472,535
Unbilled receivables		**24,488,956**	11,830,669
Other financial assets	7(c)	**10,422,611**	3,811,117
Income tax assets (net)		**34,473,436**	35,099,042
Other assets	9(b)	**192,893,618**	221,534,276
Total current assets		**842,339,306**	856,595,038
Non-current assets			
Deferred tax assets (net)	13	**46,634,204**	38,429,791
Property, plant and equipment	9(a)	**3,972,590**	4,340,792
Other financial assets	7(c)	**51,558,575**	16,699
Total non-current assets		**102,165,369**	42,787,282
TOTAL ASSETS		**944,504,675**	899,382,320
LIABILITIES AND EQUITY			
Liabilities			
Borrowings			
Trade payables	7(d)	**654,482,892**	547,983,992
Other financial liabilities	7(e)	**631,124**	601,978
Unearned and deferred revenue		**134,415,205**	121,059,177
Employee benefit obligations	14	**3,766,302**	3,933,610
Provisions		**221**	79,942
Other liabilities	9(c)	**23,984,558**	23,154,268
Total current liabilities		**817,280,302**	696,812,967
TOTAL LIABILITIES		**817,280,302**	696,812,967
Equity			
Share capital	7(i)	**18,000,001**	18,000,001
Retained earnings		**109,224,372**	184,569,352
TOTAL EQUITY		**127,224,373**	202,569,353
TOTAL LIABILITIES AND EQUITY		**944,504,675**	899,382,320

SEE ACCOMPANYING NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Statement of Profit or Loss and Other Comprehensive Income
For the years ended December 31, 2024 and December 31, 2023

(Amount in ZAR)

	Note	For the year ended December 31, 2024	For the year ended December 31, 2023
Revenue	10	**1,963,346,426**	2,150,129,597
Operating expenses			
Employee cost	14	**143,301,743**	141,412,389
Other operating expenses	11	**1,710,628,134**	1,875,233,897
Depreciation	9(a)	**1,572,003**	1,629,729
Bad debts		**26,362,324**	153,811
Total operating expenses		**1,881,864,204**	2,018,429,826
Operating profit		**81,482,222**	131,699,771
Other income			
Net foreign exchange gain/(loss)		**145,753**	(169,878)
Finance costs		**-**	-
Finance income	12(a)	**17,330,735**	12,149,404
Total other income		**17,476,488**	11,979,526
Profit before taxes		**98,958,710**	143,679,297
Income tax expense	13	**27,063,683**	39,241,217
Profit for the year		**71,895,027**	104,438,080
Other comprehensive income (OCI)		**-**	-
Total comprehensive income for the year		**71,895,027**	104,438,080

SEE ACCOMPANYING NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Statement of Changes in Equity
For the years ended December 31, 2024 and December 31, 2023

(Amount in ZAR)

	Share capital	Retained earnings	Total equity
Balance as at January 1, 2023	18,000,001	157,891,276	175,891,277
Total comprehensive income for the year	-	104,438,080	104,438,080
Dividend paid (Per share : 4.32)	-	(77,760,004)	(77,760,004)
Balance as at December 31, 2023	**18,000,001**	**184,569,352**	**202,569,353**
Total comprehensive income for the year	**-**	**71,895,027**	**71,895,027**
Dividend paid (Per share : 8.18)	**-**	**(147,240,007)**	**(147,240,007)**
Balance as at December 31, 2024	**18,000,001**	**109,224,372**	**127,224,373**

SEE ACCOMPANYING NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Statement of Cash Flow

For the years ended December 31, 2024 and December 31, 2023

(Amount in ZAR)

	Note	For the year ended December 31, 2024	For the year ended December 31, 2023
CASH FLOWS FROM OPERATING ACTIVITIES:			
Profit for the year		**71,895,027**	104,438,080
Adjustment to reconcile profit or loss to net cash provided by operating activities:			
Depreciation	9(a)	**1,572,003**	1,629,729
Income tax expense		**27,063,683**	39,241,217
Provision for foreseeable losses		**(79,721)**	9,702
Provision for doubtful debts (net)		**25,172,605**	(25,566,764)
Operating profit before working capital changes		**125,623,597**	119,751,964
Net change in:			
Trade receivables		**74,487,441**	28,428,032
Unbilled receivables		**(12,658,287)**	(4,764,467)
Other financial assets		**(58,153,370)**	836,190
Other assets		**28,640,658**	50,825,593
Trade and other payables		**106,498,900**	(108,623,726)
Other financial liabilities		**29,146**	50,869
Unearned and deferred revenues		**13,356,028**	38,486,270
Employee benefit obligations		**(167,308)**	174,540
Other liabilities		**830,292**	(1,284,419)
Cash generated from operating activities		**278,487,097**	123,880,846
Taxes paid (net of refunds)		**(34,642,492)**	(51,263,744)
Net cash generated from operating activities		**243,844,605**	72,617,102
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property, plant and equipment		**(1,203,801)**	(1,551,903)
Net cash used in investing activities		**(1,203,801)**	(1,551,903)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Payment of dividend		**(147,240,007)**	(77,760,004)
Net cash used in financing activities		**(147,240,007)**	(77,760,004)
Net change in cash and cash equivalents		**95,400,797**	(6,694,805)
Cash and cash equivalents, beginning of the year		**139,847,399**	146,542,204
Cash and cash equivalents, end of the year	7(a)	**235,248,196**	139,847,399

SEE ACCOMPANYING NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Notes forming part of the Financial Statements for the year ended December 31, 2024

1. Corporate information.

TATA CONSULTANCY SERVICES (SOUTH AFRICA) LTD (the "Company") is registered under Companies Act of South Africa having registration number 2007/031334/07

The Company is engaged in a wide range of information technology and consultancy services including systems hardware and software, communications and networking, hardware sizing and capacity planning, software project management solutions, technology education services and business process outsourcing.

The address of the Company's registered office is 39 Ferguson road, Illovo, 2196

The financial statements were approved and authorised for issue on April 25, 2025.

2. Statement of compliance

The financial statements have been prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standard Board (IFRS® Accounting Standards) and Companies Act of South Africa. The principal accounting policies applied in the preparation of these financial statements have been consistently applied to all periods presented.

3. Basis of preparation

These financial statements have been prepared on historical cost basis except for certain financial instrument which are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for 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.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customer and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

Cash flows are reported using the indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The Company classifies interest paid and interest and dividend received as cash flow from operating activities. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value to be cash equivalents.

The functional and reporting currency of TATA CONSULTANCY SERVICES (SOUTH AFRICA) (PTY) LTD is Rands ("ZAR").

Foreign currency transactions are translated into functional currency at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are translated into the functional currency using exchange rates prevailing on the date of statement of financial position. Gains and losses arising on conversion of foreign currency denominated monetary assets and liabilities are included in profit or loss. Non monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not translated.

4. Use of estimates and judgments

The preparation of these financial statements is in conformity with the recognition and measurement principles of International Financial Reporting Standards (IFRS) requires management to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses for the years presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and future periods are affected.

The Company uses the following critical accounting estimates in preparation of its financial statements:

a. Revenue recognition

Revenue for fixed-price contracts are recognised using percentage-of-completion method. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.

Notes forming part of the Financial Statements for the year ended December 31, 2024

b. Useful lives of property, plant and equipment

The Company reviews the carrying amount of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods. The carrying amount of property, plant and equipment as on December 31, 2024 was ZAR 3,972,590 (December 31, 2023: ZAR 4,340,792).

c. Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

d. Valuation of deferred tax assets

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period.

e. Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at the end of each reporting period adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

f. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of IFRS 16. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

5. Nature and purpose of reserves

1. Retained earnings

This reserve represents undistributed accumulated earnings of the Company as on the date of statement of financial position.

6. Recent accounting standards

Amendments to IAS 21 - The Effects of Changes in Foreign Exchange Rates[1]

Amendments to IFRS 9 and IFRS 7[2]

IFRS 18 - Presentation and Disclosures in Financial Statements[3]
IFRS 19 - Subsidiaries without Public Accountability: Disclosures[3]

[1]Effective for annual periods beginning on or after January 1, 2025.
[2]Effective for annual periods beginning on or after January 1, 2026.
[3]Effective for annual periods beginning on or after January 1, 2027.

Notes forming part of the Financial Statements for the year ended December 31, 2024

IAS 21 – The Effects of Changes in Foreign Exchange Rates

In August 2023, the IASB issued 'Lack of Exchangeability (Amendments to IAS 21)' to provide guidance to specify which exchange rate to use when the currency is not exchangeable. An entity must estimate the spot exchange rate as the rate that would have applied to an orderly transaction between market participants at the measurement date and that would faithfully reflect the economic conditions prevailing. The Company does not expect this amendment to have any significant impact in its financial statements.

IFRS 9 and IFRS 7 – Financial Instruments and Financial Instruments: Disclosure

In May 2024, the IASB issued "Amendments to the Classification and Measurement of Financial Instruments (Amendmentsto IFRS 9 and IFRS 7) to address matters identified during the post-implementation review of IFRS 9. The amendments relate to derecognition of a financial liability settled through electronic transfer, classification of financial assets and disclosures of certain financial assets and financial liabilities. The Company will evaluate the amendments and implement them accordingly.

IFRS 18 – Presentation and Disclosures in Financial Statements

In April 2024, the IASB issued its new standard IFRS 18 – Presentation and Disclosures in Financial Statements that will replace IAS 1 – Presentation of Financial Statements. The new standard aims at improving how entities communicate in their financial statements. The Company will evaluate the standard and implement it accordingly.

IFRS 19 – Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued a new standard IFRS 19 - Subsidiaries without Public Accountability: Disclosures. The standard allows a subsidiary which does not have public accountability and has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards, to elect IFRS 19. Such an entity applies the requirements in other IFRS Accounting Standards, except for the disclosure requirements, instead the entity applies the requirements in IFRS 19.

7. Financial assets, financial liabilities and equity instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and 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 measured on initial recognition of financial asset or financial liability.

Trade receivable

Trade recoverable without a significant financing component is initially measured at transaction price.

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Notes forming part of the Financial Statements for the year ended December 31, 2024

The Company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in other comprehensive income.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments recognised by the Company are recognised at the proceeds received net of direct issue cost.

Impairment of financial assets (other than at fair value)

The Company assesses at each date of statement of financial position whether a financial asset or a group of financial assets is impaired. IFRS 9 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. In determining the allowances for doubtful trade receivables the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Derecognition

(a) Financial asset

The Company derecognises a financial asset when the contractual right to the cash flows from the financial asset expire, or it transfers the right to receive the contractual cash flow in a transaction in which substantially all of the risks and rewards of the ownership of financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of financial asset.

The Company enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases the transferred assets are not derecognised.

(b) Financial liability

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The company also derecognises financial liability when its terms are modified and cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of financial liability the difference between the carrying amount extinguished and the consideration paid (including any non cash asset transferred or liabilities assumed) is recognised in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liabilities simultaneously.

Notes forming part of the Financial Statements for the year ended December 31, 2024

a. Cash and cash equivalents

(Amount in ZAR)

	As at December 31, 2024	As at December 31, 2023
Cash in hand	**16,000**	16,000
Balances with bank	**135,232,196**	139,831,399
Short term bank deposits	**100,000,000**	-
Total	**235,248,196**	139,847,399

b. Trade receivables

(Amount in ZAR)

	As at December 31, 2024	As at December 31, 2023
Trade receivables - current		
Trade receivables*	**371,177,635**	445,665,075
Less: Allowance for doubtful trade receivables	**(26,365,146)**	(1,192,540)
Total	**344,812,489**	444,472,535

*Trade receivables include balances with related party of ZAR 33,324,761 as at December 31,2024 (ZAR 44,746,419 as at December 31, 2023) (Refer Note No. 15)

Movement in the provision for doubtful debt

(Amount in ZAR)

	As at December 31, 2024	As at December 31, 2023
At January 1	**1,192,540**	26,759,304
Additional provision/(reversal) during the year	**25,172,606**	(25,566,764)
Recovered during the year	**-**	-
Add/Less: Exchange difference	**-**	-
At December 31	**26,365,146**	1,192,540

c. Other financial assets

Other financial asset consist of the following:

(Amount in ZAR)

Other Financial assets-non current	As at December 31, 2024	As at December 31, 2023
Employee advances (net of allowance)	**857,327**	357,659
Premises deposits (net of allowance)	**3,118,277**	3,396,083
Other*	**6,447,007**	57,375
Total	**10,422,611**	3,811,117

Notes forming part of the Financial Statements for the year ended December 31, 2024

Other financial assets - non current

(Amount in ZAR)

	As at December 31, 2024	As at December 31, 2023
Other deposits	**16,699**	16,699
Loan - Isisekelo Sethu Trust**	**50,400,000**	-
Premises deposits (net of allowance)	**1,141,876**	-
Total	**51,558,575**	16,699

*Other include balances with related party of ZAR 107,280 as at December 31, 2024 (ZAR 57,375 as at December 31, 2023) (Refer Note No. 15)

**The Company has entered into an agreement with Isisekelo Sethu Trust and signed a loan agreement with the Company. The loan will accrue interest at prime rate per annum and be repaid over 10 years.

d. Trade payables

(Amount in ZAR)

	As at December 31, 2024	As at December 31, 2023
Trade payables*	**545,032,087**	392,991,332
Accrued expenses	**109,450,805**	154,992,660
Total	**654,482,892**	547,983,992

*Trade payables and Accrued expenses include balances with related party of ZAR 621,800,451 as at December 31, 2024 (ZAR 516,797,363 as at December 31, 2023) (Refer Note No. 15)

e. Other financial liabilities - current

(Amount in ZAR)

	As at December 31, 2024	As at December 31, 2023
Accrued payroll	**631,124**	601,978
Liabilities towards customer contracts	**-**	-
Total	**631,124**	601,978

f. Financial instruments by category

The carrying value of financial assets and financial liabilities as at December 31, 2024 is as follows:

(Amount in ZAR)

	Amortised cost	Total carrying Value
Financial assets		
Cash and cash equivalents	**235,248,196**	235,248,196
Trade receivables	**344,812,489**	344,812,489
Unbilled receivables	**24,488,956**	24,488,956
Other financial assets	**61,981,186**	61,981,186
Total	**666,530,827**	666,530,827
Financial liabilities		
Trade payables	**654,482,892**	654,482,892
Other financial liabilities	**631,124**	631,124
Total	**655,114,016**	655,114,016

Back to content

Notes forming part of the Financial Statements for the year ended December 31, 2024

The carrying value of financial assets and financial liabilities as at December 31, 2023 is as follows:

(Amount in ZAR)

	Amortised cost	Total carrying Value
Financial assets		
Cash and cash equivalents	**139,847,399**	139,847,399
Trade receivables	**444,472,535**	444,472,535
Unbilled revenues	**11,830,669**	11,830,669
Other financial assets	**3,827,816**	3,827,816
Total	**599,978,419**	599,978,419
Financial liabilities		
Trade payables	**547,983,992**	547,983,992
Other financial liabilities	**601,978**	601,978
Total	**548,585,970**	548,585,970

Carrying amounts of cash and cash equivalents, trade receivables, unbilled receivables and trade payables as at December 31, 2024 and December 31, 2023 approximate the fair value.

g. 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.

h. Financial risk management

The Company is exposed primarily to fluctuations in foreign currency exchange rates, credit, liquidity and interest rate risks, which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which covers risks associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors. The focus of the risk management committee is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the Company.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

- **Foreign currency exchange rate risk**

  The fluctuation in foreign currency exchange rate may have potential impact on the statement of financial statement, where any transaction references more than one currency or where assets/ liabilities are denominated in a currency other than functional currency of the company. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries.

Notes forming part of the Financial Statements for the year ended December 31, 2024

The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

The foreign exchange rate sensitivity is calculated by aggregation of the net foreign exchange rate exposure and a simultaneous parallel foreign exchange rates shift of all the currencies by 10% against the functional currency of the Company.

The following table sets forth information relating to foreign currency exposure as at December 31, 2024:

	USD (equivalent ZAR)	EUR (equivalent ZAR)	GBP (equivalent ZAR)
Net financial assets	**(33,497)**	**(11,927)**	**-**
Net financial liabilities	**914,006**	**122,708**	**1,318,301**

10% depreciation / appreciation of the respective foreign currencies with respect to functional currency of TATA CONSULTANCY SERVICES (SOUTH AFRICA) (PTY) LTD Company would result in decrease / increase in the Company's profit before taxes by approximately ZAR 240,044 for the year ended December 31, 2024.

The following table sets forth information relating to foreign currency exposure as at December 31, 2023:

	USD (equivalent ZAR)	EUR (equivalent ZAR)	GBP (equivalent ZAR)
Net financial assets	483,034	(6,383)	473,986
Net financial liabilities	887,101	-	1,327,242

10% depreciation / appreciation of the respective foreign currencies with respect to functional currency of TATA CONSULTANCY SERVICES (SOUTH AFRICA) (PTY) LTD Company would result in decrease / increase in the Company's profit before taxes by approximately ZAR 126,371 for the year ended December 31, 2023.

- **Interest rate risk**

  Interest rate risk is the risk of changes in market interest rates affecting the overall return of the Company. The Company does not hedge its interest rate exposure. The Company's exposure to interest rate risk is limited to its balance maintained with bank.

Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, unbilled receivables, cash and cash equivalents, and other financial assets.

The Company considers that its receivables from related parties, has low credit risk based on the credit rating of the counter parties.

- **Exposure to credit risk**

  The carrying amount of financial assets and contract assets represents the maximum credit exposure. The maximum exposure to credit risk was ZAR 734,721,277 and ZAR 671,966,838 as of December 31, 2024 and December 31, 2023, respectively being the total of the carrying amount of balances with bank, bank deposit, trade receivable, unbilled receivables, contract assets and other financial assets. Balance with bank are held with banks with high credit ratings. As of December 31, 2024 there were no indications that any defaults will occur on trade receivable, unbilled revenues contract assets, or other financial assets.

  TATA CONSULTANCY SERVICES (SOUTH AFRICA) (PTY) LTD Company's exposure to customers is diversified and single customer contributes to more than 10% of outstanding trade receivables, unbilled receivables and contract assets as at December 31, 2023

Notes forming part of the Financial Statements for the year ended December 31, 2024

(Amount in ZAR)

	As at December 31, 2024		As at December 31, 2023	
Client Name	Total trade receivables and Unbilled revenue	Percentage	Total trade receivables and Unbilled revenue	Percentage
Customer C			83,695,544	16%
Customer D	**76,027,810**	**17%**	-	-
Customer E	**46,342,531**	**11%**	-	-

- **Geographic concentration of credit risk**

The Company has a geographic concentration of trade receivables (net of allowances), unbilled revenue and contract assets as given below:

	As at December 31, 2024	As at December 31, 2023
Africa	**100%**	99.79%
America	**-**	0.10%
UK	**-**	0.11%

Geographical concentration of trade receivables, unbilled receivables and contract assets is allocated based on the location of the customers.

The Company uses an allowance matrix to measure the expected credit loss of trade receivable from customers. The expected credit loss allowance is based on the ageing of the days the receivables are due and are as follows:

(Amount in ZAR)

December 31, 2024	Weighted average loss rate	Gross carrying amount*	Loss allowance	Credit impaired
No Due	**0.82%**	**198,089,837**	**(1,630,279)**	**No**
1-90	**2.20%**	**82,340,176**	**(1,813,426)**	**No**
91-180	**7.14%**	**48,175,823**	**(3,440,291)**	**No**
181-272	**27.47%**	**26,393,420**	**(7,251,131)**	**No**
>273	**100%**	**-**	**-**	**Yes**

December 31, 2023	Weighted average loss rate	Gross carrying amount*	Loss allowance	Credit impaired
No Due	0.74%	300,909,674	(2,225,170)	No
1-90	2.09%	89,643,794	(1,875,183)	No
91-180	8.50%	13,291,963	(1,130,070)	No
181-272	71.91%	-	-	No
>273	100.00%	-	-	Yes

*Gross carrying amount excludes inter-company receivables and receivable against which specific allowance has been made.

Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

Notes forming part of the Financial Statements for the year ended December 31, 2024

The Company consistently generates sufficient cash flows from operations to meet its financial obligations including lease liabilities as and when they fall due.

The tables below provide details regarding the contractual maturities of significant financial liabilities as at:

December 31, 2024	Due in 1st year	Due in 2nd to 5th year	Total
Financial liabilities			
Trade and other payables	**654,482,892**	-	-
Other financial liabilities	**631,124**	-	654,482,892
Total	**655,114,016**	-	654,482,892

December 31, 2023	Due in 1st year	Due in 2nd to 5th year	Total
Financial liabilities			
Trade and other payables	547,983,992	-	547,983,992
Other financial liabilities	601,978	-	601,978
Total	548,585,970	-	548,585,970

i. Equity instruments

(Amount in ZAR)

	As at December 31, 2024	As at December 31, 2023
Authorised		
20,000,000 ordinary shares of ZAR 1 each	**20,000,000**	20,000,000
Issued, Subscribed and Fully paid up		
18,000,001 ordinary shares of ZAR 1 each	**18,000,001**	18,000,001

The remaining unissued ordinary shares are under the unrestricted control of the directors until the forthcoming annual general meeting.

Share holding	**Percentage**	**Percentage**
TATA CONSULTANCY SERVICES (AFRICA) (PTY) LTD	70%	100%
Isisekelo Sethu Trust	30%	-

Capital management

The Company's objective for capital management is to maximize shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. The Company is not subject to any externally imposed capital requirements.

Notes forming part of the Financial Statements for the year ended December 31, 2024

8. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right- of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in profit or loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease-by-lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and profit or loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in profit or loss.

The Company has elected not to apply the requirements of IFRS 16 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

Company as a lessee

Operating leases

For transition, the Company has elected not to apply the requirements of IFRS 16 to leases which are expiring within 12 months from the date of transition by class of asset and leases for which the underlying asset is of low value on a lease-by-lease basis.

The Company incurred ZAR 39,750,426 and ZAR 49,164,821 for year ended December 31, 2024 and for the year ended December 31, 2023, respectively, towards expenses relating to short-term leases and leases of low-value assets.

The total cash outflow for leases is ZAR 39,750,426 and ZAR 49,156,882 for year ended December 31, 2024, and for the year ended December 31, 2023, respectively, including cash outflow for short-term leases and leases of low-value assets.

The Company does not have lease term extension options that are not reflected in the measurement of lease liabilities.

Notes forming part of the Financial Statements for the year ended December 31, 2024

9. Non-financial assets and liabilities

a. Property, plant and equipment

Property, plant and equipment are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use, less accumulated depreciation (other than freehold land) and impairment loss, if any.

Depreciation is provided for property, plant and equipment on a straight line basis so as to expense the cost less residual values over their estimated useful lives based on a technical evaluation. The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

The estimated useful lives are as mentioned below:

Type of asset	Method	Useful life (in years)
Computer and equipment	Straight line method	4 years
Furniture and fixtures	Straight line method	5 years
Office equipment	Straight line method	5 years
Electrical installations	Straight line method	10 years
Leasehold improvements	Straight line method	Lease term

Depreciation is not recorded on capital work in progress until construction and installation are complete and the asset is ready for its intended use. Capital work-in-progress includes capital advances.

Property, plant and equipment with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss.

Property, Plant and equipment consist of the following:

(Amount in ZAR)

	Leasehold improvements	Computer equipment	Furniture and fixtures	Office equipment	Electrical installations	Total
Gross block as at January 1, 2024	**190,000**	**16,969,196**	**281,947**	**993,084**	**912,448**	**19,346,675**
Additions		**322,428**	**46,137**	**72,680**	**41,918**	**483,163**
Disposals	-	-	-	-	-	-
Gross block as at December 31, 2024	**190,000**	**17,291,624**	**328,084**	**1,065,764**	**954,366**	**19,829,838**
Accumulated depreciation as at January 1, 2024	**190,000**	**13,684,800**	**272,710**	**729,712**	**128,661**	**15,005,883**
Disposals	-	-	-	-	-	-
Depreciation for the year		**1,398,956**	**5,839**	**72,757**	**94,451**	**1,572,003**
Accumulated depreciation as at December 31, 2024	**190,000**	**15,083,756**	**278,549**	**802,469**	**223,112**	**16,577,886**
Net carrying amount as at December 31, 2024	-	**2,207,868**	**49,535**	**263,295**	**731,254**	**3,251,952**
Capital work in progress	**720,638**					**720,638**
Total						**3,972,590**

Notes forming part of the Financial Statements for the year ended December 31, 2024

	Leasehold improvements	Computer equipment	Furniture and fixtures	Office equipment	Electrical installations	Total
Gross block as at January 1, 2023	190,000	15,614,353	281,947	881,301	697,856	17,665,457
Additions		1,354,843		111,783	214,592	1,681,218
Disposals						
Gross block as at December 31, 2023	190,000	16,969,196	281,947	993,084	912,448	19,346,675
Accumulated depreciation as at January 1, 2023	190,000	12,228,746	264,331	649,634	43,443	13,376,154
Disposals	-	-	-	-	-	-
Depreciation for the year		1,456,054	8,379	80,078	85,218	1,629,729
Accumulated depreciation as at December 31, 2023	190,000	13,684,800	272,710	729,712	128,661	15,005,883
Net carrying amount as at December 31, 2023	-	3,284,396	9,237	263,372	783,787	4,340,792
Capital work in progress						
Total						4,340,792

b. Other assets

Other assets consist of the following:

(Amount in ZAR)

	As at December 31, 2024	As at December 31, 2023
Other assets - current		
Advance to suppliers	**1**	1,064,201
Prepaid expenses*	**122,180,431**	146,104,110
Contract fulfilment cost**	**2,522,737**	2,377,258
Contract assets	**68,190,449**	71,988,420
Other current assets - others	**-**	287
Total	**192,893,618**	221,534,276

* Prepaid expenses include balances with related party of ZAR 122,149,682 as at December 31, 2024 (ZAR 146,104,110 as at December 31, 2023) (Refer Note No. 15)

** Contract fulfilment cost of ZAR Nil for year ended December 31, 2024 (ZAR 1,429,048 for the year ended December 31, 2023) has been amortized in statement of Profit and Loss.

c. Other liabilities

Other liabilities consist of the following:

(Amount in ZAR)

	As at December 31, 2024	As at December 31, 2023
Other liabilities - current		
Advance received from customers	**96,024**	59,823
Capital creditors	**412,601**	-
Indirect tax payable and other statutory liabilities	**23,475,933**	23,094,445
Other current liabilities - others	**-**	-
Total	**23,984,558**	23,154,268

Back to content

Notes forming part of the Financial Statements for the year ended December 31, 2024

10. Revenue recognition

The Company earns revenue primarily from providing IT services, consulting and business solutions. The Company offers a consulting- led, cognitive powered, integrated portfolio of IT, business and engineering services and solutions.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.
- In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract cost incurred determining the degree of completion of the performance obligation. The contract cost used in computing the revenues include cost of fulfilling warranty obligations.
- Revenue from the sale of distinct internally developed software and manufactured systems and third party software is recognised upfront at the point in time when the system / software is delivered to the customer. In cases where implementation and / or customisation services rendered significantly modifies or customises the software, these services and software are accounted for as a single performance obligation and revenue is recognised over time on a POC method .
- Revenue from the sale of distinct third party hardware is recognised at the point in time when control is transferred to the customer.
- The solutions offered by the Company may include supply of third-party equipment or software. In such cases, revenue for supply of such third party products are recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent of the customer. The Company recognises revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Transaction price attributed in case of contracts with subsidiary is arrived at on the basis of arm's length price. Revenue also excludes taxes collected from customers.

The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract and to ascribe the transaction price to each distinct performance obligation. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Notes forming part of the Financial Statements for the year ended December 31, 2024

Contract fulfilment costs are generally expensed as incurred except for certain software licence costs which meet the criteria for capitalisation. Such costs are amortised over the contractual period or useful life of the licence, whichever is less. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

The billing schedules agreed with customers include periodic performance based payments and/or milestone based progress payments. Invoices are payable within contractually agreed credit period.

In accordance with IAS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Company disaggregates revenue from contracts with customers by nature of services, industry verticals and geography.

Revenue from operations includes ZAR 11,219,976 for the year ended December 31, 2024 (for year ended December 31, 2023: ZAR 8,532,684) towards sale of equipment and software licences.

Revenue disaggregation by nature of services is as follows:

(Amount in ZAR)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Revenue from consultancy services1	**1,952,126,450**	2,141,596,913
Revenue from sale of equipment and software licences	**11,219,976**	8,532,684
Total	**1,963,346,426**	2,150,129,597

*Revenue includes recovery of expenses from Tata Consultancy Services Limited of ZAR 1,662,925 for December, 2024 (ZAR 2,746,139 for December, 2023) and TCS South Africa Branch of ZAR 203,015,597 for December, 2024 (ZAR 248,026,092 for December, 2023)

Revenue disaggregation by industry vertical is as follows:

(Amount in ZAR)

Industry vertical	For the year ended December 31, 2024	For the year ended December 31, 2023
Banking, financial services and insurance	**1,038,653,536**	1,051,651,141
Communication, media and technology	**694,401,321**	839,712,383
Retail and consumer business	**120,710,233**	133,659,488
Manufacturing	**7,247,334**	9,785,175
Others	**102,334,002**	115,321,410
Total	**1,963,346,426**	2,150,129,597

Notes forming part of the Financial Statements for the year ended December 31, 2024

Revenue disaggregation by geography is as follows:

(Amount in ZAR)

Geography	For the year ended December 31, 2024	For the year ended December 31, 2023
Africa	**1,960,427,055**	2,144,138,833
America	**1,046,174**	782,248
Europe	**1,054,017**	1,477,851
Others	**819,180**	3,730,665
Total	**1,963,346,426**	2,150,129,597

Geographical revenue is allocated based on the location of the customers.

While disclosing the aggregate amount of transaction price yet to be recognized as revenue towards unsatisfied or partially satisfied performance obligations, along with the broad time band for the expected time to recognize those revenues, the Company has applied the practical expedient in IFRS 15. Accordingly, the Company has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognized corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts.

Unsatisfied (or partially satisfied) performance obligations are futuristic and therefore subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc). The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is ZAR 1,015,403,848 out of which 57.77% is expected to be recognized as revenue within the next year and the balance thereafter. No consideration from contracts with customers is excluded from the amount mentioned above.

Movement in contract assets is given below:

(Amount in ZAR)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Balance at the beginning of the year	**71,988,420**	120,438,121
Invoices raised that were included in the contract assets balance at the beginning of the year	**(51,121,316)**	(71,213,041)
Increase due to revenue recognised during the year, excluding amounts billed during the year	**47,323,345**	22,763,343
Add / (Less): Translation during the year	**-**	(3)
Balance at the end of the year	**68,190,449**	71,988,420

Changes in unearned and deferred revenue are as follows:

(Amount in ZAR)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Balance at the beginning of the year	**121,059,176**	82,572,908
Revenue recognised that was included in the unearned and deferred revenue balance at the beginning of the year	**(121,059,175)**	(77,805,222)
Increase due to invoicing during the year, excluding amounts recognised as the revenue during the year	**134,436,784**	116,291,475
Add / (Less): Translation during the year	**(21,580)**	15
Closing balance as at December 31	**134,415,205**	121,059,176

Notes forming part of the Financial Statements for the year ended December 31, 2024

11. Cost recognition

Costs and expenses are recognised when incurred and have been classified according to their primary functions in the following categories:

Cost of revenue

These costs primarily include employee compensation of personnel engaged in providing services, travel expenses, fees to external consultants, cost of equipment and software licences, depreciation and amortisation of production related equipment and software, facility expenses, communication expenses and other project related expenses.

Selling, general and administrative expenses

Selling costs primarily include employee compensation for sales and marketing personnel, travel expenses, advertising, business promotion expenses, bad debts and advances written off, allowance for doubtful trade receivables and advances, facility expenses for sales and marketing offices and market research costs.

General and administrative costs primarily include employee compensation for administrative, supervisory, managerial and practice management personnel, depreciation and amortisation expenses of non-production equipment and software, facility expenses for administrative offices, communication expenses, fees to external consultants and other general expenses.

(Amount in ZAR)

Expenses by function	For the year ended December 31, 2024	For the year ended December 31, 2023
Cost of revenue	**1,754,873,679**	1,918,284,842
Selling, general and administrative expenses	**126,990,525**	100,144,984
Total	**1,881,864,204**	2,018,429,826

Costs and expenses are recognized when incurred and have been classified according to their nature.

The costs of the Company are broadly categorised into employee benefit expenses, depreciation and other operating expenses. Employee benefit expenses include employee compensation, allowances paid, contribution to various funds and staff welfare expenses. Other operating expenses mainly include fees to external consultants, facility expenses, travel expenses, cost of equipment and software licenses, communication expenses, bad debts and advances written off, allowance for doubtful trade receivables and advances (net) and other expenses. Other expenses is an aggregation of costs which are individually not material such as contribution to brand equity, employee cost recovery, corporate overhead allocation, commission and brokerage, recruitment and training, entertainment, etc.

Expenses by nature

Other operating expenses	For the year ended December 31, 2024	For the year ended December 31, 2023
Project expenses	**16,954,597**	16,353,116
Facility running expenses*	**41,489,815**	51,698,861
Fees to external consultants	**1,606,399,476**	1,759,936,850
Cost of equipment and software licenses	**14,079,525**	6,899,029
Travel expenses*	**3,979,328**	4,729,328
Communication	**1,888,848**	2,024,540
Other expenses	**25,836,545**	33,592,173
Total	**1,710,628,134**	1,875,233,897

*Facility running expenses & Travel expenses includes short term lease expenses amounting ZAR 39,750,426 for December 31, 2024 (ZAR 49,164,821 for year ended December 31, 2023).

Notes forming part of the Financial Statements for the year ended December 31, 2024

12. Other income

a. Finance income

Dividend income is recorded when the right to receive payment is established. Interest income is recognised using the effective interest method.

	For the year ended December 31, 2024	For the year ended December 31, 2023
Interest on balance with bank	**16,346,257**	11,926,064
Others	**984,478**	223,340
Total	**17,330,735**	12,149,404

13. Income taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year.

Current income taxes

Current tax is based on the taxable profit for the year and is calculated using tax rates that have been enacted by the end of the reporting period. Advance taxes and provisions for current income taxes are presented in the statement of financial position after offsetting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying unit intends to settle the asset and liability on a net basis.

Deferred income taxes

Deferred income taxes are provided for the temporary differences between the tax base of assets and liabilities and their reported amounts in the financial statements.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for the company. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Notes forming part of the Financial Statements for the year ended December 31, 2024

The income tax expense consists of the following:

(Amount in ZAR)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Current tax		
Current tax expense for current year	**35,268,097**	41,437,079
Current tax (benefit) / expense pertaining to prior years	**-**	64,570
Deferred tax	**35,268,097**	41,501,649
Deferred tax expense for current year	**(8,239,407)**	(2,198,168)
Deferred tax expense resulting from reduction in tax rate	**-**	-
Deferred tax expense pertaining to prior years	**34,993**	(62,264)
	(8,204,414)	(2,260,432)
Total tax expense	**27,063,683**	39,241,217

The reconciliation of estimated income tax expense at the Statutory income tax rate to income tax expense reported in statement of profit or loss and other comprehensive income is as follows:

	For the year ended December 31, 2024	For the year ended December 31, 2023
Current tax expenses		
Income before taxes	**98,958,710**	143,679,297
Statutory tax rate	**27.00%**	27.00%
Expected income tax expense	**26,718,853**	38,793,410
Less: Income exempt from tax	**-**	-
Tax pertaining to prior years:		
Current tax	**-**	64,570
Deferred tax	**(34,993)**	(62,264)
Temporary disallowed expenses		
Other non deductible	**379,823**	445,501
Total tax expense	**27,063,683**	39,241,217

Notes forming part of the Financial Statements for the year ended December 31, 2024

Significant components of net deferred tax assets and liabilities for year ended December 31, 2024 are as follows:

(Amount in ZAR)

	Opening balance	Recognised through profit or loss	Closing balance as on December 31, 2024
Deferred tax assets			
Deferred tax assets in relation to:			
Deferred revenue	**32,685,977**	**3,606,128**	**36,292,105**
Allowances for receivables, loans and advances	**(111,995)**	**(2,364,036)**	**(2,476,031)**
Provisions	**5,855,809**	**6,970,623**	**12,826,432**
Other advance - rent	**-**	**(8,302)**	**(8,302)**
Total deferred tax asset (net)	**38,429,791**	**8,204,413**	**46,634,204**

Significant components of net deferred tax assets and liabilities for the year ended December 31, 2023 are as follows:

	Opening balance	Recognised through profit or loss	Closing balance as on December 31, 2023
Deferred tax assets			
Deferred tax assets in relation to:			
Deferred revenue	22,294,685	10,391,292	32,685,977
Allowances for receivables, loans and advances	(2,513,048)	2,401,053	(111,995)
Provisions	17,496,993	(11,641,184)	5,855,809
Other advance - rent	(1,109,272)	1,109,272	-
Total deferred tax asset (net)	**36,169,358**	**2,260,433**	**38,429,791**

IFRIC 23 Interpretation uncertainty over income tax treatment

IFRIC 23 interpretation addresses the accounting for income taxes when there is uncertainty over tax treatments. It clarifies that an entity must consider the probability that the tax authorities will accept a treatment retained in its income tax filings, assuming that they have full knowledge of all relevant information when making their examination. In such a case, the income taxes shall be determined in line with the income tax filings.

Application of IFRIC 23

The Company reviewed its income tax treatments in order to determine whether IFRIC 23 interpretation could have an impact on the financial statements. In that respect, the Company observed that there are no instances of any uncertain tax treatment in the past and on that basis it is reasonable to conclude that all the tax treatments are accepted by the tax officer and hence IFRIC-23 is not applicable.

14. Employee benefits

The Company provides for amount payable to be employees for compensated absences per the Company's policy, which are expected to occur within twelve months after the end of the period in which the employee render the related services are recognised as undiscounted liability at the date of statement of financial position.

Notes forming part of the Financial Statements for the year ended December 31, 2024

Employee cost consist of the following:

	For the year ended December 31, 2024	For the year ended December 31, 2023
Contributions to provident and other funds	**17,393,481**	15,387,346
Salaries & bonus	**124,086,355**	124,330,969
Staff welfare	**1,821,907**	1,694,074
Total	**143,301,743**	141,412,389

Employee benefit obligation consist of the following:

	For the year ended December 31, 2024	For the year ended December 31, 2023
Employee benefit obligations - current		
Compensated absences	**3,762,132**	3,914,732
Other employee benefits	**4,170**	18,878
Total	**3,766,302**	3,933,610

15. Related party transactions

TATA CONSULTANCY SERVICES (SOUTH AFRICA) (PTY) LTD principal related parties consist of its ultimate holding company Tata Sons Private Limited, its parent of holding company Tata Consultancy Services Limited, its holding Company TATA CONSULTANCY SERVICES (AFRICA) (PTY) LTD and its subsidiaries, affiliates and its key managerial personnel. The Company routinely enters into transactions with its related parties in the ordinary course of business.

Transactions with related parties

(Amount in ZAR)

Particulars	With Tata Sons Private Limited, Ultimate Holding Company	With TATA CONSULTANCY SERVICES (AFRICA) (PTY) LTD, Holding Company	With Tata Consultancy Services Limited, Parent of Holding Company	With Tata Consultancy Services Limited - South Africa Branch, Holding Company	With Tata Africa Holding (SA) Pty. Ltd. Subsidiary of Ultimate Holding Company	Good Hope Palace Hotels(Pty) Ltd., Subsidiary of Ultimate Holding Company	Total
For the year ended December 31, 2024							
Revenue from sale of services and licences	-	-	**1,662,925**	**203,015,597**	-	-	**204,678,522**
Purchases of goods and services (including reimbursement)	-	-	**968,498,842**	**581,688,954**	**18,809**	**84,382**	**1,550,290,987**
Rent expense	-	-	-	-	**1,548,994**	-	**1,548,994**
Brand equity contribution	**4,348,667**	-	-	-	-	-	**4,348,667**
Dividend paid	-	**139,140,007**	-	-	-	-	**139,140,007**

Notes forming part of the Financial Statements for the year ended December 31, 2024

Particulars	With Tata Sons Private Limited, Ultimate Holding Company	With TATA CONSULTANCY SERVICES (AFRICA) (PTY) LTD, Holding Company	With Tata Consultancy Services Limited, Parent of Holding Company	With Tata Consultancy Services Limited - South Africa Branch, Holding Company	With Tata Africa Holding (SA) Pty. Ltd. subsidiary of Ultimate Holding Company	Good Hope Palace Hotels (Pty) Ltd., Subsidiary of Ultimate Holding Company	Total
For the year ended December 31, 2023							
Revenue from sale of services and licences	-	-	2,746,139	248,026,092	-	-	250,772,231
Purchases of goods and services (including reimbursement)	-	-	931,715,419	729,070,695	18,809	551,400	1,661,356,323
Rent expense	-	-	-	-	3,896,699	-	3,896,699
Brand equity contribution	4,748,393	-	-	-	-	-	4,748,393
Dividend paid	-	77,760,004	-	-	-	-	77,760,004

Balances with related parties

(Amount in ZAR)

Particulars	With Tata Sons Private Limited, Ultimate Holding Company	With Tata Consultancy Services Limited, Parent of Holding Company	With Tata Consultancy Services Limited- South Afrrica Branch, holding COmpany	With Tata Africa Holding (SA) Pty. Ltd. subsidiary of Ultimate Holding Company	Good Hope Place Hotels (Pty) Ltd., Subsidiary of Ultimate Holding	Total
As at December 31, 2024						
Trade receivable unbilled receivable and prepayments prepayments (net)			**33,324,761**			**33,324,761**
Trade payables, unearned and deferred revenue, other financial liabilities and other liabilities	**3,141,823**	**178,160,482**	**443,639,969**	**14,375**	**-**	**624,956,649**
Prepaid expenses	**-**	**38,139,380**	**84,010,302**	**-**	**-**	**122,149,682**
Volume discount	**-**	**34,118**	**73,162**	**-**	**-**	**107,280**
As at December 31, 2023						
Trade receivables, unbilled receivables and prepayments (net)	-	995,716	43,750,702		-	44,746,418
Trade payables, unearned and deferred revenue, other financial liabilities and other liabilities	3,510,609	111,092,197	402,192,589		1,968	516,797,363
Prepaid expenses	-	107,522,247	38,581,863		-	146,104,110
Volume discount	-	22,435	34,940		-	57,375

Back to content

Notes forming part of the Financial Statements for the year ended December 31, 2024

16. Compensation to key managerial personnel

Mr. Henry Langa Dube (Director)

(Amount in ZAR)

Particulars	For the year ended December 31, 2024	For the year ended December 31, 2023
Basic	**2,184,810**	2,089,488
Bonus	**469,248**	330,246
Other contribution	**582,618**	525,862
Total	**3,236,676**	2,945,596

17. Going concern

The directors have, at the time of approving the financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

18. Subsequent events

There have been no circumstances of a material nature that have occurred between the financial year end and the date of approval of these financial statements that require adjustment or disclosure in the financial statements.

TCS Financial Solutions Australia Pty Limited
General Purpose Financial Report

ABN 20 001 899 369

Financial Statements And Independent Auditor's Report

For the year ended

March 31, 2025

FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

CONTENT	PAGE
Directors' report	24.2
Auditor's independence declaration	24.4
Statement of profit or loss and other comprehensive income	24.5
Statement of financial position	24.6
Statement of changes in equity	24.7
Statement of cash flows	24.8
Notes to financial statements	24.9
Directors' declaration	24.24
Independent auditor's report	24.25

Back to main content

DIRECTORS' REPORT

The directors present their report together with the financial report of TCS Financial Solutions Australia Pty Limited (" the Company") for the year ended March 31, 2025 and the auditor's report theron.

1. DIRECTORS

The names of the directors in office at any time during or since the end of the year are:

Vikram Singh	Appointed January 31, 2025
Venkateshwaran Srinivasan	Appointed June 12, 2017
Neville Joseph Roach	Resignation January 31, 2025
Natarajan Ganapathy Subramaniam	Resignation April 1, 2024
Girish Ramachandran Payangatiri	Resignation January 31, 2025

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

2. PRINCIPAL ACTIVITIES

The principal activities of the Company during the financial year were the development and sale of specialist banking software and the provision of implementation and project management services.

No significant change in the nature of these activities occurred during the year.

3. REVIEW OF OPERATIONS

The profit of the Company for the financial year after providing for income tax amounted to AUD$ 13,209,242 (2024: AUD$ 5,729,799).

The Company has continued its focus on its core competency of product development with further growth of its core banking product to capture greater market share of the Banking sector.

4. ENVIRONMENTAL ISSUES

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

5. DIVIDENDS

AUD$ 8,000,000 dividend was declared and paid to TCS FNS Pty Limited (Holding Company) during the financial year (2024: AUD$ 9,500,000).

6. EVENTS SUBSEQUENT TO REPORTING DATE

There have been no matters which have arisen in the interval between the end of the financial year and the date of this report, any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

7. LIKELY DEVELOPMENTS

Information about likely developments in the operations of the Company and the expected results of those operations in future financial years has not been included in this report because disclosure of the information would be likely to result in unreasonable prejudice to the Company.

8. SHARES UNDER OPTIONS

No options over issued shares or interests in the Company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

9. INDEMNITY AND INSURANCE OF OFFICERS AND AUDITORS

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the company.

10. PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

11. LEAD AUDITOR'S INDEPENDENCE DECLARATION

The Lead auditor's independence declaration is set out on page 22.4 and forms part of the directors' report for the financial year ended March 31, 2025.

This report is made out in accordance with a resolution of the directors:

Vikram Singh

Director

Date: 07 May, 2025

LEAD AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

To the Directors of TCS Financial Solutions Australia Pty Ltd

I declare that, to the best of my knowledge and belief, in relation to the audit of TCS Financial Solutions Australia Pty Ltd for the financial year ended 31 March 2025 there have been:

i. no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

Adam Bird
Partner
Sydney
07 May 2025

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Statement of Profit or Loss and Other Comprehensive Income

(Amounts in AUD)

	Note	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue	4	**21,643,933**	10,947,024
Other income, net	4	**13,222**	216,634
Expenses			
Project expenses		**(2,985,056)**	(2,242,669)
Legal and professional fees		**(58,655)**	(70,894)
Facility expenses		**(15,353)**	(20,899)
Other expenses, net		**(172,025)**	(32,601)
Profit before income tax expense		**18,426,066**	8,796,595
Income tax expense	5	**(5,216,824)**	(3,066,796)
Net profit for the year		**13,209,242**	5,729,799
OTHER COMPREHENSIVE INCOME			
Other comprehensive income for the year, net of tax		**-**	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**13,209,242**	5,729,799

SEE ACCOMPANYING NOTES (1 TO 17) FORMING PART OF THE FINANCIAL STATEMENTS.

Statement of Financial Position

(Amounts in AUD)

	Note	As at March 31, 2025	As at March 31, 2024
Current assets			
Cash and cash equivalents	7	**2,605,518**	8,466,171
Trade and other receivables	8	**23,245,133**	8,341,637
Other current assets	9	**384,361**	181,786
Total current assets		**26,235,012**	16,989,594
Non-current assets			
Deferred tax assets (net)		**124,161**	71,579
Total non-current assets		**124,161**	71,579
Total assets		**26,359,173**	17,061,173
Current liabilities			
Trade and other payables	12	**5,226,498**	1,137,740
Borrowings-Loan from related parties	16	**6,027,421**	6,027,421
Total current liabilities		**11,253,919**	7,165,161
Total liabilities		**11,253,919**	7,165,161
Net Assets		**15,105,254**	9,896,012
Equity			
Share capital	13	**4**	4
Accumulated profits		**15,105,250**	9,896,008
Total equity		**15,105,254**	9,896,012

SEE ACCOMPANYING NOTES (1 TO 17) FORMING PART OF THE FINANCIAL STATEMENTS.

Statement of Changes in Equity

(Amounts in AUD)

	Share Capital	Accumulated profits	Total
Balance as at March 31, 2023	4	13,666,209	13,666,213
Profit for the year	-	5,729,799	5,729,799
Total comprehensive income	-	5,729,799	5,729,799
Dividend paid	-	(9,500,000)	(9,500,000)
Balance as at March 31, 2024	**4**	**9,896,008**	**9,896,012**
Profit for the year	**-**	**13,209,242**	**13,209,242**
Total comprehensive income	**-**	**13,209,242**	**13,209,242**
Dividend paid	**-**	**(8,000,000)**	**(8,000,000)**
Balance as at March 31, 2025	**4**	**15,105,250**	**15,105,254**

SEE ACCOMPANYING NOTES (1 TO 17) FORMING PART OF THE FINANCIAL STATEMENTS.

Statement of Cash Flows

(Amounts in AUD)

	For the year ended March 31, 2025	For the year ended March 31, 2024
Cash flows from operating activities		
Cash received from customers	**6,740,437**	13,773,105
Cash paid to suppliers, employees and others	**(3,312,671)**	(2,923,713)
Income tax paid	**(1,301,641)**	(2,387,767)
Net cash flows generated from operating activities	**2,126,125**	8,461,625
Cash flows from financing activities		
Interest received	**13,222**	216,634
Dividends paid	**(8,000,000)**	(9,500,000)
Net cash flows used in financing activities	**(7,986,778)**	(9,283,366)
Net increase/(decrease) in cash and cash equivalents	**(5,860,653)**	(821,741)
Cash and cash equivalents at the beginning of the financial year	**8,466,171**	9,287,912
Cash and cash equivalents at the end of year (Refer Note No.7)	**2,605,518**	8,466,171

SEE ACCOMPANYING NOTES (1 TO 17) FORMING PART OF THE FINANCIAL STATEMENTS.

Notes forming part of the financial statements

1. REPORTING ENTITY

TCS Financial Solutions Australia Pty Limited (the "Company") is a Company limited by shares, incorporated and domiciled in Australia. The registered office address is TCS Financial Solutions Australia Pty Limited, Level 6, 76 Berry Street, North Sydney NSW 2060. TCS FNS Pty Ltd is the parent entity holding 100% of shares of the company. The main business of the company is to create computer software for banking and to market and license the software worldwide and to provide maintenance services.

2. BASIS OF PREPARATION

a. Basis of accounting

These financial statements are general purpose financial statements for distribution to the shareholder and for the purpose of fulfilling the requirements of the Corporations Act 2001. They have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures made by the Australian Accounting Standards Board and the Corporations Act 2001.

The statement of cash flows have been prepared under direct method, disclosing major classes of gross cash receipts and payments related to operating activities.The Accounting Standards require cash flows from interest ,Proceeds from sale of Investment and dividends received and paid to be disclosed separately.

The financial statements were authorised for issue by the directors on 07 May, 2025.

b. Basis of measurement

The financial statements have been prepared on historical cost basis at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for 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.

3. MATERIAL ACCOUNTING POLICIES

a. Income tax

The income tax expense (income) for the year comprises current income tax expense (income) and deferred tax expense (income). Current and deferred income tax expense (income) is charged or credited directly to other comprehensive income instead of the profit or loss when the tax relates to items that are credited or charged directly to other comprehensive income.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under AASB 137 Provisions, Contingent Liabilities and Contingent.

Current tax

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that:
- is not a business combination; and
- at the time of the transaction (i) affects neither accounting nor taxable profit or loss and (ii) does not give rise to equal taxable and deductible temporary differences

Notes forming part of the financial statements

- temporary differences related to investments in subsidiaries and associates to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflects uncertainty related to income taxes, if any.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if certain criteria are met.

Tax consolidation

The Company is part of a tax consolidated group headed by the Holding Company within Australia and is not the tax parent of this group.

Current tax expense and deferred tax balances arising from temporary differences of the members of the tax-consolidated group are recognised in the separate financial statements of the members of the tax-consolidated group using the 'separate tax payer within the group' approach.

The Company has entered into a tax sharing agreement with the head entity. The tax sharing agreement in the opinion of the directors, limits the joint and several liability of the other entities within the Tax Consolidated Group in case of a default by the Company.

The entities in the Tax Consolidated Group have also entered into a Tax Funding Agreement under which the Company fully compensate the head entity for any current tax payable assumed and is compensated by the head entity for any current tax receivable and deferred tax assets relating to unused tax losses or unused tax credits that are transferred to the head entity under the tax consolidation legislation. The funding amounts are determined by reference to the amounts recognised in the Company's financial statements.

The Organisation for Economic Co-operation and Development (OECD) has published the model rules for global minimum tax (Pillar Two model rules). The Group has determined that the global minimum top-up tax - which it is required to pay under Pillar Two legislation - is an income tax in the scope of AASB 112.

Pillar Two legislation has been enacted, or substantively enacted, in certain jurisdictions where the Group operates. The Group is within the scope of the OECD Pillar Two model rules and has evaluated the potential exposure to global minimum tax. The Group does not expect any material financial impact for the current period. The evaluation of the potential exposure is based on the most recent country-by-country reporting, and financial statements for the constituent entities in the Group.

b. Property, plant and equipment

Each class of property, plant and equipment is carried at cost, less any accumulated depreciation and impairment losses.

Notes forming part of the financial statements

Plant and equipment

Items of plant and equipment are measured at cost less depreciation and impairment losses.

The cost of fixed assets constructed within the Group includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including building and capitalised leased assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the Group commencing from the time the asset is held ready for use. Leased assets are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the assets.

The useful life for each class of depreciable assets is:

Class of fixed asset	Useful life
Furniture and fittings	5-7 years
Plant and equipment	2.5 to 7 years
Motor vehicles	5 years
Leasehold improvements	10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting period date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of profit or loss and other comprehensive income.

c. Intangible assets

Intangible assets purchased are measured at cost as at the date of acquisition, less accumulated amortisation and accumulated impairment, if any. Intangible assets acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses, if any. Intangible assets are amortised on a straight line basis.

d. Financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and 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 measured on initial recognition of the financial asset or financial liability.

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Notes forming part of the financial statements

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received net of any direct issue costs.

e. Impairment

Financial assets (other than at fair value)

The Company assesses at each reporting date whether a financial asset or a group of financial assets is impaired. AASB 9 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. In determining the allowances for doubtful trade receivables the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

f. Foreign currency transactions and balances

Functional and presentation currency

The functional currency of each entity is measured using the currency of the primary economic environment in which that entity operates. The financial statements are presented in Australian dollars which is the Company's functional and presentation currency.

Transaction and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the statement of profit or loss and other comprehensive income, except where deferred in other comprehensive income as a qualifying cash flow or net investment hedge.

Exchange difference arising on the translation of non-monetary items are recognised directly in other comprehensive income to the extent that the gain or loss is directly recognised in other comprehensive income, otherwise the exchange difference is recognised in the statement of profit or loss and other comprehensive income.

g. Employee benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

Notes forming part of the financial statements

h. Provisions

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured using the best estimate of amounts required to settle the obligation at the end of the reporting period.

i. Revenue

The Company earns revenue primarily from sale of computer software for banking and to market and license the software worldwide and to provide maintenance services.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

- Revenue from time and material and job contracts is recognised on an output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.
- In respect of other fixed-price contracts, revenue is recognised using the percentage-of-completion method ('POC method') of accounting with contract costs incurred determining the degree of completion of the performance obligation. The contract cost used in computing the revenues includes the cost of fulfilling warranty obligations.
- Revenue from the sale of distinct internally developed software and manufactured systems and third party software is recognised upfront at the point in time when the system / software is delivered to the customer. In cases where implementation and / or customisation services rendered significantly modifies or customises the software, these services and software are accounted for as a single performance obligation and revenue is recognised over time on a POC method .
- Revenue from the sale of distinct third party hardware is recognised at the point in time when control is transferred to the customer.
- The solutions offered by the Company may include supply of third-party equipment or software. In such cases, revenue for supply of such third party products are recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent of the customer. The Company recognises revenue at the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract and to ascribe the transaction price to each distinct performance obligation. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how a customer consumes benefits as services

Notes forming part of the financial statements

are rendered or who controls the asset as it is being created or existence of an enforceable right to payment for performance to date and any alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Revenue for fixed-price contracts is recognised using the percentage-of-completion method. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.

Contract fulfilment costs are generally expensed as incurred except for certain software licence costs which meet the criteria for capitalisation. Such costs are amortised over the contractual period or useful life of the licence, whichever is less. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is an unconditional right to receive cash, and the only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

In accordance with AASB 137, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

The billing to customers follow different schedules based upon the nature and type of goods and services being transferred. The billing schedules agreed with customers could include periodic performance based payments and/or milestone based progress payments. Invoices are payable within a contractually agreed credit period.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews any modifications to a contract in conjunction with the original contract on the basis which the transaction price could be allocated to a new performance obligation or transaction price of an existing obligation could undergo a change. In the event that the transaction price is revised for an existing obligation, a cumulative adjustment is accounted for.

The Company disaggregates revenue from contracts with customers by industry verticals, geography and nature of services.

j. Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

k. Critical accounting estimates and judgments

The Directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

l. Adoption of new and revised accounting standards

The Group has adopted International Tax Reform - Pillar Two Model Rules (Amendments to AASB 112 and AASB 1060) upon their release in June 2023. The amendments provide a temporary mandatory exception from deferred tax accounting for the top-up tax, which is effective immediately, and require disclosures about the Pillar Two exposure.

The Group has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax, if any, and will account for it as a current tax when it is incurred.

Notes forming part of the financial statements

4. REVENUE

(Amounts in AUD)

	For the year ended March 31, 2025	For the year ended March 31, 2024
Operating activities		
Consultancy revenue	**2,471,318**	2,178,748
License fees	**19,172,615**	8,768,276
Total	**21,643,933**	10,947,024
Non operating activities		
Interest received	**13,222**	216,634
Total	**13,222**	216,634

Revenue disaggregation by industry vertical is as follows:

(Amounts in AUD)

Industry vertical	For the year ended March 31, 2025	For the year ended March 31, 2024
Banking , financial services and insurance	**21,643,933**	10,947,024
Total	**21,643,933**	10,947,024

Revenue disaggregation by geography is as follows:

(Amounts in AUD)

Geography	For the year ended March 31, 2025	For the year ended March 31, 2024
Asia Pacific	**2,707,892**	2,216,539
India	**18,936,041**	8,730,485
Total	**21,643,933**	10,947,024

Geographical revenue is allocated based on the location of the customers.

Revenue disaggregation by timing of revenue recognition is as follows:

(Amounts in AUD)

	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue recongnised at a point in time	**18,962,431**	8,802,677
Revenue recongnised over time	**2,681,502**	2,144,347
Total	**21,643,933**	10,947,024

While disclosing the aggregate amount of transaction price yet to be recognized as revenue towards unsatisfied or partially satisfied performance obligations, along with the broad time band for the expected time to recognize those revenues, the Company has applied the practical expedient in AASB 15. Accordingly, the Company has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where

Notes forming part of the financial statements

revenue recognized corresponds to the value transferred to the customer typically involving time and material, outcome based and event based contracts.

Unsatisfied (or partially satisfied) performance obligations are futuristic and therefore subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc). The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is AUD$ 1,943,356 out of which AUD$ 808,578 (41.62%) is expected to be recognized as revenue within the next year and the balance thereafter. No consideration from contracts with customers is excluded from the amount mentioned above.

5. INCOME TAX (EXPENSE) / INCOME

(Amounts in AUD)

	For the year ended March 31, 2025	For the year ended March 31, 2024
Current tax expense	**(5,598,817)**	(2,537,215)
Tax expense related to prior years	**329,411**	(436,681)
Deferred tax benefit/(expense)	**52,582**	(92,900)
Total	**(5,216,824)**	(3,066,796)
Reconciliation of effective tax rate		
Profit before tax	**18,426,066**	8,796,595
Current tax provision @ 30% (2024: 30%)	**(5,527,820)**	(2,638,979)
Over/(under) provision from prior year	**329,411**	(436,681)
Non-assessable income	**(18,415)**	8,864
Total	**(5,216,824)**	(3,066,796)

6. AUDITOR'S REMUNERATION

Remuneration of the auditor of TCS Financials Solutions Australia Pty Ltd for auditing the financial statements, taxation and other services

(Amounts in AUD)

	For the year ended March 31, 2025	For the year ended March 31, 2024
- For audit of the financial statements	**38,966**	36,281
Total	**38,966**	36,281

7. CASH AND CASH EQUIVALENTS

(Amounts in AUD)

	As at March 31, 2025	As at March 31, 2024
Balances with banks	**2,605,518**	1,966,171
Deposit with banks	**-**	6,500,000
Total	**2,605,518**	8,466,171

Notes forming part of the financial statements

8. TRADE AND OTHER RECEIVABLES

(Amounts in AUD)

	As at March 31, 2025	As at March 31, 2024
Trade receivables	**335,041**	695,185
Allowance for impairment of receivables	**(12,706)**	-
Amounts due from related parties	**15,200,597**	3,632,968
Unbilled receivables	**7,722,201**	3,986,757
Other receivables	**-**	26,727
Total	**23,245,133**	8,341,637

9. OTHER CURRENT ASSETS

(Amounts in AUD)

	As at March 31, 2025	As at March 31, 2024
Prepayments	**259,166**	119,321
Contract assets	**91,076**	26,000
Other	**34,119**	36,465
Total	**384,361**	181,786

Movement in contract assets is given below :

(Amounts in AUD)

	For the year ended March 31, 2025	For the year ended March 31, 2024
Balance at beginning of the year	**26,000**	62,045
+ Revenue recognised during the year	**93,388**	13,694
- Invoices raised during the year	**(26,000)**	(49,137)
- Translation	**(2,312)**	(602)
Balance at end of the year	**91,076**	26,000

10. PROPERTY, PLANT AND EQUIPMENT

(Amounts in AUD)

	As at March 31, 2025	As at March 31, 2024
Plant and equipment		
Cost	**347,334**	347,334
Accumulated depreciation	**(347,334)**	(347,334)
Net Carrying Amount	**-**	-

Notes forming part of the financial statements

11. DEFERRED TAX ASSETS

(Amounts in AUD)

	As at March 31, 2025	As at March 31, 2024
Non-current		
Deferred tax assets (net)	**124,161**	71,579
Total	**124,161**	71,579

Movement in deferred tax balance

(Amounts in AUD)

March 31, 2025	Opening	Recognised in profit & loss	Closing
Property, plant & equipment	**662**	**(166)**	**496**
Doubtful debts	**-**	**3,812**	**3,812**
Unearned and deferred revenue	**37,091**	**49,300**	**86,391**
Other temporary differences	**33,826**	**(364)**	**33,462**
Total	**71,579**	**52,582**	**124,161**

(Amounts in AUD)

March 31, 2024	Opening	Recognised in profit & loss	Closing
Property, plant & equipment	898	(236)	662
Doubtful debts	5,569	(5,569)	-
Unearned and deferred revenue	126,148	(89,057)	37,091
Other temporary differences	31,864	1,962	33,826
Total	164,479	(92,900)	71,579

12. TRADE AND OTHER PAYABLES

(Amounts in AUD)

	As at March 31, 2025	As at March 31, 2024
Current		
Amounts due to related parties	**4,789,380**	865,345
Amounts due to others	**31,911**	17,066
Accrued expenses	**117,244**	131,697
Unearned and deferred revenue	**287,963**	123,632
Total	**5,226,498**	1,137,740

Notes forming part of the financial statements

Movement in unearned and deferred revenue is given below :

(Amounts in AUD)

	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening balance as on April 1,	**123,632**	420,489
- revenue recognised during the year	**(123,632)**	(420,236)
+ Invoices raised during the year	**287,395**	123,718
+/- Translation	**568**	(339)
Closing balance as on March 31,	**287,963**	123,632

13. SHARE CAPITAL

(Amounts in AUD)

	As at March 31, 2025	As at March 31, 2024
Ordinary shares	**4**	4
Issued and fully paid	**4**	4

The Company does not have a limited amount of authorised capital and issued shares do not have a par value.

There has been no movement in ordinary shares on issue during the current or previous two financial years.

Ordinary shares participate in dividends and proceeds on winding up of the Company in proportion to the number of shares held.

At the shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

Capital management

The Company's objective for capital management is to maximize shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. The Company is not subject to any externally imposed capital requirements.

14. RESERVES

a. Profit reserve

The profit reserve comprises the transfer of profit for the year. Dividend of AUD$ 8,000,000 distributed during the year.

b. Dividend

(Amounts in AUD)

	For the year ended March 31, 2025	For the year ended March 31, 2024
Final dividend	**8,000,000**	9,500,000

On 07 May 2024 the Board declared a dividend of AUD 8,000,000 which was paid on 09 May 2024.

15. CONTINGENT LIABILITIES

The Company had no contingent liabilities or assets as at March 31, 2025 (as at March 31, 2024-Nil).

Notes forming part of the financial statements

15. RELATED PARTY TRANSACTIONS

Transactions with related parties

For the year ended March 31, 2025

(Amounts in AUD)

Particulars	With Tata Sons Private Limited, Ultimate Holding Company	With TCS FNS Pty Limited, Holding Company	With Tata Consultancy Services Limited, Parent Company	With Tata Consultancy Services (Philippines) Inc, Fellow Subsidiary	Total
Revenue from sale of services and licenses	-	-	18,936,041	-	18,936,041
Purchases of goods and services (including reimbursement)	-	-	2,142,679	569,882	2,712,561
Brand equity contribution	6,770	-	-	-	6,770
Rent paid	-	-	15,353	-	15,353
Communication expense	-	-	3,600	-	3,600
Dividend paid	-	8,000,000	-	-	8,000,000
Total	6,770	8,000,000	21,097,673	569,882	29,674,325

For the year ended March 31, 2024

(Amounts in AUD)

Particulars	With Tata Sons Private Limited, Ultimate Holding Company	With TCS FNS Pty Limited, Holding Company	With Tata Consultancy Services Limited, Parent Company	With Tata Consultancy Services (Philippines) Inc, Fellow Subsidiary	Total
Revenue from sale of services and licenses	-	-	8,730,486	-	8,730,486
Purchases of goods and services (including reimbursement)	-	-	1,601,093	379,873	1,980,966
Brand equity contribution	5,541	-	-	-	5,541
Rent paid	-	-	18,272	-	18,272
Communication expense	-	-	3,600	-	3,600
Dividend paid	-	9,500,000	-	-	9,500,000
Total	5,541	9,500,000	10,353,451	379,873	20,238,865

Back to content

Notes forming part of the financial statements

Balances with related parties

As at March 31, 2025

(Amounts in AUD)

Particulars	With Tata Sons Private Limited, Ultimate Holding Company	With TCS FNS Pty Limited, Holding Company	With Tata Consultancy Services Limited, Parent Company	With Tata Consultancy Services (Philippines) Inc, Fellow Subsidiary	Total
Trade receivables	-	-	15,200,597	-	15,200,597
Trade payables, accrued expenses					
Other financial liabilities and Other liabilities	6,585	3,967,764	531,907	283,124	4,789,380
Loans from related parties	-	6,027,421	-	-	6,027,421
Unbilled receivables	-	-	7,722,201	-	7,722,201
Prepaid expenses	-	-	141,687	117,479	259,166
Total	6,585	9,995,185	23,596,392	400,603	33,998,765

As at March 31, 2024

(Amounts in AUD)

Particulars	With Tata Sons Private Limited, Ultimate Holding Company	With TCS FNS Pty Limited, Holding Company	With Tata Consultancy Services Limited, Parent Company	With Tata Consultancy Services (Philippines) Inc, Fellow Subsidiary	Total
Trade receivables	-	-	3,632,968	-	3,632,968
Trade payables, accrued expenses Other financial liabilities and Other liabilities	5,541	414,421	445,383	-	865,345
Loans from related parties	-	6,027,421	-	-	6,027,421
Unbilled receivables	-	-	3,986,757	-	3,986,757
Prepaid expenses	-	-	111,269	-	111,269
Total	5,541	6,441,842	8,176,377	-	14,623,760

17. EVENTS AFTER BALANCE SHEET DATE

No matters or circumstances have arisen since the end of March 31, 2025, which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

Notes forming part of the financial statements

18. DEED OF CROSS GUARANTEE

The Company has entered a deed of cross-guarantee with its holding company , TCS FNS Pty Limited.

Pursuant to ASIC Corporations (Wholly owned Companies) Instrument 2016/785 , the Company guarantees to each creditor payment in full of any debt in the event of winding up of the companies under provisions of the Corporations Act, 2001. If a winding up occurs under the provisions of the Act, the Company will only be liable if after six months any creditor has not been paid in full.

The Company has also given similar guarantees if the Parent is wound up.

A statement of comprehensive income and statement of financial position, comprising the Company which are a party to the Deed, after eliminating all transactions between parties to the Deed of Cross Guarantee, for the year ended 31 March 2025 is set out as follows:

Statement of Profit or Loss and Other Comprehensive Income

(Amounts in AUD)

	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue	**21,643,933**	10,947,024
Other income, net	**13,222**	216,634
Expenses		
Selling, general and administrative expenses	**(3,120,938)**	(2,369,161)
Foreign exchange gain/(loss)	**(93,950)**	(25,563)
Finance costs	**(2,287)**	(1,662)
Other expenses, net	**(13,964)**	-
Profit before income tax expense	**18,426,016**	8,767,272
Income tax expense	**(5,532,667)**	(3,353,383)
Profit for the year	**12,893,349**	5,413,889
Other comprehensive income		
Other comprehensive income for the year, net of tax	**-**	-
Total comprehensive income for the year	**12,893,349**	5,413,889

Notes forming part of the financial statements

Statement of Financial Position

(Amounts in AUD)

	As at March 31, 2025	As at March 31, 2024
Current assets		
Cash and cash equivalents	**2,608,264**	8,468,967
Trade and other receivables	**23,245,133**	8,341,637
Other current assets	**384,362**	181,786
Total current assets	**26,237,759**	16,992,390
Non-current assets		
Deferred tax assets (net)	**1,878,155**	2,141,413
Total non-current assets	**1,878,155**	2,141,413
Total assets	**28,115,914**	19,133,803
Current liabilities		
Trade and other payables	**1,258,737**	723,318
Income tax payable (net)	**3,651,924**	98,581
Total current liabilities	**4,910,661**	821,899
Total liabilities	**4,910,661**	821,899
Net assets	**23,205,253**	18,311,904
Share capital	**37,258,815**	37,258,815
Accumulated profits	**(14,053,562)**	(18,946,911)
Total equity	**23,205,253**	18,311,904

Notes forming part of the financial statements

DIRECTORS' DECLARATION

1. In the opinion of the directors of TCS Financial Solutions Australia Pty Limited (" the Company")

   (a) the Company is not publicly accountable.

   (b) the financial statements and notes, set out on pages (6 to 21), are in accordance with the Corporations Act 2001, including:

      (i) giving a true and fair view of the financial position of the Company as at March 31, 2025 and of its performance for the financial year ended on that date and

      (ii) complying with Australian Accounting Standards- Simplified Disclosure Requirements and the Corporations Regulations 2001; and

   (c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

2. There are reasonable grounds to believe that the Company and the Group entities identified in the Note will be able to meet any obligations or liabilities to which they are or may become subject to by virtue of the deed of Cross Guarantee between the Company and those Group entities pursuant to ASIC Corporations (Wholly-owned Companies) Instrument 2016/785.

Signed in accordance with a resolution of the directors

_____

Vikram Singh Director

Date: 07 May, 2025

INDEPENDENT AUDITOR'S REPORT

To the shareholder of
TCS Financial Solutions Australia Pty Limited

Opinion

We have audited the Financial Report of TCS Financial Solutions Australia Pty Limited (the Company).

In our opinion, the accompanying Financial Report of the Company gives a true and fair view, including of the Company's financial position as at 31 March 2025 and of its financial performance for the year then ended, in accordance with the Corporations Act 2001, in compliance with Australian Accounting Standards - Simplified Disclosures and the Corporations Regulations 2001.

The Financial Report comprises:

- Statement of financial position as at 31 March 2025
- Statement of profit or loss and other comprehensive income, Statement of changes in equity, and Statement of cash flows for the year then ended
- The entity disclosure statement and accompanying basis of preparation as at 31 March 2025
- Notes, including material accounting policies
- Directors' Declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the Financial Report section of our report.

We are independent of the Company in accordance with the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

We confirm that the independence declaration required by the Corporations Act 2001,which has been given to the Directors of TCS Financial Solutions Australia Pty Limited, would be in the same terms if given to the Directors as at the time of this Auditor's Report.

Other Information

Other Information is financial and non-financial information in TCS Financial Solutions Australia Pty Limited's annual report which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report in accordance with the Corporations Act 2001, including giving a true and fair view of the financial position and performance of the Company, and in compliance with Australian Accounting Standards -Simplified Disclosures and the Corporations Regulations 2001
- implementing necessary internal control to enable the preparation of a Financial Report in accordance with the Corporations Act 2001, including giving a true and fair view of the financial position and performance of the Company, and that is free from material misstatement, whether due to fraud or error
- assessing the Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is 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 Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They 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 the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our Auditor's Report.

KPMG

Adam Bird
Partner
Sydney
08 May 2025

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TATA Consultancy Services Malaysia Sdn. Bhd.

(Registration No.: 200301022873 (625293-W))

(Incorporated in Malaysia)

Financial statements for the year ended 31 March 2025

FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

CONTENTS **PAGE**

Directors' report	25.2
Statement of Financial Position	25.5
Statement of comprehensive income	25.6
Statements of changes in equity	25.7
Statement of cash flows	25.8
Notes to the financial statements	25.9
Statement by Directors pursuant to Section 251(2) of the Companies Act, 2016	25.21
Statutory declaration pursuant to Section 251(1)(b) of the Companies Act, 2016	25.22
Independent Auditors' Report	25.23

Back to main content

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2025

The Directors have pleasure in submitting their report and the audited financial statements of the Company for the financial year ended 31 March 2025.

Principal activities

The Company is principally engaged in the provision of end-to-end information technology consulting and software services. There has been no significant change in the nature of these activities during the financial year.

Ultimate holding company

The Directors regard Tata Sons Limited, a company incorporated in India, as the ultimate holding company, during the financial year and until the date of this report.

Results

	RM
Profit for the year	24,591,996

Reserves and provisions

There were no material transfers to or from reserves and provisions during the financial year under review except as disclosed in the financial statements.

Dividends

Since the end of the previous financial year, the amount of dividends declared and paid by the Company were as follows:

- interim ordinary dividend of RM2.50 per ordinary share in respect of the financial year ended 31 March 2025, totalling RM5,000,000 declared on 26 July 2024 and paid on 29 July 2024;
- interim ordinary dividend of RM3.50 per ordinary share in respect of the financial year ended 31 March 2025, totalling RM7,000,000 declared on 25 October 2024 and paid on 28 October 2024;
- interim ordinary dividend of RM2.50 per ordinary share in respect of the financial year ended 31 March 2025, totalling RM5,000,000 declared on 17 March 2025 and paid on 19 March 2025.

The Directors do not recommend any final dividend in respect of the current financial year.

Directors of the Company

Directors who served during the financial year until the date of this report are:

Girish Payangatiri Ramachandran

Jeevan A/L Sarangam Rajoo

Vasudevan Rajagopalan

Sisir Kumar Sahu (Appointed on 25 October 2024)

Manoj Ranjitsinh Rajput (Resigned on 25 October 2024)

Directors' interests in shares

The interests and deemed interests in the ordinary shares of the Company and of its related corporations of those who were Directors at financial year end as recorded in the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares of INR1 each			
	At 1.4.2024	Bought	Sold	At 31.3.2025
Penultimate holding company				
Tata Consultancy Services Limited				
Direct interests:				
Girish Payangatiri Ramachandran	5,000	-	-	5,000
Vasudevan Rajagopalan	3,734	-	-	3,734
Sisir Kumar Sahu	576	-	-	576

The other Directors holding office at 31 March 2025 did not have any interest in the ordinary shares of the Company and of its related corporations during the financial year.

Directors' benefits

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than those shown below) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

The directors' benefits paid to or receivable by directors in respect of the financial year ended 31 March 2025 are as follows:

Directors of the Company:

	RM
Remunerations	1,663,566

There were no arrangements during and at the end of the financial year which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Issue of shares and debentures

There were no changes in the issued and paid-up capital of the Company during the financial year. There were no debentures issued during the financial year.

Options granted over unissued shares

No options were granted to any person to take up unissued shares of the Company during the financial year.

Indemnity and insurance costs

During the financial year, no indemnity was given to or insurance was effected for Directors, officers and auditors of the Company.

Other statutory information

Before the financial statements of the Company were made out, the Directors took reasonable steps to ascertain that:

i) all known bad debts have been written off and adequate provision made for doubtful debts, and

ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

i) that would render the amount written off for bad debts or the amount of the provision for doubtful debts in the Company inadequate to any substantial extent, or

ii) that would render the value attributed to the current assets in the financial statements of the Company misleading, or

iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Company misleading or inappropriate, or

iv) not otherwise dealt with in this report or the financial statements that would render any amount stated in the financial statements of the Company misleading.

At the date of this report, there does not exist:

i) any charge on the assets of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person, or

ii) any contingent liability in respect of the Company that has arisen since the end of the financial year.

No contingent liability or other liability of the Company has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Company to meet its obligations as and when they fall due.

In the opinion of the Directors, the financial performance of the Company for the financial year ended 31 March 2025 has not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

Auditors

The auditors, KPMG PLT, have indicated their willingness to accept re-appointment.

The auditors' remuneration of the Company during the year is RM35,117.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors:

.....

Jeevan A/L Saraijigam Rajoo

Director

Date :

.....

Sisir Kumar Sahu

Director

Date : 2 May 2025

Statement of financial position as at 31 March 2025

(Amount in RM)

	Note	2025	2024
ASSETS			
Plant and equipment	3	**4,302,682**	5,107,672
Other investments	4	**3,680**	3,680
Deferred tax assets	5	**8,206,053**	6,853,838
Other receivables	6	**2,200,043**	1,473,343
Total non-current assets		**14,712,458**	13,438,533
Current tax assets		**599,222**	-
Trade and other receivables	6	**110,967,959**	120,281,278
Cash and cash equivalents	7	**25,638,360**	15,031,294
Total current assets		**137,205,541**	135,312,572
Total assets		**151,917,999**	148,751,105
EQUITY			
Share capital	8	**2,000,000**	2,000,000
Retained earnings		**62,885,531**	55,293,535
Total equity attributable to the owner of the Company		**64,885,531**	57,293,535
LIABILITIES			
Trade and other payables	9	**87,032,468**	84,091,334
Current tax liabilities		**-**	7,366,236
Total current liabilities		**87,032,468**	91,457,570
Total liabilities		**87,032,468**	91,457,570
Total equity and liabilities		**151,917,999**	148,751,105

The notes on pages 24.9 to 24.26 are an integral part of these financial statements.

Statement of comprehensive income for the year ended 31 March 2025

(Amount in RM)

	Note	2025	2024
Revenue	10	**332,915,959**	313,788,785
Cost of services		**(258,792,111)**	(229,302,216)
GROSS PROFIT		**74,123,848**	84,486,569
Other income		**298,529**	908,572
Administrative expenses		**(37,449,737)**	(41,315,824)
Other expenses		**(4,703,193)**	(5,247,864)
RESULTS FROM OPERATING ACTIVITIES		**32,269,447**	38,831,453
Finance income		**291,217**	262,768
PROFIT BEFORE TAX	11	**32,560,664**	39,094,221
Tax expense	12	**(7,968,668)**	(7,056,442)
PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**24,591,996**	32,037,779

The notes on pages 24.9 to 24.26 are an integral part of these financial statements.

Statement of changes in equity for the year ended 31 March 2025

(Amount in RM)

	Note	Non- distributable Share capital	Distributable Retained earnings	Total equity
At 1 April 2023		2,000,000	37,255,756	52,515,965
Profit and total comprehensive income for the year		-	32,037,779	32,037,779
Dividends to owner of the Company	13	-	(14,000,000)	(14,000,000)
At 31 March 2024 /1 April 2024		**2,000,000**	**55,293,535**	**57,293,535**
Profit and total comprehensive income for the year		**-**	**24,591,996**	**24,591,996**
Dividends to owner of the Company	13	**-**	**(17,000,000)**	**(17,000,000)**
At 31 March 2025		**2,000,000**	**62,885,531**	**64,885,531**

Note 8

The notes on pages 24.9 to 24.26 are an integral part of these financial statements.

Statement of cash flows for the year ended 31 March 2025

(Amount in RM)

	Note	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		**32,560,664**	39,094,221
Adjustments for:			
Depreciation of plant and equipment	3	**2,382,346**	2,631,157
Dividend income	11	**-**	(71,353)
Finance income	11	**(291,217)**	(262,768)
Unrealised foreign exchange loss	11	**316,901**	4,149,481
Operating profit before changes in working capital		**34,968,694**	45,540,738
Change in trade and other receivables		**8,119,313**	(19,231,959)
Change in trade and other payables		**3,271,243**	(20,862,540)
Cash generated from operations		**46,359,251**	5,446,239
Tax paid		**(17,286,341)**	(3,589,318)
Net cash from operating activities		**29,072,910**	1,856,921
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of plant and equipment	3	**(1,577,356)**	(2,441,607)
Dividends received from investment in unquoted shares		**-**	71,353
Interest received		**291,217**	262,768
Net cash used in investing activities		**(1,286,139)**	(2,107,486)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends to owner of the Company	13	**(17,000,000)**	(14,000,000)
Net cash used in financing activities		**(17,000,000)**	(14,000,000)
Net increase / (decrease) in cash and cash equivalents		**10,786,771**	(14,250,565)
Effect of exchange rate fluctuations on cash held		**(179,705)**	(4,113,526)
Cash and cash equivalents at 1 April 2024/2023		**15,031,294**	33,395,385
Cash and cash equivalents at 31 March 2025	7	**25,638,360**	15,031,294

The notes on pages 24.9 to 24.26 are an integral part of these financial statements.

Notes forming part of the financial statements

TATA Consultancy Services Malaysia Sdn. Bhd. is a private limited liability company, incorporated and domiciled in Malaysia. The addresses of the principal place of business and registered office of the Company are as follows:

Principal place of business
Level 22A, Axiata Tower
No. 9, Jalan Stesen Sentral 5
50470 Kuala Lumpur Sentral
Kuala Lumpur, Malaysia

Registered office
12th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor, Malaysia

The Company is principally engaged in the provision of end-to-end information technology consulting and software services.

The immediate holding company during the financial year was Tata Consultancy Services Asia Pacific Pte. Ltd., a company incorporated in Singapore. The penultimate and ultimate holding companies during the financial year were Tata Consultancy Services Limited and Tata Sons Limited. Both companies were incorporated in India.

These financial statements were authorised for issue by the Board of Directors on 2 May 2025.

1. BASIS OF PREPARATION

(a) Statement of compliance

The financial statements of the Company have been prepared in accordance with Malaysian Private Entities Reporting Standard ("MPERS") and the requirements of the Companies Act 2016 in Malaysia.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis other than as disclosed in Note 2.

(c) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency.

(d) Use of estimates and judgements

The preparation of the financial statements in conformity with MPERS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to the periods presented in these financial statements, unless otherwise stated.

(a) Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency of the Company at exchange rates at the dates of the transactions.

Notes forming part of the financial statements

Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are retranslated to the functional currency at the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies are not retranslated at the end of the reporting date.

All foreign currency differences are recognised in profit or loss.

(b) Financial instruments

(i) Initial recognition and measurement

A financial asset or financial liability is recognised in the statement of financial position when, and only when, the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is recognised initially at the transaction price (including transaction costs except in the initial measurement of a financial asset or financial liability that is subsequently measured at fair value through profit or loss) unless the arrangement constitutes, in effect, a financing transaction for the Company (for a financial liability) or the counterparty (for a financial asset) to the arrangement. If the arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument as determined at initial recognition.

(ii) Subsequent measurement

Debt instruments that meet the following conditions are measured at amortised cost using the effective interest method:

(a) returns to the holder are determinable, e.g. a fixed amount and/or variable rate of return benchmark against a quoted or observable interest rate;

(b) there is no contractual provision that could result in the holder losing the principal amount or any interest attributable to the current period or prior periods; and

(c) prepayment option, if any, is not contingent on future events.

Debt instruments that are classified as current assets or current liabilities are measured at the undiscounted amount of the cash or other consideration expected to be paid or received unless the arrangement constitutes, in effect, a financing transaction.

All financial assets are assessed at each reporting date whether there is any objective evidence of impairment. An impairment loss is measured as follows:

- For an instrument measured at amortised cost, the impairment loss is the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate.
- For an instrument measured at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

All other financial assets or financial liabilities not measured at amortised cost or cost less impairment are measured at fair value with changes recognised in profit or loss.

(iii) Derecognition

A financial asset or part of it is derecognised when, and only when, the contractual rights to the cash flows from the financial asset expire or are settled, or control of the asset is not retained or substantially all of the risks and rewards of ownership of the financial asset are transferred to another party. On derecognition of a financial asset, the difference between the carrying amount of the financial asset derecognised and the consideration received, including any newly created rights and obligations, is recognised in profit or loss.

A financial liability or part of it is derecognised when, and only when, the obligation specified in the contract is discharged, cancelled or expires. On derecognition of a financial liability, the difference between the carrying

Notes forming part of the financial statements

amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(c) Plant and equipment

(i) Recognition and measurement

Items of plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When significant parts of an item of plant and equipment have different useful lives, they are accounted for as separate items (major components) of plant and equipment.

The gain or loss on disposal of an item of plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of plant and equipment and is recognised net within "other income" or "other expenses" respectively in profit or loss.

(ii) Subsequent costs

The cost of replacing a component of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised to profit or loss. The cost of the day-to-day servicing of plant and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed, and if a component has a useful life that is different from the remainder of that asset, then that component is depreciated separately.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of plant and equipment from the date that they are available for use. Construction-in-progress are not depreciated until the assets are ready for their intended use.

The estimated useful lives are as follows:

• Computers	4 years
• Furniture and fittings	5-10 years
• Leasehold improvements	Lease period
• Office equipment	5 years

If there is an indication that there has been a significant change since the last annual reporting date in the pattern by which the Company expects to consume an asset's future economic benefits, the Company would review its present depreciation method and, if current expectations differ, the Company would amend the residual value, depreciation method or useful life to reflect the new pattern.

(d) Leased assets

Operating leases

Leases, where the Company does not assume substantially all the risks and rewards of ownership are classified as operating leases and the leased assets are not recognised on the statement of financial position.

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense, over the term of the lease. Contingent rentals are charged to profit or loss in the reporting period in which they are incurred.

Notes forming part of the financial statements

(e) Amount due from/to contract customers

Amount due from contract customers represents the gross unbilled amount expected to be collected from customers for contract work performed to date. It is measured at cost plus profit recognised to date less progress billings and recognised losses. Cost includes all expenditure related directly to specific projects and an allocation of fixed and variable overheads incurred in the Company's contract activities based on normal operating capacity. If progress billings exceed costs incurred plus recognised profits, then the difference is presented as amount due to contract customers which is part of trade and other payables in the statement of financial position.

(f) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, balances and deposits with banks.

(g) Impairment of non-financial assets

The carrying amounts of non-financial assets (i.e. plant and equipment) are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash¬generating units.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to sell 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 the risks specific to the asset or cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit exceeds its estimated recoverable amount.

Impairment losses are recognised in the profit or loss. Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amounts of the assets in the cash-generating unit (groups of cash-generating units) on a pro rata basis.

Impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are credited to profit or loss in the financial year in which the reversals are recognised.

(h) Equity instruments

Instruments classified as equity are measured at cost on initial recognition and are not remeasured subsequently.

Ordinary shares

Ordinary shares are classified as equity.

(i) Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations in respect of salaries, annual bonuses, paid annual leave and sick leave are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Notes forming part of the financial statements

(ii) State plans

The Company's contributions to statutory pension funds are charged to profit or loss in the financial year to which they relate. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(j) Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre¬tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(k) Revenue and other income

(i) Goods sold and services

The Company earns revenue from services rendered in relation to information technology and consultancy services. Revenue is recognised only when evidence of an arrangement is obtained and the other criteria to support revenue recognition are met, including the price is fixed or determinable, services have been rendered and collectability of the resulting receivables is reasonably assured. Revenue is reported net of discounts and goods and services tax.

Revenue from bundled contracts that involve supplying computer equipment, licensing software and providing services is allocated separately based on their fair value.

Revenue from contract priced on a time and material basis is recognised as services are rendered and as related costs are incurred.

Revenue from software development contracts, which are generally time bound fixed price contracts, is recognised over the life of the contract using the percentage-of-completion method, with contract costs determining the degree of completion. Losses of such contracts are recognised when probable.

Revenue from Business Process Services contracts priced on the basis of time and material or unit of delivery is recognised as services are rendered or related obligation is performed.

Revenue from sale of internally developed software systems is recognised upon delivery, which is when the absolute right to use passes to the customer and the Company does not have material remaining service obligations.

Revenue from maintenance contracts is recognised on a pro-rate basis over the period of the contract.

(ii) Interest income

Interest income is recognised as it accrues using the effective interest method in profit or loss.

(l) Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous financial years.

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the statement of financial position and their tax bases. Deferred tax is not recognised for the temporary differences that affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are not discounted.

Notes forming part of the financial statements

Deferred tax assets and liabilities are offset if, and only if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they plan to settle current tax assets and liabilities on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3. PLANT AND EQUIPMENT

(Amount in RM)

	Computers	Furniture and fittings	Leasehold improvement	Office equipment	Construction-in-progress*	Total
Cost						
As at 1 April 2024	**11,792,859**	**760,446**	**2,469,278**	**717,290**	**258,837**	**15,998,710**
Additions	**1,043,746**	**217,775**	**128,538**	**187,297**	**-**	**1,577,356**
Transfer	**258,837**	**-**	**-**	**-**	**(258,837)**	**-**
As at 31 March 2025	**13,095,442**	**978,221**	**2,597,816**	**904,587**	**-**	**17,576,066**
Depreciation						
As at 1 April 2024	**7,232,137**	**706,265**	**2,378,430**	**574,206**	**-**	**10,891,038**
Depreciation for the year	**2,147,150**	**29,488**	**111,244**	**94,464**	**-**	**2,382,346**
As at 31 March 2025	**9,379,287**	**735,753**	**2,489,674**	**668,670**	**-**	**13,273,384**
Carrying amounts						
As at 1 April 2024	**4,560,722**	**54,181**	**90,848**	**143,084**	**258,837**	**5,107,672**
As at 31 March 2025	**3,716,155**	**242,468**	**108,142**	**235,917**	**-**	**4,302,682**

4. OTHER INVESTMENTS

(Amount in RM)

	2025	2024
At cost		
Unquoted shares	**3,680**	3,680

5. DEFERRED TAX ASSETS

Recognised deferred tax assets/(liabilities)

Deferred tax assets and liabilities attributable to the following:

(Amount in RM)

	Assets		Liabilities		Net	
	2025	2024	2025	2024	2025	2024
Plant and equipment	**-**	-	**(333,116)**	(401,941)	**(333,116)**	(401,941)
Provisions	**5,919,300**	5,620,302	**-**	-	**5,919,300**	5,620,302
Other items	**2,619,869**	1,635,477	**-**	-	**2,619,869**	1,635,477
	8,539,169	2,612,975	**(333,116)**	(401,941)	**8,206,053**	6,853,838

Notes forming part of the financial statements

Movement in temporary differences during the year

	At 1.4.2023	Recognised in profit or loss (Note 12)	At 31.3.2024/ 1.4.2024	Recognised in profit or loss (Note 12)	At 31.3.2025
Plant and equipment	(612,867)	210,926	(401,941)	68,825	**(333,116)**
Provisions	2,034,939	3,585,363	5,620,302	298,998	**5,919,300**
Other items	578,036	1,057,441	1,635,477	984,392	**2,619,869**
	2,000,108	4,853,730	6,853,838	1,352,215	**8,206,053**

6. TRADE AND OTHER RECEIVABLES

(Amount in RM)

	Note	2025	2024
Non-current			
Trade			
Amount due from contract customers		**1,867,948**	1,141,248
Non-trade			
Refundable deposits		**332,095**	332,095
		2,200,043	1,473,343
Current			
Trade			
Trade receivables		**65,795,643**	65,929,220
Amounts due from:			
- immediate holding company	6.1	**4,347,425**	1,333,922
- penultimate holding company	6.1	**7,443,652**	21,289,187
- related companies	6.1	**1,773,258**	3,781,710
Amount due from contract customers		**26,666,737**	25,545,132
		106,026,715	117,879,171
Non-trade			
Other receivables		**1,751,634**	983,829
Refundable deposits		**69,394**	49,394
Prepayments:			
- third parties		**164,251**	371,877
- penultimate holding company	6.2	**2,955,965**	997,007
		4,941,244	2,402,107
		110,967,959	120,281,278
		113,168,002	121,754,621

6.1 The trade balances due from immediate holding company, penultimate holding company and related companies are unsecured and subject to normal trade credit terms of 30 days (2024: 30 days).

6.2 The non-trade prepayments from penultimate holding company are unsecured and interest free.

Notes forming part of the financial statements

7. CASH AND CASH EQUIVALENTS

(Amount in RM)

	2025	2024
Cash and bank balances	**4,611,090**	3,531,294
Short-term deposits	**21,027,270**	11,500,000
	25,638,360	15,031,294

7.1 The short-term deposits with licensed bank have a tenure of less than 3 months.

8. SHARE CAPITAL

(Amount in RM)

	Number of shares	Amount
Ordinary shares		
Issued and fully paid shares with no classified as equity instruments:		
At 1 April 2024/31 March 2025	**2,000,000**	2,000,000

Ordinary shares

The holder of ordinary shares is entitled to receive dividends as declared from time to time and is entitled to one vote per share at meetings of the Company.

9. TRADE AND OTHER PAYABLES

(Amount in RM)

	Note	2025	2024
Trade			
Amount due to contract customers		**6,473,520**	2,630,735
Non-trade			
Other payables		**21,381,683**	18,614,469
Amounts due to:			
- immediate holding company	**9.1**	**6,032,793**	6,070,040
- penultimate holding company	**9.1**	**35,993,010**	40,247,819
- ultimate holding company	**9.1**	**652,266**	623,142
- related companies	**9.1**	**114,544**	48,899
Accruals		**16,384,652**	15,856,230
		80,558,948	81,460,599
		87,032,468	84,091,334

9.1 The non-trade balances due to immediate holding company, penultimate holding company, ultimate holding company and related companies represent payments made on behalf, which are unsecured, interest free and repayable on demand.

Notes forming part of the financial statements

10. REVENUE

(Amount in RM)

	2025	2024
Rendering of consultancy services	**331,748,175**	311,861,615
Sale of equipment and software licenses	**1,167,784**	1,927,170
	332,915,959	313,788,785

11. PROFIT BEFORE TAX

(Amount in RM)

	2025	2024
Profit before tax is arrived at after charging / (crediting):		
Auditors' remuneration		
- KPMG PLT	**35,117**	35,117
Material expense / (income):		
Depreciation on plant and equipment	**2,382,346**	2,631,157
Dividend income from investments in unquoted shares	**-**	(71,353)
Interest income of financial assets that are not measured at fair value through profit or loss	**(291,217)**	(262,768)
(Reversal of impairment loss) / Impairment loss on receivables	**(161,070)**	1,250,030
Personnel expenses:		
- Salaries and bonuses	**142,496,465**	130,185,645
- Contributions to defined contribution plan	**8,497,351**	8,069,368
- Social security contributions	**1,466,335**	1,297,165
- Other employees benefits	**922,891**	1,108,053
Realised loss/(gain) on foreign exchange	**49,135**	(4,831,960)
Unrealised loss for foreign exchange	**316,901**	4,149,481

Notes forming part of the financial statements

12. TAX EXPENSE

(Amount in RM)

	2025	2024
Current tax expense		
- Current year	**8,468,342**	12,602,486
- Under / (Over) provision in prior year	**852,541**	(692,314)
	9,320,883	11,910,172
Deferred tax expense		
- Origination and reversal of temporary differences	**(1,297,215)**	(2,859,098)
- Over provision in prior year	**(55,000)**	(1,994,632)
	(1,352,215)	(4,853,730)
	7,968,668	7,056,442

Income tax expense of RM7,968,668 is higher than the statutory tax rate of 24% mainly due to under provision of tax expense in prior year.

13. DIVIDENDS

Dividends recognised by the Company:

(Amount in RM)

	Per Share	Total amount	Date of payment
2025			
Interim ordinary dividend	**2.50**	**5,000,000**	**29-Jul-24**
Interim ordinary dividend	**3.50**	**7,000,000**	**28-Oct-24**
Interim ordinary dividend	**2.50**	**5,000,000**	**19-Mar-25**
2024			
Interim ordinary dividend	**3.50**	**7,000,000**	**01-Dec-23**
Interim ordinary dividend	**3.50**	**7,000,000**	**29-Feb-24**

The Directors do not recommend any final dividend in respect of the current financial year.

14. OPERATING LEASES

Leases as lessee

Non-cancellable operating lease rentals are payable as follows:

(Amount in RM)

	2025	2024
Not later than 1 year	**848,417**	763,905
Later than one year but not later than five years	**820,282**	1,074,382
	1,668,698	1,838,287

The Company leases a number of office premises, resulting in future rental commitments which can, subject to certain terms in the agreements, be revised annually based on prevailing market rates.

Notes forming part of the financial statements

15. FINANCIAL INSTRUMENTS

15.1 Categories of financial instruments

The trade and other receivables (excluding prepayments), cash and cash equivalents and trade and other payables are categorised as financial assets and financial liabilities measured at amortised cost, while the other investments are categorised as financial assets that are equity instruments measured at cost less impairment.

15.2 Net gains and losses arising from financial instruments

(Amount in RM)

	2025	2024
Net gains/(losses) on:		
Financial assets measured at amortised cost	**(554,861)**	(4,475,070)
Financial liabilities measured at amortised cost	**641,112**	4,170,287
Financial assets that are equity instruments measured at cost less impairment	**-**	71,353
	86,251	(233,430)

16. RELATED PARTIES

Significant related party transactions

The significant related party transactions of the Company are shown below. The balances related to the below transactions are shown in Notes 6 and 9.

(Amount in RM)

	2025	2024
Project costs and other expenses charged for the financial year:		
- Related companies	**(15,850,788)**	(26,597,860)
- Penultimate holding company	**(27,953,742)**	(30,882,831)
- Immediate holding company	**(28,808,793)**	(8,174,103)
Project costs and other expenses incurred for the financial year:		
- Penultimate holding company	**94,795,771**	78,682,508
- Immediate holding company	**2,894,788**	4,394,501
- Ultimate holding company	**652,267**	623,250
- Related companies	**668,576**	635,886
Staff costs incurred for the financial year		
- Penultimate holding company	**28,166,526**	24,650,897
- Immediate holding company	**6,908**	68,361
Dividend income		
- Related company	**-**	(71,353)
Key management personnel Directors of the company:		
- Professional fees	**1,663,566**	1,726,857

Notes forming part of the financial statements

17. COMMITMENTS

(Amount in RM)

	2025	2024
Capital expenditure commitments Plant and equipment		
Contracted but not provided for	**1,258,577**	1,716,298

Statement by Directors pursuant to Section 251(2) of the Companies Act, 2016

In the opinion of the Directors, the financial statements set out on pages 5 to 26 are drawn up in accordance with Malaysian Private Entities Reporting Standard and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Company as of 31 March 2025 and of its financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors:

.....

Jeevan A/L Saraijigam Rajoo
Director
Date :

Sisir Kumar Sahu
Director
Date : 2 May 2025

Statutory declaration pursuant to Section 251(1)(b) of the Companies Act, 2016

I, Jeevan A/L Sarangam Rajoo, the Director primarily responsible for the financial management of TATA Consultancy Services Malaysia Sdn. Bhd., do solemnly and sincerely declare that the financial statements set out on pages 5 to 26 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed Jeevan A/L Sarangam Rajoo, NRIC : 720628-14-5519, at Batu Caves in State of Selangor on 2 May 2025.

.....

Jeevan A/L Sarangam Rajoo

Director I I

Before me:

INDEPENDENT AUDITORS' REPORT

TO THE MEMBER OF

TATA CONSULTANCY SERVICES MALAYSIA SDN. BHD.
(Registration No.: 200301022873 (625293-W))
(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of TATA Consultancy Services Malaysia Sdn. Bhd., which comprise the statement of financial position as at 31 March 2025, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 24.5 to 24.26.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 March 2025, and of its financial performance and its cash flows for the year then ended in accordance with Malaysian Private Entities Reporting Standard and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our auditors' report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the Directors' Report, but does not include the financial statements of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Company does not cover the Directors' Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Company, our responsibility is to read the Directors' Report and, in doing so, consider whether the Directors' Report is materially inconsistent with the financial statements of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the Directors' Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with Malaysian Private Entities Reporting Standard and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Company, the Directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 approved standards on auditing in Malaysia and International Standards on Auditing 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 financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' 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 Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Company 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Company, including the disclosures, and whether the financial statements of the Company represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other Matter

This report is made solely to the member of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

KPMG PLT
(LLP0010081-LCA & AF 0758)
Chartered Accountants

Eric Kuo Sze-Wei
Approval Number: 03473/11/2025 J
Chartered Accountant

Petaling Jaya
Date : 2 May 2025

TATA CONSULTANCY SERVICES (CHINA) CO., LTD.

ANNUAL FINANCIAL STATEMENTS

For the year ended
December 31, 2024

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

CONTENTS **PAGE**

Auditor's Report	26.2
Consolidated and Company Balance sheet	26.4
Consolidated and Company Income statement	26.6
Consolidated and Company Cash flow statement	26.7
Consolidated and Company Statement of changes in equity	26.9
Notes forming part of the Financial Statements	26.13

Back to main content

AUDITOR'S REPORT

GTCNSZ [2025] NO.110C007705

TO THE BOARD OF DIRECTORS OF TATA CONSULTANCY SERVICES (CHINA) CO., LTD ,

Opinion

We have audited the accompanying financial statements of TATA Consultancy Services (China) Co., Ltd(hereinafter "the Company"), which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and the notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the period then ended in accordance with Enterprises Accounting System.

Basis for Opinion

We conducted our audit in accordance with China Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement Section of our report. We are independent of the Company in accordance with the Code of Ethics for Chinese Certified Public Accountant (Ethics Code) together with the ethical requirements that are relevant to our audit of the financial statements, and we fulfilled our other ethical responsibilities in accordance with these requirements and the Ethics Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the Financial Statements

Management of the Company is responsible for the preparation and fair presentation of the financial statement in accordance with Enterprises Accounting System, and for such internal control as management determines in necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the 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 China Standards on Auditing 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 aggregation, could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with China Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

(1) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the overriding of internal control.

(2) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

(3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

(4) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, further events or conditions may cause the Company to cease to continue as a going concern.

(5) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

(6) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Grant Thornton Zhitong Certified Public Accountants LLP
Beijing, China
20 March 2025

The auditor's report and the accompanying financial statements are English translations of the Chinese auditor's report and statutory financial statements prepared under accounting principles and practices generally accepted in the People's Republic of China. These financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles and practices generally accepted in other countries and jurisdictions. In case the English version does not conform to the Chinese version, the Chinese version prevails.

Balance sheet as at 31 December 2024

(RMB)

Item	Note	As at December 31, 2024		As at December 31, 2023	
		Consolidated	Company	Consolidated	Company
CURRENT ASSETS:					
Cash and cash equivalents	VI.1	**264,590,180.30**	**264,590,180.30**	186,404,421.25	171,773,529.40
Notes receivable		**-**	**-**	-	-
Accounts receivable	VI.2	**172,252,244.99**	**172,252,244.99**	215,089,773.08	188,979,347.07
Prepayments	VI.3	**844,381.33**	**844,381.33**	340,341.32	340,341.13
Interest receivable		**-**	**-**	4,111.78	-
Dividends receivable		**-**	**-**	-	-
Other receivables	VI.4	**5,302,733.26**	**5,302,733.26**	6,689,442.38	6,685,742.70
Inventories		**-**	**-**	-	-
Non-current assets maturing within one year		**-**	**-**	-	-
Other current assets	VI.5	**6,557,376.04**	**6,557,376.04**	6,603,318.52	6,535,236.23
TOTAL CURRENT ASSETS		**449,546,915.92**	**449,546,915.92**	415,131,408.33	374,314,196.53
NON-CURRENT ASSETS:					
Available-for-sale financial assets		**-**	**-**	-	-
Held-to-maturity investments		**-**	**-**	-	-
Long-term receivables		**-**	**-**	-	-
Long-term equity investments	XIII.3	**-**	**-**	-	38,651,699.66
Cost-book value differentials	VI.6	**-**	**-**	288,961.04	-
Fixed assets - original cost	VI.7	**112,160,113.17**	**112,160,113.17**	116,076,670.66	114,243,514.43
Less: accumulated depreciation	VI.7	**93,895,826.07**	**93,895,826.07**	92,300,694.44	90,511,478.93
Fixed assets - net book value	VI.7	**18,264,287.10**	**18,264,287.10**	23,775,976.22	23,732,035.50
Less: provision for impairment		**-**	**-**	-	-
Fixed assets - carrying amount	VI.7	**18,264,287.10**	**18,264,287.10**	23,775,976.22	23,732,035.50
Construction in progress		**1,375,944.95**	**1,375,944.95**	132,500.00	132,500.00
Materials for projects		**-**	**-**	-	-
Fixed assets pending disposal		**-**	**-**	-	-
Productive biological assets		**-**	**-**	-	-
Oil and gas assets		**-**	**-**	-	-
Intangible assets		**-**	**-**	-	-
Development expenditure		**-**	**-**	-	-
Goodwill		**-**	**-**	-	-
Long-term deferred expenses	VI.8	**-**	**-**	132,006.87	132,006.87
Other non-current assets		**-**	**-**	-	-
Including: special reserve material		**-**	**-**	-	-
TOTAL NON-CURRENT ASSETS		**19,640,232.05**	**19,640,232.05**	24,329,444.13	62,648,242.03
TOTAL ASSETS		**469,187,147.97**	**469,187,147.97**	439,460,852.46	436,962,438.56

THE NOTES ON PAGES 25.13 TO 25.29 FORM PART OF THESE FINANCIAL STATEMENTS

Legal representative: **Person in charge of accounting function:** **Person in charge of accounting department:**

Balance sheet as at 31 December 2024 (Contd.)

(RMB)

Item	Note	As at December 31, 2024		As at December 31, 2023	
		Consolidated	Company	Consolidated	Company
CURRENT LIABILITIES:					
Short-term loans		-	-	-	-
Notes payable		-	-	-	-
Accounts payable	VI.9	**10,136,636.23**	**10,136,636.23**	19,741,031.84	18,488,323.48
Advances from customers		**6,802,185.54**	**6,802,185.54**	4,907,846.42	4,767,110.72
Salaries and employee benefits payable	VI.10	**59,202,460.06**	**59,202,460.06**	62,179,695.21	56,326,309.36
Taxes payable	VI.11	**22,641,195.82**	**22,641,195.82**	20,470,981.38	20,320,530.28
Interest payable		-	-	-	-
Dividends payable		-	-	-	-
Other payables	VI.12	**27,045,345.17**	**27,045,345.17**	31,518,422.99	30,765,621.79
Non-current liabilities maturing within one year		-	-	-	-
Other current liabilities		-	-	-	-
TOTAL CURRENT LIABILITIES		**125,827,822.82**	**125,827,822.82**	138,817,977.84	130,667,895.63
NON-CURRENT LIABILITIES:				-	-
Long-term loans		-	-	-	-
Debentures payable		-	-	-	-
Long-term payables		-	-	-	-
Specific accounts payable		-	-	-	-
Provisions		-	-	-	-
Other non-current liabilities		-	-	-	-
TOTAL NON-CURRENT LIABILITIES					
TOTAL LIABILITIES		**125,827,822.82**	**125,827,822.82**	138,817,977.84	130,667,895.63
SHAREHOLDER'S EQUITY:					
Share capital	VI.13	**201,936,346.00**	**201,936,346.00**	201,936,346.00	201,936,346.00
Foreign capital		-	-	-	-
Less: The investment has been returned		-	-	-	-
Net paid-in capital	VI.13	**201,936,346.00**	**201,936,346.00**	201,936,346.00	201,936,346.00
Capital reserves	VI.14	-	-		91,094.00
Less: Treasury shares		-	-	-	-
Specific reserve		-	-	-	-
Surplus reserves	VI.15	**11,900,617.65**	**11,900,617.65**	-	74,087.59
Retained earnings	VI.16	**129,522,361.50**	**129,522,361.50**	98,706,528.62	104,193,015.34
Total equity attributable to shareholders of the Company		**343,359,325.15**	**343,359,325.15**	300,642,874.62	306,294,542.93
Non-controlling interests		-	-	-	-
TOTAL OWNERS' EQUITY		**343,359,325.15**	**343,359,325.15**	300,642,874.62	306,294,542.93
TOTAL LIABILITIES AND OWNERS' EQUITY		**469,187,147.97**	**469,187,147.97**	439,460,852.46	436,962,438.56

THE NOTES ON PAGES 25.13 TO 25.29 FORM PART OF THESE FINANCIAL STATEMENTS

Legal representative: **Person in charge of accounting function:** **Person in charge of accounting department:**

Income Statement For the year ended 31 December 2024

(RMB)

		For the year ended December 31, 2024		For the year ended December 31, 2023	
		Consolidated	Company	Consolidated	Company
REVENUE		**985,868,345.34**	**956,136,291.42**	953,238,614.92	900,743,499.16
Including: Revenue from operations	VI.17	**985,868,345.34**	**956,136,291.42**	953,238,614.92	900,743,499.16
Including: Revenue from main operations	VI.17	**985,868,345.34**	**956,136,291.42**	953,238,614.92	900,743,499.16
Revenue from other operations		**-**	**-**	-	
LESS: COST OF SALES		**886,912,030.50**	**861,229,769.40**	884,760,420.11	833,674,172.63
Including: Operating costs	VI.17	**713,554,897.99**	**688,243,984.44**	703,281,546.63	670,282,861.06
Including: Operating cost from main operations	VI.17	**713,554,897.99**	**688,243,984.44**	703,281,546.63	670,282,861.06
Operating cost from other operations		**-**	**-**	-	-
Taxes and surcharges		**3,005,866.56**	**2,995,327.56**	2,675,073.24	2,358,036.56
Selling and distribution expenses		**24,790,609.15**	**24,790,609.15**	24,342,861.24	18,848,009.09
General and administrative expenses		**144,923,765.87**	**144,501,818.01**	152,624,353.14	140,404,086.68
Research and development expenses		**-**	**-**	-	-
Finance expenses	VI.18	**636,890.93**	**698,030.24**	1,836,585.86	1,781,179.24
Including: Interest expenses	VI.18				
Interest income	VI.18	**3,338,088.16**	**3,338,088.16**	2,566,381.92	2,613,147.71
Net exchange losses/gains	VI.1 8	**3,855,965. 63**	**3,917,104.94**	4,292,607.42	4,292,367.02
Other					
Add: Gains from changes in fair value ("-" denotes losses)		**-**	**-**	-	-
Investment income ("-" denotes losses)	XIII.5	**-**	**4,049,792.82**	-	4,272,638.62
Including: Share of profits in associates and joint ventures		**-**	**-**	-	-
PROFIT FROM OPERATIONS ("-" denotes losses)		**98,956,314.84**	**98,956,314.84**	68,478,194.81	71,341,965.15
Add: Non-operating income	VI.19	**1,148,278.78**	**1,148,278.78**	2,102,343.96	2,044,569.40
Less: Non-operating expenses	VI.20	**41,808.00**	**41,808.00**	77,023.10	77,023.10
PROFIT BEFORE TAX ("-" denotes losses)		**100,062,785.62**	**100,062,785.62**	70,503,515.67	73,309,511.45
Less: Income taxes		**27,495,146.97**	**27,495,146.97**	19,969,240.76	19,969,240.76
NET PROFIT FOR THE YEAR ("-" denotes losses)		**72,567,638.65**	**72,567,638.65**	50,534,274.91	53,340,270.69
TOTAL COMPREHENSIVE INCOME		**72,567,638.65**	**72,567,638.65**	50,534,274.91	53,340,270.69

THE NOTES ON PAGES 25.13 TO 25.29 FORM PART OF THESE FINANCIAL STATEMENTS

Legal representative: **Person in charge of accounting function:** **Person in charge of accounting department:**

Cash flow statement For the year ended 31 December 2024

(RMB)

Item	Note	For the year ended December 31, 2024		For the year ended December 31, 2023	
		Consolidated	Company	Consolidated	Company
CASH FLOWS FROM OPERATING ACTIVITIES:					
Cash received from sales of goods or rendering of services		**986,065,249.81**	**986,065,249.81**	1,027,515,371.74	963,499,877.81
Refunds of taxes		**492,732.01**	**492,732.01**	813,608.45	769,239.78
Cash received relating to other operating activities		**4,304,164.48**	**4,304,164.48**	4,105,577.63	3,888,477.33
Sub-total of cash inflows from operating activities		**990,862,146.30**	**990,862,146.30**	1,032,434,557.82	968,157,594.92
Cash paid for goods and services		**217,637,085.26**	**217,637,085.26**	242,444,848.42	238,931,576.86
Cash paid to and on behalf of employees		**539,239,416.63**	**539,239,416.63**	584,913,373.44	539,434,776.03
Tax payments		**51,673,614.18**	**51,673,614.18**	37,942,892.55	33,892,313.10
Cash paid relating to other operating activities		**70,199,286.54**	**55,568,394.69**	51,799,517.88	49,772,007.98
Sub-total of cash outflows from operating activities		**878,749,402.61**	**864,118,510.76**	917,100,632.29	862,030,673.97
Net Cash Flows from / (used in) Operating Activities		**112,112,743.69**	**126,743,635.54**	115,333,925.53	106,126,920.95
CASH FLOWS FROM INVESTING ACTIVITIES:					
Cash received from disposal of investments		**-**	**-**	-	-
Cash received from return on investments		**-**	**-**	-	-
Cash received from disposal of fixed assets, intangible assets and other long-term assets		**30,383.00**	**30,383.00**	-	-
Cash receipts relating to other investing activities		**-**	**-**	-	-
Sub-total of cash inflows from investing activities		**30,383.00**	**30,383.00**	-	-
Cash paid to acquire fixed assets, intangible assets and other long-term assets		**8,312,245.50**	**8,312,245.50**	6,765,790.30	6,765,790.30
Cash paid to acquire investment		**-**	**-**	34,379,061.04	34,379,061.04
Cash paid relating to other investing activities		**-**	**-**	-	-

THE NOTES ON PAGES 25.13 TO 25.29 FORM PART OF THESE FINANCIAL STATEMENTS

Legal representative: **Person in charge of accounting function:** **Person in charge of accounting department:**

Cash flow statement For the year ended 31 December 2024 (Contd.)

(RMB)

Item	Note	For the year ended December 31, 2024		For the year ended December 31, 2023	
		Consolidated	Company	Consolidated	Company
Sub-total of cash outflows from investing activities		**8,312,245.50**	**8,312,245.50**	41,144,851.34	41,144,851.34
Net Cash Flows from / (used in) Investing Activities		**-8,281,862.50**	**-8,281,862.50**	-41,144,851.34	-41,144,851.34
CASH FLOWS FROM FINANCING ACTIVITIES:					
Cash received from capital contributions		**-**	**-**	-	-
Cash received from borrowings		**-**	**-**	-	-
Cash receipts relating to other financing activities		**-**	**-**	-	-
Sub-total of cash inflows from financing activities		**-**	**-**	-	-
Repayments of borrowings		**-**	**-**	-	-
Dividends paid, profit distribution and interest paid		**29,562,227.08**	**29,562,227.08**	-	-
Cash payments relating to other financing activities		**-**	**-**	-	-
Sub-total of cash outflows from financing activities		**29,562,227.08**	**29,562,227.08**	-	-
Net Cash Flows from / (used in) Financing Activities		**-29,562,227.08**	**-29,562,227.08**	-	-
Effect of Foreign Exchange Rate Changes on Cash		**3,917,104.94**	**3,917,104.94**	-4,292,607.42	-4,292,367.02
Net Increase / (Decrease) in Cash and Cash Equivalents		**78,185,759.05**	**92,816,650.90**	69,896,466.77	60,689,702.59
Add: Cash and cash equivalents at the beginning of the period		**186,404,421.25**	**171,773,529.40**	116,507,954.48	111,083,826.81
Cash and cash equivalents at the end of the period		**264,590,180.30**	**264,590,180.30**	186,404,421.25	171,773,529.40

THE NOTES ON PAGES 25.13 TO 25.29 FORM PART OF THESE FINANCIAL STATEMENTS

Legal representative: **Person in charge of accounting function:** **Person in charge of accounting department:**

Consolidated Statement of Changes in Shareholders' Equity

RMB

Item	Year ended December 31, 2024									
	Attributable to shareholders' equity of the parent company								Non-controlling interests	Total
	Share capital	Capital reserve	Less: treasury shares	Other comprehensive income	Specific reserve	Surplus reserve	Retained earnings	Sub-total		
I. Balance at the end of last year	**201,936,346.00**	**-**	**-**	**-**	**-**	**-**	**98,706,528.62**	**300,642,874.62**	**-**	**300,642,874.62**
Add: Changes in accounting policies	-	-	-	-	-	-	-	-	-	-
Correction of prior period errors	-	-	-	-	-	-	-	-	-	-
II. Balance at the beginning of the year	**201,936,346.00**	**-**	**-**	**-**	**-**	**-**	**98,706,528.62**	**300,642,874.62**	**-**	**300,642,874.62**
III. Changes in equity during the year ("-" for decrease)	**-**	**-**	**-**	**-**	**-**	**11,900,617.65**	**30,815,832.88**	**42,716,450.53**	**-**	**42,716,450.53**
(I) Net profit for the period	-	-	-	-	-	-	**72,567,638.65**	**72,567,638.65**	-	**72,567,638.65**
(II) Other comprehensive income	-	-	-	-	-	-	-	-	-	-
Total other comprehensive income	-	-	-	-	-	-	**72,567,638.65**	**72,567,638.65**	-	**72,567,638.65**
(III) Share capital by or returned to investors	-	-	-	-	-	-	-	-	-	-
a. Share capital injected by investors	-	-	-	-	-	-	-	-	-	-
b. Issurance of share pursuant to the exercise of share options	-	-	-	-	-	-	-	-	-	-
c. Others	-	-	-	-	-	-	-	-	-	-
(IV) Specific Reserve	-	-	-	-	-	-	-	-	-	-
a. Appropriation during the year	-	-	-	-	-	-	-	-	-	-
b. Utilisation during the year	-	-	-	-	-	-	-	-	-	-
(V) Appropriation of profits	-	-	-	-	-	**17,676,065.41**	**-47,238,292.49**	**-29,562,227.08**	-	**-29,562,227.08**
a. Transfer to surplus reserves	-	-	-	-	-	**17,676,065.41**	**-17,676,065.41**	-	-	-
Including: Statutory surplus	-	-	-	-	-	**17,676,065.41**	**-17,676,065.41**	-	-	-
Discretionary surplus reserve	-	-	-	-	-	-	-	-	-	-
General reserve fund	-	-	-	-	-	-	-	-	-	-
Enterprise expansion fund	-	-	-	-	-	-	-	-	-	-
b. General risk allowance	-	-	-	-	-	-	-	-	-	-
c. Distributions to shareholders	-	-	-	-	-	-	**-29,562,227.08**	**-29,562,227.08**	-	**-29,562,227.08**
d. Others	-	-	-	-	-	-	-	-	-	-
(VI) Transfer within equity	-	-	-	-	-	**-5,775,447.76**	**5,486,486.72**	**-288,961.04**	-	**-288,961.04**
a. Capital reserves converting into share capital	-	-	-	-	-	-	-	-	-	-
b. Surplus reserves converting into share capital	-	-	-	-	-	-	-	-	-	-
c. Surplus reserves cover the deficit	-	-	-	-	-	-	-	-	-	-
d. Others	-	-	-	-	-	**-5,775,447.76**	**5,486,486.72**	**-288,961.04**	-	**-288,961.04**
IV. Balance at the end of the period	**201,936,346.00**	**-**	**-**	**-**	**-**	**11,900,617.65**	**129,522,361.50**	**343,359,325.15**	**-**	**343,359,325.15**

THE NOTES ON PAGES 25.13 TO 25.29 FORM PART OF THESE FINANCIAL STATEMENTS

Legal representative: **Person in charge of accounting function:** **Person in charge of accounting department:**

Consolidated Statement of Changes in Shareholders' Equity (continued)

RMB

Item	Year ended December 31, 2023									
	Attributable to shareholders' equity of the parent company								Non-controlling interests	Total
	Share capital	Capital reserve	Less: treasury shares	Other comprehensive income	Specific reserve	Surplus reserve	Retained earnings	Sub-total		
I. Balance at the end of last year	201,936,346.00	31,335,521.47	-	-	-	74,087.59	50,852,744.65	284,198,699.71	-	284,198,699.71
Add: Changes in accounting policies	-	-	-	-	-	-	-	-	-	-
Correction of prior period errors	-	-	-	-	-	-	-	-	-	-
II. Balance at the beginning of the year	201,936,346.00	31,335,521.47	-	-	-	74,087.59	50,852,744.65	284,198,699.71	-	284,198,699.71
III. Changes in equity during the year ("-" for decrease)	-	-31,335,521.47	-	-	-	-74,087.59	47,853,783.97	16,444,174.91	-	16,444,174.91
(I) Net profit for the period	-	-	-	-	-	-	50,534,274.91	50,534,274.91	-	50,534,274.91
(II) Other comprehensive income	-	-	-	-	-	-	-	-	-	-
Total other comprehensive income	-	-	-	-	-	-	50,534,274.91	50,534,274.91	-	50,534,274.91
(III) Share capital by or returned to investors	-	-	-	-	-	-	-	-	-	-
a. Share capital injected by investors	-	-	-	-	-	-	-	-	-	-
b. Issurance of share pursuant to the exercise of share options	-	-	-	-	-	-	-	-	-	-
c. Others	-	-	-	-	-	-	-	-	-	-
(IV) Specific Reserve	-	-	-	-	-	-	-	-	-	-
a. Appropriation during the year	-	-	-	-	-	-	-	-	-	-
b. Utilisation during the year	-	-	-	-	-	-	-	-	-	-
(V) Appropriation of profits	-	-	-	-	-	-	-	-	-	-
a. Transfer to surplus reserves	-	-	-	-	-	-	-	-	-	-
Including: Statutory surplus	-	-	-	-	-	-	-	-	-	-
Discretionary surplus reserve	-	-	-	-	-	-	-	-	-	-
General reserve fund	-	-	-	-	-	-	-	-	-	-
Enterprise expansion fund	-	-	-	-	-	-	-	-	-	-
b. General risk allowance	-	-	-	-	-	-	-	-	-	-
c. Distributions to shareholders	-	-	-	-	-	-	-	-	-	-
d. Others	-	-	-	-	-	-	-	-	-	-
(VI) Transfer within equity	-	-31,335,521.47	-	-	-	-74,087.59	-2,680,490.94	-34,090,100.00	-	-34,090,100.00
a. Capital reserves converting into share capital	-	-	-	-	-	-	-	-	-	-
b. Surplus reserves converting into share capital	-	-	-	-	-	-	-	-	-	-
c. Surplus reserves cover the deficit	-	-	-	-	-	-	-	-	-	-
d. Others	-	-31,335,521.47	-	-	-	-74,087.59	-2,680,490.94	-34,090,100.00	-	-34,090,100.00
IV. Balance at the end of the period	**201,936,346.00**	**-**	**-**	**-**	**-**	**-**	**98,706,528.62**	**300,642,874.62**	**-**	**300,642,874.62**

THE NOTES ON PAGES 25.13 TO 25.29 FORM PART OF THESE FINANCIAL STATEMENTS

Legal representative: **Person in charge of accounting function:** **Person in charge of accounting department:**

Consolidated Statement of Changes in Shareholders' Equity (continued)

RMB

Item	Year ended December 31, 2024							
	Share capital	Capital reserve	Less: treasury shares	Other comprehensive income	Specific reserve	Surplus reserve	Retained earnings	Sub-total
I. Balance at the end of last year	**201,936,346.00**	**91,094.00**	**-**	**-**	**-**	**74,087.59**	**104,193,015.34**	**306,294,542.93**
Add: Changes in accounting policies	-	-	-	-	-	-	-	-
Correction of prior period errors	-	-	-	-	-	-	-	-
II. Balance at the beginning of the year	**201,936,346.00**	**91,094.00**	**-**	**-**	**-**	**74,087.59**	**104,193,015.34**	**306,294,542.93**
III. Changes in equity during the year("- "for decrease)	**-**	**-91,094.00**	**-**	**-**	**-**	**11,826,530.06**	**25,329,346.16**	**37,064,782.22**
(I) Net profit for the period	-	-	-	-	-	-	**72,567,638.65**	**72,567,638.65**
(II) Other comprehensive income	-	-	-	-	-	-	-	-
Total other comprehensive income	-	-	-	-	-	-	**72,567,638.65**	**72,567,638.65**
(III) Share capital by or returned to investors	-	-	-	-	-	-	-	-
a. Share capital injected by investors	-	-	-	-	-	-	-	-
b. Issurance of share pursuant to the exercise of share options	-	-	-	-	-	-	-	-
c. Others	-	-	-	-	-	-	-	-
(IV) Specific Reserve	-	-	-	-	-	-	-	-
a. Appropriation during the year	-	-	-	-	-	-	-	-
b. Utilisation during the year	-	-	-	-	-	-	-	-
(V) Appropriation of profits	-	-	-	-	-	**17,676,065.41**	**-47,238,292.49**	**-29,562,227.08**
a. Transfer to surplus reserves	-	-	-	-	-	**17,676,065.41**	**-17,676,065.41**	-
Including: Statutory surplus	-	-	-	-	-	**17,676,065.41**	**-17,676,065.41**	-
Discretionary surplus reserve	-	-	-	-	-	-	-	-
General reserve fund	-	-	-	-	-	-	-	-
Enterprise expansion fund	-	-	-	-	-	-	-	-
b. General risk allowance	-	-	-	-	-	-	-	-
c. Distributions to shareholders	-	-	-	-	-	-	**-29,562,227.08**	**-29,562,227.08**
d. Others	-	-	-	-	-	-	-	-
(VI) Transfer within equity	-	**-91,094.00**	-	-	-	**-5,849,535.35**	-	**-5,940,629.35**
a. Capital reserves converting into share capital	-	-	-	-	-	-	-	-
b. Surplus reserves converting into share capital	-	-	-	-	-	-	-	-
c. Surplus reserves cover the deficit	-	-	-	-	-	-	-	-
d. Others	-	**-91,094.00**	-	-	-	**-5,849,535.35**	-	**-5,940,629.35**
IV. Balance at the end of the period	**201,936,346.00**	**-**	**-**	**-**	**-**	**11,900,617.65**	**129,522,361.50**	**343,359,325.15**

THE NOTES ON PAGES 25.13 TO 25.29 FORM PART OF THESE FINANCIAL STATEMENTS

Legal representative: **Person in charge of accounting function:** **Person in charge of accounting department:**

Consolidated Statement of Changes in Shareholders' Equity (continued)

RMB

Item	Year ended December 31, 2023							
	Share capital	Capital reserve	Less: treasury shares	Other comprehensive income	Specific reserve	Surplus reserve	Retained earnings	Sub-total
I. Balance at the end of last year	201,936,346.00	91,094.00	-	-	-	74,087.59	50,852,744.65	252,954,272.24
Add: Changes in accounting policies	-	-	-	-	-	-	-	-
Correction of prior period errors	-	-	-	-	-	-	-	-
II. Balance at the beginning of the year	201,936,346.00	91,094.00	-	-	-	74,087.59	50,852,744.65	252,954,272.24
III. Changes in equity during the year ("-" for decrease)	-	-	-	-	-	-	53,340,270.69	53,340,270.69
(I) Net profit for the period	-	-	-	-	-	-	53,340,270.69	53,340,270.69
(II) Other comprehensive income	-	-	-	-	-	-	-	-
Total other comprehensive income	-	-	-	-	-	-	53,340,270.69	53,340,270.69
(III) Share capital by or returned to investors	-	-	-	-	-	-	-	-
a. Share capital injected by investors	-	-	-	-	-	-	-	-
b. Issurance of share pursuant to the exercise of share options	-	-	-	-	-	-	-	-
c. Others	-	-	-	-	-	-	-	-
(IV) Specific Reserve	-	-	-	-	-	-	-	-
a. Appropriation during the year	-	-	-	-	-	-	-	-
b. Utilisation during the year	-	-	-	-	-	-	-	-
(V) Appropriation of profits	-	-	-	-	-	-	-	-
a. Transfer to surplus reserves	-	-	-	-	-	-	-	-
Including: Statutory surplus	-	-	-	-	-	-	-	-
Discretionary surplus reserve	-	-	-	-	-	-	-	-
General reserve fund	-	-	-	-	-	-	-	-
Enterprise expansion fund	-	-	-	-	-	-	-	-
b. General risk allowance	-	-	-	-	-	-	-	-
c. Distributions to shareholders	-	-	-	-	-	-	-	-
d. Others	-	-	-	-	-	-	-	-
(VI) Transfer within equity	-	-	-	-	-	-	-	-
a. Capital reserves converting into share capital	-	-	-	-	-	-	-	-
b. Surplus reserves converting into share capital	-	-	-	-	-	-	-	-
c. Surplus reserves cover the deficit	-	-	-	-	-	-	-	-
d. Others	-	-	-	-	-	-	-	-
IV. Balance at the end of the period	**201,936,346.00**	**91,094.00**	-	-	-	**74,087.59**	**104,193,015.34**	**306,294,542.93**

THE NOTES ON PAGES 25.13 TO 25.29 FORM PART OF THESE FINANCIAL STATEMENTS

Legal representative: **Person in charge of accounting function:** **Person in charge of accounting department:**

Notes forming part of the Financial Statements

I. COMPANY BACKGROUND AND PRINCIPAL ACTIVITIES

TATA Consultancy Services (China) Co., Ltd. (hereafter the "Company") is a foreign owned investment enterprise registered on 18 October 2006 with the approval from Ministry of Commerce of PRC (Shang Zi Pi No.[2006]1936) and Beijing Municipal People's Government (Shang Wai Zi Jing Zi No. [2006] 20517) in 2006. The Company is located in Tower D, 3rd District, No.9 Building, Zhongguancun, Software Park, 8 Dongbeiwang West Road, Haidian District, Beijing. The registered capital of the Company is RMB 100,800,000 and the Company obtained its business license with the registered number of 110000410302580 (Register on 16 November 2006). In 2008, the registered capital changed to RMB 110,400,000 with the approval from Beijing Bureau of Commerce (Jing Shang Zi No.[2008]1748). The Company obtained the new business license (No. 110000410302580) which was reissued by Beijing municipal people's government.

In 2010, according to the Resolution of interim shareholders' meeting, the Company merged TITL. After that, the registered capital increase to RMB 201,936,346.00, with the approval from Beijing Municipal Commission of Commerce (Jing Shangwu Zi Zi No.[2010]1077). On 21 December 2010, the Company received the renewal certificate of approval (Shang Waizi Jing Zi No. [2006] 20517) and business license (No. 110000410302580) from Beijing Municipal People's Government.

On November 28, 2016, the Company changed the basic information include the change of ownership, cooperation rights and interests, with the record of Jing Hai Wai Zi Bei 201600099. The capital contributions of investors after changes shown as follow:

Invetors	% of investment
TATA Consultancy Services Asia Pacific Pte Ltd	93.20
Beijing Zhongguancun Software Park	3.60
Development Co., Ltd	-
Tianjin Huayuan Software Area Construction and	3.20
Development Co., Ltd	-
Total	**100.00**

On November 26, 2021, according to the "TCS(China) (2021) Shareholder's Circular Resolution No. SH- 2021-01" of the company, agree that Beijing Zhongguancun Software Park Development Co., Ltd. (hereinafter referred to as the "BZS") transfer all 7,269,799 shares and Tianjin Huayuan Software Area Construction and Development Co., Ltd. (hereinafter referred to as the "THS") transfer 6,461,963 shares held by it in the Company in accordance with Chinese relevant laws and regulations, the Promoters' Agreement relating to the establishment of (a Foreign-Invested Joint Stock Company) TATA Consultancy Services Asia Pacific Pte Ltd (hereinafter referred to as the "THS"), BZS and THS waive the preemptive right over the shares transferred by each other. While TCS does not waive the right of preemption of transferred shares.

The company's Chinese name was changed with the approval from Beijing Haidian District Market Supervision and Administration Bureau on 18 May 2022. The company submitted the "Registration Notice" (JHDZ [2012] No. 0090313) on the same day, changed the contents of the responsible person, shareholder equity, personnel equity and enterprise type. The company obtained a revised business licence No.911101087178671620 on 18 May 2022. The capital contributions of investors after changes shown as follow:

Invetors	% of investment
TATA Consultancy Services Asia Pacific Pte Ltd	100.00

In accordance with the resolution of the Board of Directors of the Company on the "Resolution on the Acquisition of the Share Capital of TCS Financial Solutions Beijing Co. Ltd " made in March 2023, it is agreed that in accordance with the appraisal report issued by Zoomlion Asset Appraisal Group Co., LTD in March 2023, at the consideration of RMB 34,090,100.00, to purchase 100% of the capital held by Tata Consultancy Services Financial Solutions Australia Pte LTD in TCS Financial Solutions Beijing Co. Ltd (hereinafter "FSBJ").

On 6 March 2023, the Company entered into a tripartite Equity Transfer Agreement with Tata Consultancy Services Financial Solutions Australia Pte LTD and FSBJ, under which the underlying equity transferred is 100% of the equity in FSBJ held by Tata Consultancy Services Financial Solutions Australia Pte LTD. The registered capital of FSBJ is US $5.25 million, the paid-in investment is US $5.25 million, and the transfer price of the underlying equity is RMB 34,090,100.00.

Notes forming part of the Financial Statements

Pursuant to the resolution of the Board of Directors of the Company in April 2024, it was agreed that TCS Financial Solutions Beijing Co. Ltd should commence to merge into the Company since July 1,2024. On May 22, 2024, the Company entered into the Merger Agreement with FSBJ, which stipulates that the Company intends to absorb and merge with FSBJ, and after the completion of the implementation of this absorption and merger, all the assets, liabilities, business, personnel, contracts, qualifications, and all other rights and obligations of FSBJ will be taken over and inherited by the Company, and the Company will survive and FSBJ will be written off. The change was approved by the Market Supervision Administration of Haidian District, Beijing, and on November 27, 2024, we received a replacement business license with the unified social credit code 91110108717867162U.

The business scope of the company software development, production, sales of self-produced products, technology development, technical consulting, technical service, technology transfer; Data processing services, electronic information content storage services; Network technology development, technology consulting, technology transfer; Computer system integration; Wholesale and commission agents of computers and accessories, electronic products and office supplies (except auctions); Import and export of goods; Technology import and export; Agent for import and export; Business process outsourcing services (not related to state trade management commodities; Commodities subject to quota and license administration shall go through the application procedures according to the relevant provisions of the State)

2. Scope of Consolidated Financial Statements

The subsidiary included in the scope of the consolidated financial statements in the current period is TCS Financial Solutions Beijing Co. Ltd. The changes in the scope of consolidation are referred to "Changes in the scope of consolidation" in Note 7.

II. BASIS OF PREPARATION

The financial statements have been prepared in accordance with the Enterprises Accounting System. The Company prepares its consolidated financial statements on a going concern basis.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

1. Accounting System

The Company adopts the Enterprises Accounting and all relevant supplementary regulations.

2. Accounting Period

The accounting period of the Company is from 1 January to 31 December.

3. Functional currency

The Company uses Renminbi ("RMB") as its functional currency.

4. Basis of accounting and measurement bases

The Company follows the accrual basis of accounting. The financial statements have been prepared under historical cost convention.

5. Foreign currency transactions

Foreign currency transactions during the year are translated into Renminbi at the exchange rates quoted by the People's Bank of China ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currenciens are translated into Renminbi at the exchange rates quoted by the People's Bank of China and the exchange rates recognized by the State ruling at the balance sheet date. Exchange gains and losses on foreign currency translation, except for the exchange gains and losses directly relating to the construction of fixed assets, are dealt with in the income statement.

6. Cash and cash equivalents

Cash equivalents refer to short-term, highly-liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Notes forming part of the Financial Statements

7. Provision for bad and doubtful debts

Bad debt is accounted for using the allowance method. The provision for bad and doubtful debts is estimated by management based on indivldual accounts receivable which show signs of uncollectibility and an ageing analysis. Provision for other receivables is determined based on their specific nature and management's estimate of their collectability.

For related party balance, it is based on specific identification method. For non-related party balance, provision of bad debt should be determined by aging. Specific percentage is as follow:

Aging	Provision for bad debts as a percentage of receivables %
Within 273 days	0.00
274 days to 2 years	100.00
2 to 3 years	100.00
Over 3 years	100.00

The Company recognises bad debts when the following criteria are met:

(1) Due to bankruptcy or revocation imposed by law of the debtors with relevant declaration of bankruptcy, cancellation of business registration or proof of revocation of business license or order to foreclose by the government department being obtained, bad debt loss is recognised based on the irrecoverable balance after netting off the settlement of the liquidated assets of the debtors;

(2) Due to the death or declaration by law to be missing or pronounced dead of the debtors and the estate is insufficient to cover the debt where there is no heir to the debts, bad debt loss is recognised after obtaining all relevant legal documents;

(3) For balances under legal dispute, bad debt loss is recognised on the lawsuit which is lost based on Court Order or those lawsuit won but adjudicated to stop the execution of the Order;

8. Long-term investments

(1) Long-term equity investments

Long-term equity investments are stated at acquisition cost. The cost method is used to account for longterm equity investments with less than 20% of the voting rights, or with over 20% voting rights but without significant influence over the investees' financial and operating policies. The equity method is used to account for long-term equity investments with over 20% of the voting rights, or with less than 20% of the voting rights but with significant influence over the investees' financial and operating policies.

(2) Long-term debt investments

Long-term debt investments are stated at acquisition cost. Interest receivable is computed in accordance with the term of debt investments.

(3) Impairment of long-term investments

At each financial period end, the Company appraises all long-term investments on individual basis and provides for impairment when the recoverable value for these investments falls below its carrying value as a result of continuing slump in market value or worsen condition of the investees' business operations.

9. Fixed Assets

Fixed assets are tangible assets with useful life exceeding one year and with a relatively higher unit cost, including building, plants, machinery equipments, transportation facilities, and other equipments held by the Company for production of goods, provision of services, for rental to others, or held for management purposes. Fixed assets are stated at acquisition cost.

Subsequent expenditures for major reconstruction, expansion, improvement and renovation are capitalized when it is probable that the future economic benefits exceeds the originally assessment of the existing asset, or the useful life of fixed assets is prolonged or the quality of products is substantively improved or the cost of products

Notes forming part of the Financial Statements

is substantively reduced as a result of such expenditure. However, the amount capitalized should not exceed the increase of recoverable amount. All other subsequent expenditures are expensed when incurred.

The Company use the straight line method for depreciation. Fixed assets begin to be depreciated from the state of intended use, and stop being depreciated when derecognized or classified as held for sale noncurrent assets. The estimated residual value, useful life and annual depreciation rate of each category of fixed assets are as follows:

Category of fixed assets	Usefully life (year)	Residual Value%	Annual depreciation
Leasehold improvement	Shorter of beneficial period and lease	-	-
Computer and communication equipment	4	-	25
Furniture and fixtures	5-10	-	10-20

The Company reviews its fixed assets on an individual basis at each period end and provides for impairment losses when the recoverable value of the fixed assets falls below the carrying value due to continuing slump of market value, technical obsolescence, and damage or long period idleness.

10. Construction in progress

The cost of construction in progress is determined according to the actual expenditure incurred for the construction.

Construction in progress is transferred to fixed assets when the asset is ready for its intended use.

11. Long-term deferred expenses

Improvement on leased properties is amortised over the lease term [or economic useful lives] on straight line basis.

Expenses incurred during the Company's pre-operating period are recorded as long-term deferred expenses and recorded into current profit and loss in production period.

12. Revenue

Revenue from rendering of services

Where the outcome of a transaction involving the providing of services can be estimated reliably, at the end of the period, revenue associated with the transaction is recognized using the percentage of completion method.

The stage of completion of a transaction involving the providing of services is determined according to the proportion of costs incurred to the estimated total costs.

The outcome of a transaction involving the providing of services can be estimated reliably only when all of the following conditions can be satisfied at the same time:

A. The amount of revenue can be measured reliably;

B. The associated economic benefits are likely to flow into the enterprise;

C. The stage of completion of the transaction can be measured reliably;

D. The costs incurred and to be incurred in the transaction can be measured reliably.

If the outcome of a transaction involving the providing of services cannot be estimated reliably, the revenue of providing of services is recognized at service cost that incurred and is estimated to obtain compensation and the service cost incurred is recognized in profit or loss for the current period. If the service cost incurred is not to obtain compensation, revenue cannot be recognized.

13. Subsidy income

Subsidy income is calculated and recognized in the income statement upon receipt of the subsidy.

14. Income Tax

Income tax is recognized using the tax payable method.

Notes forming part of the Financial Statements

IV. CHANGES IN SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES AND CORRECTION OF ERRORS IN PRIOR PERIODS

(1) Changes in significant accounting policies and accounting estimates

During the reporting period, the company has no changes in accounting policies and accounting estimates.

(2) Corrections of errors in prior periods

During the reporting period, the company has no corrections of errors.

V. TAXATION

1. Main types of taxes and corresponding tax rates

Tax type	Tax basis	Tax rate%
VAT	Taxable income	6
Urban maintenance and construction tax	Turnover tax payable	7
Education fees	Turnover tax payable	3
Local additional education fees	Turnover tax payable	2
Enterprise income tax	Taxable profits	25

2. Tax preferential treatments and approval documents

(1) Tax exemption of offshore outsourcing revenue

According to the Appendix 4 of Cai Shui [2016] 36, Zero VAT Rate and Tax Free Policy for Cross-border Taxable Acts, zero VAT rate is applicable to offshore service outsourcing business completely consumed overseas. Therefore, the company's offshore outsourcing business income in line with the regulations in the current period is exempt from VAT.

(2) Additional deduction of input tax

According to Ministry of finance, the State Administration of Taxation and the General Administration of Customs [2019] 39, Deepening VAT reform, from 1 April 2019 to 31 December 2021, taxpayers of production and consumer services are allowed 10% additional deduction of current input tax to offset tax payable.

According to Announcement No. 11 of 2022 of the Ministry of Finance and the State Administration of Taxation <Announcement on VAT Policy relating to Promoting the Relief and Development of Service Industries encounter difficulties >, Article 7 of <Announcement of the General Administration of Taxation of the Ministry of Finance on Deepening the Relevant Policies of the Value-Added Tax Reform> (Announcement No. 39 of 2019 of the General Administration of Taxation of the Ministry of Finance) and <Announcement of the State Administration of Taxation of the Ministry of Finance on Clarifying the VAT Super-deduction Policy for the Domestic Service Industry> (Announcement No. 87 of 2019 of the State Administration of Taxation of the Ministry of Finance) The implementation period, of the Value- Added Tax Super-deduction Policy for daily Domestic services, has been extended to December 31, 2022.

According to Announcement No. 1 of 2023 by the Ministry of Finance and the State Administration of Taxation, "Announcement on VAT Policy on Promoting the Relief and Development of Difficult Industries in the Service Sector", Article 7 of the Announcement of the General Administration of Customs of the General Administration of Taxation of the Ministry of Finance on Deepening the relevant Policies of Value-added Tax Reform (Announcement No. 39, 2019 of the General Administration of Customs of the General Administration of Taxation of the Ministry of Finance on Clarifying the Policy of Value-added Tax Deduction and Reduction of the domestic Service Industry (Ministry of Finance State Administration of Taxation Announcement No. 87 of 2019) The value-added tax deduction and deduction policy for production and domestic service industries.

Notes forming part of the Financial Statements

VI. NOTES TO THE FINANCIAL STATEMENTS

1. Cash at bank and in hand

(RMB)

Item	December 31, 2024	December 31, 2023
Cash in hand	-	-
Cash at bank	264,590,180.30	186,404,421.25
Total	264,590,180.30	186,404,421.25

The above includes foreign currency as follows:

(RMB)

Currency	December 31, 2024			December 31, 2023		
	Original currency	Exchange rate	RMB equivalents	Original currency	Exchange rate	RMB equivalents
US Dollars	101,005.69	7.1884	726,069.30	101,005.69	7.0827	715,394.56

2. Accounts receivable

(1) Accounts receivable by aging analysis:

(RMB)

Aging	December 31, 2024			
	Book value	%	Provision for bad and doubtful debts	Carrying amount
Within 1 year	171,599,983.41	99.62	-	171,599,983.41
1 to 2 years	312,447.45	0.18	-	312,447.45
2 to 3 years	118,971.95	0.07	-	118,971.95
More than 3 years	220,842.18	0.13	-	220,842.18
Total	172,252,244.99	100.00	-	172,252,244.99

(RMB)

Aging	December 31, 2023			
	Book value	%	Provision for bad and doubtful debts	Carrying amount
Within 1 year	208,046,476.34	96.72	-	208,046,476.34
1 to 2 years	1,762,165.91	0.82	-	1,762,165.91
2 to 3 years	5,281,130.83	2.46	-	5,281,130.83
More than 3 years	-	-	-	-
Total	215,089,773.08	100.00	-	215,089,773.08

3. Prepayment

(RMB)

Item	December 31, 2024	December 31, 2023
Others	844,381.33	340,341.32

Notes forming part of the Financial Statements

4. Other receivables

(1) Accounts receivable by aging analysis:

(RMB)

	December 31, 2024			
Aging	**Book value**	**%**	**Provision for bad and doubtful debts**	**Carrying amount**
Within 1 year	**2,033,592.85**	**38.35**	**-**	**2,033,592.85**
1 to 2 years	**84,323.61**	**1.59**	**-**	**84,323.61**
2 to 3 years	**653,880.00**	**12.33**	**-**	**653,880.00**
More than 3 years	**2,530,936.80**	**47.73**	**-**	**2,530,936.80**
Total	**5,302,733.26**	**100.00**	**-**	**5,302,733.26**

(RMB)

	December 31, 2023			
Aging	**Book value**	**%**	**Provision for bad and doubtful debts**	**Carrying amount**
Within 1 year	1,454,798.41	21.75	-	1,454,798.41
1 to 2 years	1,982,267.94	29.63	-	1,982,267.94
2 to 3 years	801,657.33	11.98	-	801,657.33
More than 3 years	2,450,718.70	36.64	-	2,450,718.70
Total	6,689,442.38	100.00	-	6,689,442.38

5. Other current assets

(RMB)

Type of Assets	December 31, 2024	December 31, 2023
Project Expense	**445,784.13**	769,115.72
Communication - Data Circuits Inland	**3,527,775.28**	3,393,833.57
Rent	**1,042,991.84**	1,000,596.28
Insurance	**1,168,630.76**	1,143,185.65
Others	**372,194.03**	296,587.30
Total	**6,557,376.04**	6,603,318.52

6. Cost-book value differentials

Iterm	1 January 2024	Additions during the period	Reductions during the year	31 December 2024
Cost-book value differentials	**288,961.04**	**-**	**288,961.04**	**-**

7. Fixed assets

(1) Cost of fixed assets

(RMB)

Type of Assets	1 January 2024	Additions during the period	Disposal during the period	31 December 2024
Leasehold improvement	**23,805,658.61**	**334,525.84**	**-**	**24,140,184.45**
Computer and communication equipment	**62,370,812.60**	**5,865,503.67**	**10,391,795.95**	**57,844,520.32**
Furniture and fixtures	**29,900,199.45**	**736,271.04**	**461,062.09**	**30,175,408.40**
Total	**116,076,670.66**	**6,936,300.55**	**10,852,858.04**	**112,160,113.17**

Back to content

Notes forming part of the Financial Statements

(2) Accumulated depreciation of fixed assets

(RMB)

Type of Assets	1 January 2024	Additions during the period	Disposal during the period	31 December 2024
Leasehold improvement	**23,367,603.30**	**622,049.28**	**-**	**23,989,652.58**
Computer and communication equipment	**42,054,402.61**	**10,380,288.50**	**10,391,795.95**	**42,042,895.16**
Furniture and fixtures	**26,878,688.53**	**1,445,651.89**	**461,062.09**	**27,863,278.33**
Total	**92,300,694.44**	**12,447,989.67**	**10,852,858.04**	**93,895,826.07**

(3) Net book values of fixed assets

(RMB)

Type of Assets	1 January 2024	31 December 2024
Leasehold improvement	**438,055.31**	**150,531.87**
Computer and communication equipment	**20,316,409.99**	**15,801,625.16**
Electronic equipment, furniture and fixtures	**3,021,510.92**	**2,312,130.07**
Total	**23,775,976.22**	**18,264,287.10**

8. Long-term deferred expenses

Items	Costs	1 January 2024	Addition	Amortisation	31 December 2024
Renovation costs	**928,400.00**	**132,006.87**	**-**	**132,006.87**	**-**

9. Accounts payable

(RMB)

Type of Assets	December 31, 2024	December 31, 2023
Payable for goods	**1,104,637.55**	4,844,236.13
Payable to related parties	**7,306,199.34**	13,413,483.41
Payable for expenses	**1,725,799.34**	1,483,312.30
Total	**10,136,636.23**	19,741,031.84

10. Employee benefits payable

(RMB)

Item	December 31, 2024	December 31, 2023
Salaries, bonus, allowances	**46,731,778.42**	50,543,644.82
Social insurances	**12,470,681.64**	11,636,050.39
Total	**59,202,460.06**	62,179,695.21

11. Taxes payable

(RMB)

Item	December 31, 2024	December 31, 2023
Corporate income tax	**8,837,104.17**	9,226,779.67
Value added tax	**10,637,162.08**	8,427,120.26
Individual income tax	**3,166,929.57**	2,808,565.51
City maintenance and construction tax and education fee surcharge	**-**	8,515.94
Total	**22,641,195.82**	20,470,981.38

Back to content

Notes forming part of the Financial Statements

12. Other payables

(RMB)

Item	December 31, 2024	December 31, 2023
Project provision	**22,671,318.97**	25,547,427.14
Expenses provision	**4,374,026.20**	5,951,350.77
Petty cash	**-**	19,645.08
Total	**27,045,345.17**	31,518,422.99

13. Share capital

(RMB)

Investor	1 January 2024	Additions during the period	Reductions during the year	31 December 2024
TATA Consultancy Services Asia Pacific Pte	**201,936,346.00**	**-**	**-**	**201,936,346.00**

Note: By a resolution of the board of Directors of TaTa Consultancy Services Asia Pacific Pte Ltd. (hereinafter referred to as the "TCS"), on November 25, 2021 to purchase the 7,269,799 shares of the company held by BZS and 6,461,963 shares of the company held by THS and proposed to be transferred. TCS signed the Contract for Transaction of Property Rights with BZS and THS respectively. On March 7, 2022, obtained the No. 7-2 "Enterprise State-owned Assets Transaction Certificate" issued by the China Beijing Equity Exchange and on March 4, 2022, obtained the No. 20220171 "State-owned Property Transaction Certificate" issued by Tianjin Property Rights Trading Center Co., Ltd . As of December 31, 2022, the property rights transaction procedures have been completed.

14. Capital reserve

(RMB)

Item	1 January 2024	Additions during the period	Reductions during the year	31 December 2024
Other capital reserves- Others	**-**	**91,094.00**	**91,094.00**	**-**

Note: The difference between the carrying value of the Company's long-term equity investment in FNS and the transfer of assets and liabilities of FNS to the Company was adjusted to capital surplus of RMB 91,094.00; if capital surplus was not sufficient to offset the difference,the retained earnings shoule be adjusted.

15. Surplus reserve

(RMB)

Item	1 January 2024	Additions during the period	Reductions during the year	31 December 2024
Statutory surplus reserve	**-**	**17,676,065.41**	**5,775,447.76**	**11,900,617.65**

Note:

(1) Pursuant to the resolutions of the Board of Directors of the Company in August 2024 and November 2024, RMB 1,484,109.33 was accrued as legal reserve for year 2021; RMB 3,601,165.14 was accrued as legal reserve for year 2022;

(2) Pursuant to the articles of association, 10% of the profit was accrued and included in the Company's surplus reserve, RMB 5,334,027.07 was accrued as legal reserve for year 2023; RMB 7,256,763.87 was accrued as legal reserve for year 2024, and the total amount of surplus accrued for 20212024 was RMB 17,676,065.41;

(3) The difference between the carrying value of the Company's long-term equity investment in FNS and the transfer of assets and liabilities of FNS to the Company was adjusted to capital surplus of RMB 91,094.00; if capital surplus was not sufficient to offset the difference, retained earnings (surplus reserve) was adjusted by RMB 5,775,447.76.

Notes forming part of the Financial Statements

16. Retained earnings

(RMB)

Item	Amount in the current period	Amount in the previou s period
Retained earnings as at 2023.12.31	**98,706,528.62**	50,852,744.65
Total adjustments for opening retained earnings ("+" for increase; "–" for decrease)	**-**	-
Retained earnings as at 2024.01.01 (after adjustment)	**98,706,528.62**	50,852,744.65
Add: Net profits for the year attributable to shareholders of the Company	**72,567,638.65**	50,534,274.91
Less: Appropriation for statutory surplus reserve	**17,676,065.41**	-
Cash dividends payable	**29,562,227.08**	-
Other 1 decrease	**-5,486,486.72**	2,680,490.94
Retained earnings as at 2024.12.31	**129,522,361.50**	98,706,528.62

Note:

(1) Pursuant to the Company's board of directors' resolutions in August 2024, RMB 13,356,983.97 was distributed to its shareholder, Tata Consultancy Services Asia Pacific Pte Ltd, as dividends for the year 2021;

Pursuant to the Company's board of directors' resolutions in November 2024, RMB 16,205,243.11 was distributed as dividends to its shareholder, Tata Consultancy Services Asia Pacific Pte Ltd;

(2) For 2021-2024, a total of RMB 17,676,065.41 was accrued as surplus reserve (refer to Note VI.15);

(3) The Pursuant to the resolution of the Board of Directors of the Company in April 2024, it was agreed that FSBJ should commence to merge into the Company, and adjusted the undistributed earnings of RMB -5,486,486.72 due to the change in the scope of consolidation as a result of the absorption and merger under the same control.

(4) As of December 31, 2024, the foreign shareholders are entitled to RMB 129,522,361.50 of net profit available for distribution.

17. Operating revenue and operating cost

(RMB)

	2024		2023	
Item	Revenue	Cost	Revenue	Cost
Principal activities	**985,868,345.34**	**713,554,897.99**	**953,238,614.92**	**703,281,546.63**

18. Financial expenses

(RMB)

Item	December 31, 2024	December 31, 2023
Total interest expenses	**-**	-
Less: Interest income	**3,338,088.16**	2,566,381.92
Net exchange losses/gains	**3,855,965.63**	4,292,607.42
Bank charges	**119,013.46**	110,360.36
Total	**636,890.93**	1,836,585.86

Notes forming part of the Financial Statements

19. Non-operating income

(RMB)

Item	December 31, 2024	December 31, 2023
Government grants	**583,066.88**	1,168,313.00
VAT refund	**492,732.01**	827,014.34
Gain on disposal of non-current assets	**30,383.00**	-
Others	**42,096.89**	107,016.62
Total	**1,148,278.78**	2,102,343.96

20. Non-operating expenses

(RMB)

Item	December 31, 2024	December 31, 2023
Donations provided	**41,808.00**	77,023.10

21. Supplementary information on cash flow statement

(1) Supplement to cash flow statement:

(RMB)

Item	December 31, 2024	December 31, 2023
1. Reconciliation of net profit/loss to cash flows from operating activities:		
net profit/loss	**72,567,638.65**	50,534,274.91
Less: Unrecognized investment loss	**-**	-
Add: Provisions for impairment of assets	**-**	-
Depreciation of fixed assets	**12,447,989.67**	10,348,447.09
Intangible assets	**-**	-
Amortisation of long-term deferred expenses	**132,006.87**	529,478.13
Loss of disposing fixed assets, intangible assets and other long-term assets	**-30 383.00**	-
Financial expenses ("-" for income)	**3,855,965.63**	4,292,607.42
Investment loss ("-" for income)	**-**	-
Decrease in operating receivables ("-" for increase)	**7,854,275.50**	30,069,034.87
Increase in operating payables ("-" for decrease)	**15,285,250.37**	19,560,083.11
Net cash flows from operating activities	**112,112,743.69**	115,333,925.53
2. Investing and financing activities not requiring the use of cash:		
Conversion of debt into capital	**-**	-
Convertible bonds due within one year	**-**	-
Acquisition of fixed assets under finance leases	**-**	-
3. Change in cash and cash equivalents:		
Cash ending balance	**264,590,180.30**	186,404,421.25
Less: cash opening balance	**186,404,421.25**	116,507,954.48
Net increase/decrease in cash and cash equivalents	**78,185,759.05**	69,896,466.77

Notes forming part of the Financial Statements

2. Details of cash and cash equivalents

(RMB)

Item		December 31, 2024	December 31, 2023
1.	Cash	**264,590,180.30**	186,404,421.25
	Including: Cash in hand	**-**	-
	Bank deposits available on demand	**264,590,180.30**	186,404,421.25
2.	Cash equivalents	**-**	-
3.	Cash and cash equivalents ending balance	**264,590,180.30**	186,404,421.25

VII. CHANGE OF CONSOLIDATION SCOPE

1. Pursuant to the resolution of the Board of Directors of the Company in April 2024, it was agreed that FSBJ should commence to merge into the Company since July 1,2024. On May 22, 2024, the Company entered into the Merger Agreement with FSBJ, which stipulates that the Company intends to absorb and merge with FSBJ, and after the completion of the implementation of this absorption and merger, all the assets, liabilities, business, personnel, contracts, qualifications, and all other rights and obligations of FSBJ will be taken over and inherited by the Company, and the Company will survive and FSBJ will be written off.

VIII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS

1. Information about the parent of the Company

(RMB)

Name	Registration place	Business nature	Shareholding percentage %	Percentage of voting rights %
TATA Consultancy Services Asia Pacific Pte Ltd	Singapore	Software Consultancy, Business Management and Servise	100.00	100.00

The ultimate parent company of the company is Tata Sons Private Limited.

2. Information on other related parties

Name	Related party relationship
Tata America International Corporation (TCS AMERICA)	Subsidiary of ultimate holding company
Tata Consultancy Services Netherlands B.V.	Subsidiary of ultimate holding company
Tata Consultancy Services Deutschland GmbH	Subsidiary of ultimate holding company
Tata Consultancy Services Sverige AB	Subsidiary of ultimate holding company
Tata Consultancy Services Switzerland Ltd.	Subsidiary of ultimate holding company
Tata Consultancy Services France S.A.S	Subsidiary of ultimate holding company
Tata Consultancy Services Asia Pacific Pte Ltd	Subsidiary of ultimate holding company
Tata Consultancy Services Belgium S.A./N.V.	Subsidiary of ultimate holding company
Tata Consultancy Services Japan, Ltd.	Subsidiary of ultimate holding company
Tata Consultancy Services Malaysia Sdn Bhd.	Subsidiary of ultimate holding company
TCS (Thailand) Limited	Subsidiary of ultimate holding company
TCS Canada Inc.	Subsidiary of ultimate holding company
PT Tata Consultancy Services Indonesia	Subsidiary of ultimate holding company
Tata Consultancy Services Ireland Limited	Subsidiary of ultimate holding company
Titan Company Limited	Subsidiary of ultimate holding company
Tata Consultancy Services Limited	Subsidiary of ultimate holding company

Notes forming part of the Financial Statements

3. Transactions with related parties

(1) Purchases/sales

1) Receiving of services

(RMB)

Related party	Year ended December 31, 2024	Year ended December 31, 2023
Tata Consultancy Services Limited	**40,904,131.61**	64,894,694.28
TATA Consultancy Services Asia Pacific Pte Ltd.	**1,533.00**	1,238,791.48
Tata America International Corporation	**-**	149,514.08

2) Rendering of services

(RMB)

Related party	Year ended December 31, 2024	Year ended December 31, 2023
Tata Consultancy Services Limited	**366,587,634.29**	332,609,079.91
Tata Consultancy Services Deutschland GmbH	**27,805,829.53**	29,206,350.26
Tata Consultancy Services Switzerland Ltd.	**22,115,204.71**	12,479,142.78
Tata Consultancy Services Asia Pacific Pte Ltd	**16,048,251.31**	1,884,407.55
Tata Consultancy Services Netherlands B.V.	**9,640,664.46**	6,919,725.24
Tata Consultancy Services France S.A.S	**9,086,638.45**	10,477,211.00
Tata Consultancy Services Sverige AB	**6,087,351.31**	4,244,999.90
Tata Consultancy Services Belgium S.A./N.V.	**2,255,015.38**	1,616,913.91
Tata Consultancy Services Japan, Ltd.	**1,342,239.56**	12,295,338.06
Tata Consultancy Services Ireland Limited	**807,053.47**	922,941.15
Tata Consultancy Services Malaysia Sdn Bhd.	**142,948.39**	-
TCS (Thailand) Limited	**58,053.62**	85,335.42
PT Tata Consultancy Services Indonesia	**-**	139,980.18

3) Trademark use

(RMB)

Related party	Year ended December 31, 2024	Year ended December 31, 2023
Tata Sons Private Limited	**1,241,674.44**	1,240,103.69

4. Receivables from and payables to related parties

(1) Receivables from related parties

(RMB)

Related party	Year ended December 31, 2024	Year ended December 31, 2023
Tata Consultancy Services Deutschland GmbH	**2,469,536.33**	2,706,149.38
Tata Consultancy Services Switzerland Ltd	**2,068,763.00**	1,766,750.46
Tata Consultancy Services Asia Pacific Pte Ltd	**559,850.31**	1,269,097.44
Tata Consultancy Services France S.A.S	**527,722.85**	1,543,040.20

Notes forming part of the Financial Statements

(RMB)

Related party	Year ended December 31, 2024	Year ended December 31, 2023
Tata Consultancy Services Limited	**444,959.02**	40,840,627.59
Tata Consultancy Services Netherlands B.V.	**332,884.14**	304,321.98
Tata Consultancy Services Sverige AB	**194,027.75**	975,104.50
Tata Consultancy Services Belgium N.V./S.A.	**145,078.11**	5,808.18
TCS (Thailand) Limited	**78,530.28**	23,723.79
Tata Consultancy Services Ireland Limited	**49,301.07**	73,247.58
Tata Consultancy Services Japan, Ltd.	**37,194.54**	97,427.01
PT Tata Consultancy Services Indonesia	**29,497.67**	280,354.24
Tata Consultancy Services Malaysia Sdn Bhd	**28,517.06**	-
Total	**6,965,862.13**	49,885,652.35

(2) Payables to related parties

(RMB)

Related party	Year ended December 31, 2024	Year ended December 31, 2023
Tata Consultancy Services Limited	**4,703,978.92**	10,430,937.16
Tata Consultancy Services Deutschland GmbH	**2,154,524.22**	2,327,042.40
Tata Consultancy Services Netherlands B.V.	**356,829.49**	167,728.85
Tata Consultancy Services Switzerland Ltd	**90,866.71**	-
Tata America International Corporation	**-**	428,434.14
Titan Company Limited	**-**	188,970.64
Tata Sons Private Limited	**-**	100,668.11
Tata Consultancy Services France S.A.S	**-**	22,892.99
Total	**7,306,199.34**	13,666,674.29

X. CONTINGENCIES

As at 31 December 2024 there is no material contingency arising from pending litigation and guarantee provided to other entities.

XI. COMMITMENTS

Operating lease commitments

As at the balance sheet date, the total future minimum lease payments under non-cancellable operating leases were payable as follows:

The total future minimum lease payments under non-cancellable operating leases	As at December 31, 2024	As at December 31, 2023
Within 1 year	**10,830,086.78**	10,830,086.78
Within 2 years	**2,121,027.84**	2,121,027.84
Over 3 years	**7,269,645.80**	-
Total	**20,220,760.42**	12,951,114.62

Notes forming part of the Financial Statements

XII. POST BALANCE SHEET DATE EVENTS

As at 20 March 2025, there is no events after the balance sheet date to be disclosed.

XIII. NOTES TO THE PARENT COMPANY'S FINANCIAL STATEMENTS

1. Accounts receivable

(1) Accounts receivable by aging analysis:

(RMB)

	December 31, 2024			
Aging	**Book value**	**%**	**Provision for bad and doubtful debts**	**Carrying amount**
Within 1 year	**171,599,983.41**	**99.62**	**-**	**171,599,983.41**
1 to 2 years	**312,447.45**	**0.18**	**-**	**312,447.45**
2 to 3 years	**118,971.95**	**0.07**	**-**	**118,971.95**
More than 3 years	**220,842.18**	**0.13**	**-**	**220,842.18**
Total	**172,252,244.99**	**100.00**	**-**	**172,252,244.99**

(RMB)

	December 31, 2023			
Aging	**Book value**	**%**	**Provision for bad and doubtful debts**	**Carrying amount**
Within 1 year	188,963,708.07	99.99	-	188,963,708.07
1 to 2 years	15,639.00	0.01	-	15,639.00
2 to 3 years	-	-	-	-
Total	188,979,347.07	100.00	-	188,979,347.07

2. Other receivables

(1) Accounts receivable by aging analysis:

(RMB)

	December 31, 2024			
Aging	**Book value**	**%**	**Provision for bad and doubtful debts**	**Carrying amount**
Within 1 year	**2,033,592.85**	**38.35**	**-**	**2,033,592.85**
1 to 2 years	**84,323.61**	**1.59**	**-**	**84,323.61**
2 to 3 years	**653,880.00**	**12.33**	**-**	**653,880.00**
More than 3 years	**2,530,936.80**	**47.73**	**-**	**2,530,936.80**
Total	**5,302,733.26**	**100.00**	**-**	**5,302,733.26**

(RMB)

	December 31, 2023			
Aging	**Book value**	**%**	**Provision for bad and doubtful debts**	**Carrying amount**
Within 1 year	1,451,098.73	21.70	-	1,451,098.73
1 to 2 years	1,982,267.94	29.65	-	1,982,267.94
2 to 3 years	801,657.33	11.99	-	801,657.33
More than 3 years	2,450,718.70	36.66		2,450,718.70
Total	6,685,742.70	100.00	-	6,685,742.70

Notes forming part of the Financial Statements

3. Long-term equity investments

(1) Classification of long-term equity investment

(RMB)

Item	1 January 2024	Additions during the period	Disposal during the period	31 December 2024
Other equity investments:				
Inclulding: Among them: investment in subsidiaries	**34,090,100.00**	**-**	**34,090,100.00**	**-**
Equity investment difference	**288,961.04**	**-**	**288,961.04**	**-**
Profit and loss adjustment	**4,272,638.62**	**4,049,792.82**	**8,322,431.44**	**-**
Sub-total	**38,651,699.66**	**4,049,792.82**	**42,701,492.48**	**-**
Less: Provision for impairment	-	-	-	-
Total	**38,651,699.66**	**4,049,792.82**	**42,701,492.48**	**-**

Note:Pursuant to the resolution of the Board of Directors of the Company in April 2024, it was agreed that the Company should merge with FSBJ. On May 22, 2024, the Company entered into the Merger Agreement with FSBJ, which stipulates that the Company intends to absorb and merge with FSBJ, and after the completion of the implementation of this absorption and merger, all the assets, liabilities, business, personnel, contracts, qualifications, and all other rights and obligations of FSBJ will be taken over and inherited by the Company, and the Company will survive and FSBJ will be written off.

4. Operating revenue and operating cost

(RMB)

	2024		2023	
Item	Revenue	Cost	Revenue	Cost
Principal activities	**956,136,291.42**	**688,243,984.44**	**900,743,499.16**	**670,282,861.06**

5. Investment income

(RMB)

Item	December 31, 2024	December 31, 2023
Income from long-term equity investments accounted for using the equity method	**4,049,792.82**	4,272,638.62

6. Supplementary information on cash flow statement

(1) Supplement to cash flow statement:

(RMB)

Item	December 31, 2024	December 31, 2023
1. Reconciliation of net profit/loss to cash flows:		
Net profit/loss	**72,567,638.65**	53,340,270.69
Less: Unrecognized investment loss	**-**	-
Add: Provisions for impairment of assets	**-**	-
Depreciation of fixed assets	**12,447,989.67**	10,280,086.81
Intangible assets	**-**	-
Amortisation of long-term deferred expenses	**132,006.87**	529,478.13

Back to content

Notes forming part of the Financial Statements

(RMB)

Item		December 31, 2024	December 31, 2023
	Loss of disposing fixed assets, intangible assets and other long-term assets	**-30,383.00**	-
	Financial expenses ("-" for income)	**3,917,104.94**	4,292,367.02
	Investment loss ("-" for gains)	**-4,049,792.82**	-4,272,638.62
	Decrease in operating receivables ("-" for increase)	**22,537,493.15**	21,996,646.20
	Increase in operating payables ("-" for decrease)	**19,221,578.08**	19,960,710.72
	Net cash flows from operating activities	**126,743,635.54**	106,126,920.95
2.	**Investing and financing activities not requiring the use of cash:**		
	Conversion of debt into capital	**-**	-
	Convertible bonds due within one year	**-**	-
	Acquisition of fixed assets under finance leases	**-**	-
3.	**Change in cash and cash equivalents:**		
	Cash ending balance	**264,590,180.30**	171,773,529.40
	Less: cash opening balance	**171,773,529.40**	111,083,826.81
	Net increase/decrease in cash and cash equivalents	**92,816,650.90**	60,689,702.59

(2) Details of cash and cash equivalents

(RMB)

Item		December 31, 2024	December 31, 2023
1.	Cash	**264,590,180.30**	171,773,529.40
	Including: Cash in hand	**-**	-
	Bank deposits available on demand	**264,590,180.30**	171,773,529.40
2.	Cash equivalents	**-**	-
3.	Cash and cash equivalents ending balance	**264,590,180.30**	171,773,529.40

XIV. Approval pf financial statements

These financial statements and the accompanying notes to the financial statements have been approved by the Company's management on 20 March 2025.

TATA Consultancy Services (China) Co.,Ltd.

20 March 2025

TATA CONSULTANCY SERVICES (THAILAND) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended
31 March 2025

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

CONTENTS **PAGE**

Independent Auditors' Report	27.2
Balance sheet	27.4
Statement of income	27.5
Statements of changes in shareholders' equity	27.6
Notes forming part of financial statements	27.7

Back to main content

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF
TATA CONSULTANCY SERVICES (THAILAND) LIMITED

Opinion

I have audited the financial statements of Tata Consultancy Services (Thailand) Limited (the "Company"), which comprise the statement of financial position as at 31 March 2025, the statements of income and changes in equity for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 March 2025 and its financial performance for the year then ended in accordance with the Thai Financial Reporting Standard for Non-Publicly Accountable Entities (TFRS for NPAEs).

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Company in accordance with the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that is relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with TFRS for NPAEs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs 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 financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

KPMG Phoomchai Audit Ltd., a Thai limited liability company and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

- 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

(Vilaivan Pholprasert)

Certified Public Accountant
Registration No. 8420

KPMG Phoomchai Audit Ltd.
Bangkok
2 May 2025

Statements of financial position as at 31 March, 2025

(Unit : Baht)

	Note	March 31, 2025	March 31, 2024
ASSETS			
Current assets			
Cash and cash equivalents	4	**78,712,945**	16,499,214
Trade accounts receivable	5	**419,044,556**	89,600,483
Current unbilled completed work	6	**128,640,702**	36,121,575
Other current receivables	7	**998,954**	468,710
Other current assets	8	**146,185,404**	19,090,655
Total current assets		**773,582,561**	161,780,637
Non-current assets			
Equipment	9	**16,963,885**	4,071,631
Refundable deposits		**1,495,130**	614,407
Total non-current assets		**18,459,015**	4,686,038
Total assets		**792,041,576**	166,466,675
LIABILITIES AND EQUITY			
Current liabilities			
Trade and other current payables	10	**614,968,537**	91,745,979
Current advanced payments from customers in excess of work completed	6	**61,340,373**	3,994,944
Total current liabilities		**676,308,910**	95,740,923
Non-current liability			
Non-current provisions for employee benefits	11	**9,315,976**	6,154,720
Total non-current liability		**9,315,976**	6,154,720
TOTAL LIABILITIES		**685,624,886**	101,895,643
Equity			
Share capital			
Authorised share capital			
(800,000 ordinary shares, par value at Baht 10 per share)		**8,000,000**	8,000,000
Issued and paid-up share capital			
(800,000 ordinary shares, par value at Baht 10 per share)		**8,000,000**	8,000,000
Retained earnings			
Appropriated to legal reserve	12	**800,000**	800,000
Unappropriated		**97,616,690**	55,771,032
Total equity		**106,416,690**	64,571,032
TOTAL LIABILITIES AND EQUITY		**792,041,576**	166,466,675

The accompanying notes are an integral part of these financial statements.

Statements of income for the year ended 31 March 2025

(Unit : Baht)

	Note	March 31, 2025	March 31, 2024
REVENUE			
Revenue from rendering of services		**1,084,168,244**	428,319,425
Net foreign exchange gain		**-**	3,214,682
Other income		**393,862**	300,605
TOTAL REVENUE		**1,084,562,106**	431,834,712
EXPENSES			
Cost of rendering of services		**897,692,736**	305,586,835
Selling expenses		**60,479**	272,332
Administrative expenses	13	**128,521,351**	77,162,761
Net foreign exchange loss		**1,989,087**	-
TOTAL EXPENSES		**1,028,263,653**	383,021,928
PROFIT BEFORE INCOME TAX EXPENSE		**56,298,453**	48,812,784
Income tax		**(14,452,795)**	(9,839,633)
NET PROFIT		**41,845,658**	38,973,151

The accompanying notes are an integral part of these financial statements.

Statement of changes in equity for the year ended 31 March 2025

(Unit : Baht)

	Issued and paid-up share capital	Retained earnings		Total equity
		Appropriated to legal reserve	Unappropriated	
Year ended 31 March 2024				
Balance at 1 April 2023	8,000,000	800,000	16,797,881	25,597,881
Net Profit	-	-	38,973,151	38,973,151
Balance at 31 March 2024	8,000,000	800,000	55,771,032	64,571,032
Year ended 31 March 2025				
Balance at 1 April 2024	**8,000,000**	**800,000**	**55,771,032**	**64,571,032**
Net profit	**-**	**-**	**41,845,658**	**41,845,658**
Balance at 31 March 2025	**8,000,000**	**800,000**	**97,616,690**	**106,416,690**

The accompanying notes are an integral part of these financial statements.

Notes to the financial statements for the year ended 31 March 2025

Note	Contents
1	General information
2	Basis of preparation of the financial statements
3	Significant accounting policies
4	Cash and cash equivalents
5	Trade accounts receivable
6	Unbilled completed work and advanced payments from customers in excess of work completed
7	Other current receivables
8	Other current assets
9	Equipment
10	Trade and other current payables
11	Non-current provisions for employee benefits
12	Legal reserve
13	Administrative expenses
14	Employee benefit expenses
15	Commitments

Notes to the financial statements

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements and were approved and authorised for issue by the directors on 2 May 2025.

1. GENERAL INFORMATION

Tata Consultancy Services (Thailand) Limited, the "Company", is incorporated in Thailand on 12 May 2013 and has its registered office at 1818, Rasa Two Building, 17th Floor, Room No. 1707, Phetchaburi Road, Makkasan Sub-district, Ratchathewi District, Bangkok.

The parent company and ultimate parent company during the financial year were Tata Consultancy Services Asia Pacific Pte. Ltd. and Tata Consultancy Services Limited, which were incorporated in Singapore and India, respectively.

The principal activities of the Company are IT consulting, software solutions and IT outsourcing services.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements are prepared in accordance with Thai Financial Reporting Standard for Non-Publicly Accountable Entities (Revised B.E. 2565) ('TFRS for NPAEs), which promulgated by the Federation of Accounting Professions (TFAC).

The financial statements are prepared and presented in Thai Baht. Accounting policies disclosed in Note 3 are applied consistently to all periods presented in these financial statements.

The preparation of financial statements in conformity with TFRS for NPAEs requires management to make judgments, estimates and assumptions that affect the application of the Company's accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Foreign currency

Transactions in foreign currencies including non-monetary assets and liabilities denominated in foreign currencies are translated to Thai Baht at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies, are translated at the exchange rate at the reporting date.

Foreign currency differences are recognised in the statement of income.

(b) Cash and cash equivalents

Cash and cash equivalents comprise demand deposits and highly liquid short-term investments, which have maturities of three months or less from the date of acquisition.

(c) Trade and other current receivables

Trade and other current receivables are measured at invoice value less allowance for doubtful accounts.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories. Bad debts are written off when incurred. Bad debts recovered are recognised as other income in the statement of income at the amount received.

(d) Unbilled completed work

Unbilled completed work represents the amount expected to be collected from customers for services performed to date. The unbilled completed work is measured at costs incurred plus profits recognised to date (see note 3(j)) less progress billings and recognised losses.

(e) Equipment

Owned assets

Equipment is measured at cost less accumulated depreciation and losses on decline in value.

Cost includes expenditure that is directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Notes to the financial statements

Differences between the proceeds from disposal and the carrying amount of equipment are recognised in the statement of income.

Subsequent costs

The cost of replacing a part of an item of equipment is recognised in the carrying amount of the item when the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to- day servicing of equipment is recognised in the statement of income as incurred.

Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful life of each component of an asset and recognised in the statement of income. No depreciation is provided on assets under construction. The estimated useful lives are as follows:

Furniture, fixture and office equipment	4-5 years

(f) Losses on decline in value

The carrying amounts of the Company's assets are reviewed at each reporting date to determine whether there is any indication of a permanent decline in value. If any such indication exists, the assets' recoverable amounts are estimated. A loss on decline in value is recognised if the carrying amount of an asset exceeds its recoverable amount. The loss on decline in value is recognised in the statement of income.

(g) Trade and other current payables

Trade and other current payables are stated at cost.

(h) Advanced payments from customers in excess of work completed

Advance payments from customers in excess of work completed are recognised when the Company receives consideration from customers that is greater than the stage of completion of services. Such advance payments from customers are subsequently recognised as revenue when the services are rendered.

(i) Provision

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate method.

Provision for employee benefits

Provision for employee benefits are recognised using the best estimate method at the reporting date. The Company derecognises the provision when actual payment is made.

(j) Revenue

Revenue excludes value added taxes and is arrived at after deduction of trade discounts.

Rendering of services

Revenue from rendering of services is recognised as the services are provided.

Contract revenue

Contract revenue includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and can be measured reliably. As soon as the outcome of a construction contract can be estimated reliably, contract revenue and expenses are recognised in the statement of income in proportion to the stage of completion of the contract.

The stage of completion is assessed based on cost-to-cost method. When the outcome of a contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable. An expected loss on a contract is recognised immediately in the statement of income.

Notes to the financial statements

(k) Operating leases

Payments made under operating leases are recognised on a straight-line basis over the term of the lease.

(l) Income tax

Income tax is calculated on the taxable income or loss for the year, using tax rates enacted at the reporting date.

4. CASH AND CASH EQUIVALENTS

(Unit : in thousand Baht)

	2025	2024
Cash at banks - current accounts	**10,713**	10,499
Cash at bank - short term fixed deposits	**68,000**	6,000
Total	**78,713**	16,499

5. TRADE ACCOUNTS RECEIVABLE

(Unit : in thousand Baht)

	2025	2024
Related parties	**11,004**	22,898
Other parties	**408,109**	66,702
Less allowance for doubtful accounts	**(68)**	-
Net	**419,045**	89,600

The normal credit term granted by the Company ranges from 30 days to 60 days.

6. UNBILLED COMPLETED WORK AND ADVANCED PAYMENTS FROM CUSTOMER IN EXCESS OF WORK COMPLETED

(Unit : in thousand Baht)

	2025	2024
CURRENT UNBILLED COMPLETED WORK		
At 1 April	**28,645**	3,512
Amount recognised as revenue on percentage of completion basis during the year	**181,692**	28,601
Less value of total billed during the year	**(92,920)**	(3,468)
	117,417	28,645
Unbilled contract work in progress from other revenues	**11,224**	7,477
At 31 March	**128,641**	36,122
CURRENT ADVANCED PAYMENTS FROM CUSTOMERS IN EXCESS OF WORK COMPLETED		
At 1 April	**-**	52,587
Value of total billed during the year	**-**	(585)
Less Amount recognised as revenue on percentage of completion basis during the year	**-**	(52,002)
	-	-
Advanced payments from customers in excess of work completed from other revenues	**61,340**	3,995
At 31 March	**61,340**	3,995

Notes to the financial statements

7. OTHER CURRENT RECEIVABLES

(Unit : in thousand Baht)

	2025	2024
Advance to employees	**997**	367
Advance to suppliers	**2**	102
Total	**999**	469

8. OTHER CURRENT ASSETS

(Unit : in thousand Baht)

	2025	2024
Deferred expenses	**120,326**	1,739
Refundable withholding tax	**25,779**	17,282
Others	**80**	70
Total	**146,185**	19,091

9. EQUIPMENT

(Unit : in thousand Baht)

	Furniture, fixture and office equipment
Cost	
At 1 April 2023	11,821
Additions	716
Disposals	(43)
At 31 March 2024 and 1 April 2024	**12,494**
Additions	**18,432**
At 31 March 2025	**30,926**
Depreciation	
At 1 April 2023	5,980
Depreciation charge for the year	2,485
Disposals	(43)
At 31 March 2024 and 1 April 2024	**8,422**
Depreciation charge for the year	**5,540**
At 31 March 2025	**13,962**
Net book value	
At 31 March 2024	4,072
At 31 March 2025	**16,964**

The gross carrying amounts of the Company's fully depreciated equipment that was still in use at 31 March 2025 amounted to Baht 7.2 million (2024: Baht 2.9 million).

Notes to the financial statements

10. TRADE AND OTHER CURRENT PAYABLES

(Unit : in thousand Baht)

	2025	2024
Trade and other payables - related parties	**367,936**	47,703
Accrued operation expenses	**158,053**	25,040
Accrued bonus	**44,566**	10,090
Provision for accumulated leave	**22,218**	8,828
Trade and other payables - other parties	**22,196**	85
Total	**614,969**	91,746

11. NON-CURRENT PROVISIONS FOR EMPLYEE BENEFITS

(Unit : in thousand Baht)

	2025	2024
At 1 April	**6,155**	5,238
Additions	**3,898**	1,277
Paid	**-**	(360)
Reversal	**(737)**	-
At 31 March	**9,316**	6,155

12. LEGAL RESERVE

According to the provision of the Civil and Commercial Code, the Company shall set up reserve ("legal reserve") at least 5% of operating income upon each dividend distribution until the reserve is no less than 10% of the registered authorised capital. This legal reserve shall not be available for dividend distribution.

13. ADMINISTRATIVE EXPENSES

(Unit : in thousand Baht)

	2025	2024
Employee benefit expenses	**90,997**	53,646
Management expenses	**20,618**	12,036
Facility expenses	**3,014**	2,680
Depreciation expenses	**2,660**	1,692
Professional fees	**2,611**	2,585
Travelling expenses	**1,176**	1,483
Recruitment expenses	**678**	342
Communication expenses	**365**	419
Bad debts and doubtful debts	**67**	-
Others	**6,335**	2,280
Total	**128,521**	77,163

Notes to the financial statements

14. EMPLOYEE BENEFIT EXPENSES

(Unit : in thousand Baht)

	2025	2024
Salaries and overtime and bonuses	**568,354**	179,227
Contribution to defined contribution plan	**22,738**	5,013
Provision for employee benefits	**3,161**	1,277
Others	**65,687**	5,129
Total	**659,940**	190,646

The define contribution plan comprises a provident fund established by the Company for its employees. Membership to the fund is on a voluntary basis. Contributions are made monthly by the employees at rates 5% of their basic salaries and by the Company at rates 5% of the employee's basic salaries. The provident fund is registered with the Ministry of Finance as juristic entity and is managed by a licensed Fund Manager.

15. COMMITMENTS

(Unit : in thousand Baht)

	2025	2024
Non-cancellable operating lease commitments		
Within 1 year	**5,601**	1,399
Alter 1 year but within 0 years	**8,867**	-
Total	**14,468**	1,399

As at 31 March 2025, the Company had operating lease agreements covering its office premises and service for the periods 3 years, expiring on 31 October 2027.

PT TATA CONSULTANCY SERVICES INDONESIA

ANNUAL FINANCIAL STATEMENTS

For the year ended

March 31, 2025

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

CONTENTS **PAGE**

Independent Auditor's Report	28.3
Statement of Financial Position	28.5
Statement of Profit or Loss and other Comprehensive Income	28.6
Statement of Changes In Equity	28.7
Statement of Cash Flows	28.8
Notes to the Financial Statements	28.9

Back to main content

Board of Director's Statement of Responsibility

For The Financial Statements
Year Ended 31 March 2025
PT Tata Consultancy Services Indonesia (The "Company")

I, the undersigned:

Name :	Jia Yu
Office address :	Gedung Menara Prima #16 Unit F Jl. DR. Ide Anak Agung Gde Agung Blok 6.2 Kuningan, Jakarta Selatan 12950
Office telephone :	021-57947951
Function :	Director

declare that:

1. We are responsible for the preparation and presentation of the financial statements of the Company;
2. The financial statements have been prepared and presented in accordance with Indonesian Financial Accounting Standards;
3. a. The disclosures we have made in the financial statements are complete and accurate;
   b. The financial statements do not contain misleading information, and I have not omitted any information or facts that would be material to the financial statements; and
4. We are responsible for the internal control.

This statement is made truthfully.

For and on behalf of Board of Director

13 May 2025

(signature)

(Stamp duty)

Jia Yu

Director

Independent Auditor's Report

NO.: 00340/2. I 005/ AU . 1/05/ 1694-5/ I IV/2025

THE SHAREHOLDERS,

BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS

PT TATA CONSULTANCY SERVICES INDONESIA

Opinion

We have audited the financial statements of PT Tata Consultancy Services Indonesia ("the Company"), which comprise the statement of financial position as of 31 March 2025, the statements of profit or loss and other comprehensive income, changes in equity, and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of 31 March 2025, and its financial performance and its cash flows for the year then ended in accordance with Indonesian Financial Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Standards on Auditing established by the Indonesian Institute of Certified Public Accountants. Our responsibilities under those standards are further described i n the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Indonesia, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Indonesian Financial Accounting Standards, and for such internal control as management determines is

necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement , whether due to fraud or error, and to issue an auditors' 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 the Standards on Auditing 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 financial statements.

As part of an audit in accordance with the Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion , forgery , intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management' s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company 's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation , structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Siddharta Widjaja & Rekan
Registered Public Accountants

Angga Pujaprayoga, CPA
Public Accountant License No. AP. 1694

13 May 2025

Statement of Financial Position

(In millions of Rupiah)

	Notes	March 31, 2025	March 31, 2024
ASSETS			
Current Assets			
Cash in banks and cash equivalents	4	**23,442**	12,506
Trade and other receivables, net	5	**36,538**	47,859
Contract assets	10	**9,931**	15,516
Prepaid value added taxes		**1,248**	-
Prepayments and advances		**8,728**	12,912
Total Current Assets		**79,887**	88,793
Non-Current Assets			
Fixed assets, net		**890**	1,913
Claims for tax refund	13b	**7,822**	4,360
Deferred tax assets, net	13d	**8,926**	9,882
Refundable deposits		**180**	176
Total Non-Current Assets		**17,818**	16,331
TOTAL ASSETS		**97,705**	105,124
LIABILITIES AND EQUITY			
Current Liabilities			
Trade and other payables	6	**28,456**	50,507
Unearned revenue	7	**5,809**	2,362
Short-term employee benefits obligation	8	**314**	-
Other current liabilities		**425**	2,414
Total Current Liabilities		**35,004**	55,283
Non-Current Liability			
Employee benefits obligation			
Total Non-Current Liability	8	**7,679**	6,469
TOTAL LIABILITIES		**42,683**	61,752
Equity			
Share capital	9	**1,003**	1,003
Retained earnings			
Appropriated	9	**201**	201
Unappropriated		**53,818**	42,168
Total Equity		**55,022**	43,372
TOTAL LIABILITIES AND EQUITY		**97,705**	105,124

See Notes to the Financial Statements, which form an integral part of these financial statements.

Statement of Profit or Loss and Other Comprehensive Income

(In millions of Rupiah)

	Notes	Year ended March 31, 2025	Year ended March 31, 2024
Revenue	10	**92,279**	140,792
Cost of revenue	11	**(65,942)**	(92,576)
GROSS PROFIT		**26,337**	48,216
General and administrative expenses	12	**(25,532)**	(28,951)
Reversal (additional) on impairment loss of trade receivables and contract assets		**12,817**	(9,804)
Currency exchange loss, net		**(161)**	(36)
		(12,876)	(38,791)
OPERATING PROFIT		**13,461**	9,425
Finance income		**360**	397
PROFIT BEFORE TAX		**13,821**	9,822
Income tax expense	13a	**(2,568)**	(3,065)
PROFIT		**11,253**	6,757
OTHER COMPREHENSIVE INCOME			
Changes resulting from actuarial remeasurements of employee benefits obligation		**509**	424
Tax on other comprehensive income	13d	**(112)**	(93)
TOTAL OTHER COMPREHENSIVE INCOME		**397**	331
TOTAL COMPREHENSIVE INCOME		**11,650**	7,088

See Notes to the Financial Statements, which form an integral part of these financial statements.

Statement of Changes In Equity

(In millions of Rupiah)

	Notes	Share capital	Retained earnings		Total Equity
			Unappropriated	Appropriated	
Balance as of 31 March 2023		1,003	58,551	201	59,755
Comprehensive income – 2024					
Profit		-	6,757	-	6,757
Other comprehensive income		-	331	-	331
Distributions to shareholders - cash dividends	14	-	(23,471)	-	(23,471)
Balance as of 31 March 2024		1,003	42,168	201	43,372
Comprehensive income – 2025					
Profit		**-**	**11,253**	**-**	**11,253**
Other comprehensive income		**-**	**397**	**-**	**397**
Balance as of 31 March 2024		**1,003**	**53,818**	**201**	**55,022**

See Notes to the Financial Statements, which form an integral part of these financial statements.

Statement of Cash Flows

(In millions of Rupiah)

	Year ended March 31, 2025	Year ended March 31, 2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit	**11,253**	6,757
Adjustments for:		
Depreciation	**1,051**	1,092
(Reversal) additional impairment loss of trade receivables and contract assets	**(12,662)**	9,377
(Gain) loss on trade receivables write-off	**(155)**	427
Finance income	**(360)**	(397)
Income tax expense	**2,568**	3,065
Changes in:		
Trade and other receivables, net	**24,138**	16,035
Contract assets	**5,585**	42,192
Prepaid value added taxes	**(1,247)**	637
Prepayments and advances	**4,184**	1,735
Claims for tax refund	**(3,461)**	-
Refundable deposits	**(4)**	4
Trade and other payables	**(22,051)**	(34,971)
Unearned revenue	**3,447**	(14,558)
Other taxes payable	**(1,270)**	(2,492)
Short-term employee benefits obligation	**314**	(131)
Employee benefits obligation	**1,719**	1,633
Interest received	**360**	397
Income tax refund	**-**	-
Income tax paid	**(2,114)**	(12,670)
Net cash from operating activities	**11,295**	18,132
CASH FLOWS USED IN INVESTING ACTIVITIES		
Acquisition of fixed assets	**(29)**	(117)
Proceeds from sale of fixed assets	**(-)**	399
Net cash from (used in) investing activities	**(29)**	282
CASH FLOWS USED IN FINANCING ACTIVITIES		
Payment of lease liabilities	**(330)**	(322)
Dividends paid	**(-)**	(23,471)
Net cash used in financing activities	**(330)**	(23,793)
NET (DECREASE) INCREASE IN CASH IN BANKS AND CASH EQUIVALENTS	**10,936**	(5,379)
CASH IN BANKS AND CASH EQUIVALENTS, BEGINNING OF YEAR	**12,506**	17,885
CASH IN BANKS AND CASH EQUIVALENTS, END OF YEAR	**23,442**	12,506

See Notes to the Financial Statements, which form an integral part of these financial statements.

Notes forming part of Financial Statements

1. GENERAL

a. PT Tata Consultancy Services Indonesia (the "Company") was established in the Republic of Indonesia in 2006.

The Company's office is located at Gedung Menara Prima #16 Unit F, Jl. DR. Ide Anak Agung Gde Agung Blok 6.2, Kuningan, Jakarta Selatan 12950.

b. The Company is engaged in the Information Technology (IT) services, consulting and business solutions.

2. BASIS OF PREPARATION

a. Statement of compliance

The financial statements of the Company have been prepared in accordance with Indonesian Financial Accounting Standards ("SAK Indonesia").

These financial statements of the Company were authorized for issuance by the Board of Directors on 13 May 2025.

b. Functional and presentation currency

The financial statements are presented in Rupiah, which is the functional currency of the Company, Unless otherwise specified, financial information presented in Rupiah has been rounded to the nearest million.

c. Basis of measurement

The financial statements are prepared on the accrual basis using the historical cost concept, except where the accounting standards require fair value measurement.

d. Statement of cash flows

The statement of cash flows present the changes in cash in banks and cash equivalents from operating, investing and financing activities and are prepared using the indirect method. The Company consider short-term time deposits with maturities of not more than three months at the date of acquisition to be cash equivalents.

e. Use of judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from the estimated amounts.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

(i) Judgments

Information about judgments made in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in:

Notes 3e and 10 – Revenue recognition: Management's judgment with respect to existence of contractual performance obligations, timing of revenue recognition, revenue classification, and determining whether the Company acts as an agent or as a principal.

Notes forming part of Financial Statements

(ii) Assumptions and estimation uncertainties

Information about the assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in material adjustments to the carrying amounts of assets and liabilities in the following year is included in Note 8 – Measurement of employee benefits obligation: key actuarial assumption.

Measurement of fair value: A number of accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Company uses observable market data to the extent possible. Fair values are determined using the following hierarchy of inputs used in the valuation techniques for assets and liabilities:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs, other than quoted prices included in Level 1, that are observable, either directly (i.e. price) or indirectly (i.e. derived from other observable price).
- Level 3: inputs that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability are drawn from a mixture of different level sources of the fair value hierarchy, then the fair value measurement for the entire class of the asset or liability is considered to have been done using the lowest level input that is significant to the entire measurement (Level 3 being the lowest).

f. Changes in material accounting policies

(i) Statements of Financial Accounting Standards ("PSAK") and Interpretations of Financial Accounting Standards ("ISAK") which became applicable in 2024

- Amendments to PSAK 116, "Lease liability a Sale and Leaseback"; and
- Amendments to PSAK 201, "Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current".

(ii) PSAK issued but not yet effective

- Lack of Exchangeability (Amendments to PSAK 221).

  As of the issuance of these financial statements, management has not determined the extent of the retrospective impact, if any, that the future adoption of this standard will have on the Company's financial position and operating results.

3. MATERIAL ACCOUNTING POLICIES

The material accounting policies consistently applied in the preparation of the consolidated financial statements were as follows:

a. Cash equivalents

Cash and cash equivalents of the Company include cash in banks and short-term time deposits with maturities of not more than three months from the date of acquisition.

b. Impairment of non-financial assets

The carrying amount of each cash-generating unit ("CGU") within non-financial assets is reviewed at each reporting date to determine whether there is any indication of impairment. If any such indications exist, then the asset's recoverable amount is estimated.

An impairment loss is recognized if the carrying amount of a CGU exceeds its recoverable amount. A CGU is the smallest identifiable asset group that generates cash flows that largely are independent from other assets. Impairment losses are recognized in profit or loss.

Notes forming part of Financial Statements

The recoverable amount of a CGU is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

c. Post-employment benefits

The obligation for post-employment benefits is calculated at the present value of estimated future benefits that the employees have earned in return for their services in the current and prior periods. The calculation is performed by a qualified actuary using the project unit credit method.

Gains or losses arising from actuarial remeasurement of the net defined benefit liability are recognized immediately in other comprehensive income. When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss.

d. Financial instruments

(i) Recognition and initial measurement

Financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instruments.

A financial asset (unless it is a receivable without significant financing component) or financial liability is initially measured at fair value plus or minus, for item not measured at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A receivable without a significant financing component is initially measured at the transaction price.

(ii) Financial assets

On initial recognition, a financial asset is classified as measured at amortized cost; fair value through other comprehensive income ("FVOCI") or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortized cost if it meets both of the following conditions:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interests on the principal amount outstanding.

The financial assets measured at amortized cost are subsequently measured using the effective interest method. The gross carrying amount is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Gains or losses on derecognition of these financial assets are recognized in profit or loss.

(iii) Financial liabilities

Financial liabilities are classified as either measured at amortized cost, or FVTPL. FVTPL financial liability is measured as such if it is classified as held-for-trading, if it is a derivative, or if it is designated as such on initial recognition.

Financial liabilities measured at amortized cost are subsequently measured using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Gains or losses on derecognition are also recognized in profit or loss.

Notes forming part of Financial Statements

Other liabilities measured at FVTPL are initially measured at fair value. Subsequent to initial recognition, other liabilities are measured at fair value and changes therein are recognized in profit or loss.

(iv) Derecognition

Financial assets

The Company enters into transactions whereby it transfers assets recognized in its statement of financial position, but retains either all or substantially all of the risks and reward of the transferred assets. In these cases, the transferred assets are not derecognized.

Financial liabilities

The Company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability, based on the modified terms, is recognized at fair value.

(v) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position 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.

(vi) Impairment

The Company recognizes loss allowances for expected credit loss ("ECL") on financial assets measured at amortized cost.

Presentation of allowance for ECL in the consolidated statement of financial position

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. The Company measures loss allowances at an amount that reflects the lifetime ECL, except for cash in bank for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition, wherein the loss allowances are determined based on the 12-month ECL.

Loss allowances for trade and other receivables, and for contract assets that are measured at amortized cost, are measured at an amount that represents the lifetime ECL.

e. Revenue

Revenue is measured based on the consideration specified in a contract with a customer. The Company recognizes revenue when it transfers control over a product or service to a customer.

The following table provides information about the nature and timing of the satisfaction of performance obligation in contracts with customers, including significant payment terms, and the related revenue recognition policies.

Type of product/ service	Nature and timing of satisfaction of performance obligations, including significant payment terms	Revenue recognition policies
Consultancy, maintenance and support services	Invoices are issued on a basis of contractual terms and are usually payable within 30 - 90 days.	Revenue is recognized based on time elapsed mode and revenue is straight lined over the period of performance
Time and material and job contracts	Invoices are issued on a monthly basis and are usually payable within 30 - 90 days.	Revenue is recognized on output basis measured by units delivered, efforts expended, number of transactions processed, etc.

Notes forming part of Financial Statements

Type of product/ service	Nature and timing of satisfaction of performance obligations, including significant payment terms	Revenue recognition policies
Fixed price contracts	Invoices are issued on the basis contractual milestone and are usually payable within 30 - 90 days.	Revenue is recognized using percentage- of-completion method ('POC method') of accounting with contract costs incurred determining the degree of completion of the performance obligation. The contract costs used in computing the revenues include cost of fulfilling warranty obligations.
Third party hardware or software I Internally developed software and manufactured systems (collectively termed as "products")	Customers obtain control of the products when the products are delivered to the customer's premises. Invoices are generated and revenue is recognized at that point in time. Invoices are usually payable within 30 – 90 days.	Revenue from the sale of distinct internally developed software and manufactured systems and third party software is recognized upfront at the point in time when the system / software is delivered to the customer. In cases where implementation and / or customization services rendered significantly modifies or customizes the software, these services and software are accounted for as a single performance obligation and revenue is recognized over time on a POC method.
		Revenue from the sale of distinct third party hardware is recognised at the point in time when control is transferred to the customer.

Contract assets are recognized when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned revenue is recognized when there is billings in excess of revenues.

f. Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currency of the Company at the rates of exchange prevailing at transaction date. Monetary assets and liabilities denominated in foreign currencies are retranslated to the functional currency at the exchange rate at the reporting date. Foreign currency gains or losses on monetary items are comprised of the difference between amortized cost measured in the functional currency at the beginning of the period as adjusted for effective interest and payments during the period, and the amortized cost measured in foreign currency translated at the exchange rate at reporting date.

Non-monetary assets and liabilities denominated in a foreign currency that are measured at historical cost are translated using the exchange rate at the date of the transaction.

Foreign currency gains and losses on retranslation of monetary assets and liabilities that arise from operating activities are generally recognized in profit or loss.

Notes forming part of Financial Statements

g. Income tax

Income tax expense consists of current and deferred income tax. Current tax and deferred tax are recognized in profit or loss except to the extent that they relate to items recognized directly in equity or in other comprehensive income.

Current tax expense is the amount of tax paid, or payable on taxable income or loss for the year, using tax rates substantively enacted as of the reporting date. Current tax also includes true-up adjustments made to the previous years' tax provisions either to reconcile them with the income tax reported in annual tax returns, or to account for differences arising from tax assessments. Current tax expense is measured using the best estimate of the amount expected to be paid or received, taking into consideration the uncertainty associated with the complexity of tax regulations.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted as of the reporting date. This accounting policy also requires the recognition of tax benefits, such as tax loss carry forwards, which are originated in the current period that are expected to be realized in the future periods, to the extent that realization of such benefits is probable.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of their realization through future taxable profits improves.

4. CASH IN BANKS AND CASH EQUIVALENTS

(In millions of Rupiah)

	As at March 31, 2025	As at March 31, 2024
Cash in banks	**6,442**	5,506
Short-term time deposits in Rupiah	**17,000**	7,000
	23,442	12,506

5. TRADE AND OTHER RECEIVABLES, NET

(In millions of Rupiah)

	As at March 31, 2025	As at March 31, 2024
Trade receivables resulting from revenue generation activities consist of the following:		
Third parties	**44,090**	67,880
Related parties (Note 15d)	**1,610**	1,847
	45,700	69,727
Other third parties receivables	**844**	799
Total trade and other receivables	**46,544**	70,526
Less: provision for impairment of trade receivables	**(10,006)**	(22,667)
Total trade and other receivables, net	**36,538**	47,859

For the year ended 31 March 2024, a total of Rp 427 million was directly written off from trade receivables (2025: nil).

Notes forming part of Financial Statements

6. TRADE AND OTHER PAYABLES

(In millions of Rupiah)

	As at March 31, 2025	As at March 31, 2024
Trade payables:		
Related parties (Note 15d)	**8,580**	12,224
Third parties	**10,533**	9,918
	19,113	22,142
Other payables and accrued expenses:		
Related parties (Note 15d):		
Technical services	**423**	19,617
Royalty	**217**	317
Others	**-**	223
Third parties:		
Employees' salaries and other compensation	**4,796**	7,533
Professional fees	**1,604**	675
Hardware and software	**1,037**	-
Project	**900**	-
Others	**366**	-
	9,343	28,365
	28,456	50,507

7. UNEARNED REVENUE

(In millions of Rupiah)

	As at March 31, 2025	As at March 31, 2024
Balance at 1 April	**2,362**	16,920
Billings during the year	**10,241**	2,362
Revenue recognized during the year	**(6,794)**	(16,920)
Balance at 31 March	**5,809**	2,362

8. EMPLOYEE BENEFITS OBLIGATION

In accordance with Indonesian labor regulations, the Company is required to provide certain post¬employment benefits to its employees when their employment is terminated or when they retire. These benefits are primarily based on years of service and the employees' compensation at termination or retirement.

The following table reflects the balance of the obligation for post-employment benefits as of the reporting dates, as well as the movements in the obligation, and the expense recognized during 2025 and 2024:

Notes forming part of Financial Statements

(In millions of Rupiah)

	As at March 31, 2025	As at March 31, 2024
Movement in the defined benefit obligation		
Defined benefit obligation, beginning of year	**6,469**	5,391
- Current service cost	**1,311**	1,234
- Interest cost	**424**	370
Included in other comprehensive income		
Actuarial gains (losses) arising from:		
- financial assumptions	**(142)**	149
- experience adjustment	**(366)**	(573)
Others		
- Benefits paid	**(17)**	(102)
Defined benefit obligation, end of year	**7,679**	6,469
Short-term employee benefits obligation	**314**	-
Employee benefits obligation	**7,993**	6,469

Actuarial assumptions

Principal assumptions used in the actuarial calculations were as follows:

	2025	2024
Discount rate	**6.37% - 7.11% per annum**	6.19% - 7.00% per annum
Future salary increase rate	**7.00% per annum**	7.00% per annum

At 31 March 2025, the weighted-average duration of the defined benefit obligation is 14.61 years (2024: 15.59 years).

The discount rate is used in determining the present value of the benefit obligation at valuation date. In general, the discount rate correlates with the yield on zero coupon government bonds that are traded in active capital markets at the reporting date.

The future salary increase assumptions reflects the projected salary increments during the period from the valuation date through the expected retirement age. The salary increase rate is generally determined by applying inflation adjustments to pay scales, and by taking account of the length of service.

Sensitivity analysis

It is reasonably possible that the key actuarial assumptions applied in estimating the post-employment benefits may turn out to be different than expected. The range of such reasonably expected variability would affect the defined benefit obligation at the reporting date by the following amounts:

(In millions of Rupiah)

	2025		2024	
	1% increase	1% decrease	1% increase	1% decrease
Discount rate	**(633)**	**723**	(569)	650
Future salary increase rate	**685**	**(613)**	614	(550)

This analysis depicts the approximate sensitivity of the benefits obligation to a reasonably possible change in assumptions, but does not take account of the variability in the timing of the distribution of benefit payments expected under the plan..

Notes forming part of Financial Statements

9. SHARE CAPITAL AND APPROPRIATED RETAINED EARNINGS

As of 31 March 2025 and 2024, the Company's authorized share capital amounted to Rp 2,508 million (250 shares at a nominal value of Rp 10,030,000 (whole Rupiah) or USD 1,000 per share), of which amounted to Rp 1,003 million (100 shares at a nominal value of Rp 10,030,000 (whole Rupiah) or USD 1,000 per share) have been fully issued and paid-up by the following shareholders:

Shareholders	Nominal value			
	Number of shares	In millions of Rupiah	USD	%
Tata Consultancy Services Asia Pacific Pte., Ltd, Singapore	99	993	99,000	99%
Tata Consultancy Services Malaysia Sdn., Bhd, Malaysia	1	10	1,000	1%
	100	1,003	100,000	100%

Based on the General Shareholders' Meeting, the Company established a statutory reserve of 20% of the issued and paid-up share capital amounting to Rp 201 million in accordance with the Indonesian Limited Liability Company Law.

10. REVENUE AND CONTRACT ASSETS

(In millions of Rupiah)

	As at March 31, 2025	As at March 31, 2024
Rendering of consultancy maintenance and support services (timing on revenue recognition: overtime):		
Third parties	**86,584**	127,493
Related parties (Note 15a)	**5,669**	8,310
	92,253	135,803
Sales of hardware and software (timing on revenue recognition: point in time):	**26**	4,989
Third parties	**92,279**	140,792

Contract Assets

The contract assets primarily relate to the Company's right for consideration for work completed but not billed at the reporting date for its consultancy services. The following table provide information about contract assets from contracts with customers:

(In millions of Rupiah)

	As at March 31, 2025	As at March 31, 2024
Balance 1 April	**15,516**	57,708
(Reversal) recognized as revenue	**9,422**	(1,439)
Transferred to receivables	**(15,007)**	(40,753)
Balance 31 March	**9,931**	15,516

Notes forming part of Financial Statements

11. COST OF REVENUE

(In millions of Rupiah)

	As at March 31, 2025	As at March 31, 2024
Professional fees	**25,970**	44,373
Employees' salaries and other compensation	**24,674**	37,097
Projects and others	**15,298**	11,106
	65,942	92,576

12. GENERAL AND ADMINISTRATIVE EXPENSES

(In millions of Rupiah)

	As at March 31, 2025	As at March 31, 2024
Employees' salaries and other compensation	**20,431**	23,603
Professional fees	**1,548**	681
Utilities	**1,469**	1,343
Travel	**1,081**	1,392
Marketing and sales promotion	**325**	699
Others	**678**	1,233
	25,532	28,951

13. TAXATION

a. The components of income tax recognized in profit or loss are as follows:

(In millions of Rupiah)

	Year ended March 31, 2025	Year ended March 31, 2024
Current tax expense:		
Current year	**2,068**	6,259
Adjustments to prior years' tax expense	**(344)**	58
	1,724	6,317
Deferred tax benefit:		
Origination and reversal of temporary differences	**844**	(3,252)
	2,568	3,065

b. Claims for tax refund consist of:

(In millions of Rupiah)

	Year ended March 31, 2025	Year ended March 31, 2024
Overpayment corporate income tax fiscal year 2024	**3,117**	-
Overpayment corporate income tax fiscal year 2023	**4,705**	4,360
	7,822	4,360

Notes forming part of Financial Statements

c. Income tax expense is reconciled with profit before tax as follows:

(In millions of Rupiah)

	Year ended March 31, 2025	Year ended March 31, 2024
Profit before tax	**13,821**	9,822
Statutory tax rate	**22%**	22%
	3,041	2,161
Permanent differences	**(129)**	846
Adjustment to prior years' tax expense	**(344)**	58
Income tax expense	**2,568**	3,065

d. Recognized deferred tax balances and the movement thereof during the year were comprised of the following:

(In millions of Rupiah)

	Year ended March 31, 2024	Recognized in profit or loss	Recognized in other comprehensive income	Year ended March 31, 2025
Deferred tax assets (liabilities):				
Provision for impairment of trade receivables	**4,987**	**(2,785)**	**-**	**2,202**
Accrued expenses	**3,463**	**1,499**	**-**	**4,962**
Employee benefits obligation	**1,423**	**447**	**(112)**	**1,758**
Lease liabilities (part of other current liabilities)	**-**	**30**	**-**	**30**
Fixed assets	**9**	**(35)**	**-**	**(26)**
Deferred tax assets, net	**9,882**	**(844)**	**(112)**	**8,926**

(In millions of Rupiah)

	Year ended March 31, 2023	Recognized in profit or loss	Recognized in other comprehensive income	2024
Deferred tax assets (liabilities):				
Provision for impairment of trade receivables	2,924	2,063	-	4,987
Accrued expenses	2,596	867	-	3,463
Employee benefits obligation	1,186	330	(93)	1,423
Fixed assets	17	(8)	-	9
Deferred tax assets, net	6,723	3,252	(93)	9,882

The temporary difference that give rise to the deferred tax asset for the provision for impairment of trade receivables does not expire, however before such provision can be deductible the Company must provide evidence that the receivables are not collectible, and thereby must write off the uncollectible balances. Management believes that the Company will be able to provide evidence that the receivables are not collectible as required by the Indonesian Income Tax Law.

Notes forming part of Financial Statements

e. Under the taxation laws of Indonesia, the Company submits tax returns on the basis of self¬assessment. The tax authorities may assess or amend taxes within the statute of limitations, under prevailing regulations.

The Company's tax positions may be challenged by the tax authorities. The Company's tax positions are formed on sound technical bases, in compliance with the tax regulations. Accordingly, management believes that no accruals for potential income tax liabilities is necessary. This assessment relies on estimates and assumptions and may involve judgment about future events. New information may become available that causes management to change its judgment. Such changes will impact tax expense in the period in which such determination is made.

14. DISTRIBUTIONS TO SHAREHOLDERS

The annual general shareholders' meeting on 28 February 2024 declared the distribution of cash dividends of Rp 11,771 million. The dividends were paid on 29 February 2024.

The annual general shareholders' meeting on 29 November 2023 declared the distribution of cash dividends of Rp 11,700 million. The dividends were paid on 4 December 2023.

15. RELATED PARTIES

The Company is ultimately controlled by Tata Sons Limited (incorporated in India).

The Company's parent company is Tata Consultancy Services Asia Pacific Pte., Ltd (incorporated in Singapore) and its intermediate parent is Tata Consultancy Services Limited (incorporated in India).

The Company's entities under common control are Tata Consultancy Services Malaysia Sdn., Bhd (incorporated in Malaysia), Tata Consultancy Services (China) Co., Ltd. and Tata America International Corporation (incorporated in United States).

The following transactions were carried out with related parties:

(a) Revenue

(In millions of Rupiah)

	Year ended March 31, 2025	Year ended March 31, 2024
Consultancy services rendered to (Note 10):		
Intermediate parent	**3,006**	3,001
Parent	**1,957**	5,309
Others	**706**	-
	5,669	8,310

(b) Purchases of services

(In millions of Rupiah)

	Year ended March 31, 2025	Year ended March 31, 2024
Services provided by:		
Intermediate parent	**26,190**	41,429
Entities under common control	**2,625**	6,326
Parent	**1,185**	5,228
Ultimate parent	**320**	349
	30,320	53,332

(c) Key management compensation

Key management includes Board of Director and Board of Commissioners. The following reflects the compensation

Notes forming part of Financial Statements

paid or payable to key management individuals for services rendered in their capacity as employees:

(In millions of Rupiah)

	Year ended March 31, 2025	Year ended March 31, 2024
Salaries and other short-term benefits	**2,967**	2,762

(d) Year-end balances

(In millions of Rupiah)

	Year ended March 31, 2025	Year ended March 31, 2024
Receivables from (Note 5):		
Intermediate parent	**1,356**	1,483
Parent	**186**	364
Others	**68**	-
	1,610	1,847
Contract assets from:		
Parent	**135**	149
Intermediate parent	**84**	55
	219	204
Payables to (Note 6):		
Intermediate parent	**5,049**	22,291
Parent	**3,886**	6,377
Ultimate parent	**217**	349
Entities under common control	**68**	3,364
	9,220	32,381

16. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

Financial instruments

Financial assets consist of:

- Measured at amortized cost: cash in banks and cash equivalents, trade and other receivables, contract assets, and refundable deposits.

Financial liabilities consist of:

- Measured at amortized cost: trade and other payables.

Financial risk management

The main risks arising from the Company's financial instruments are credit risk, liquidity risk and currency risk.

Credit risk

Credit risk is the risk of financial loss in the event that a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk principally arises from trade receivables from customers. The Company manages and controls the credit risk of receivables by setting customers credit limits and monitoring the outstanding balances on an ongoing basis.

Notes forming part of Financial Statements

The carrying amounts of financial assets represent the maximum credit exposure, as follows:

	As at March 31, 2025	As at March 31, 2024
Cash in banks and cash equivalents	**23,442**	12,506
Past due:		
Trade and other receivables	**36,538**	47,859
Contract assets	**9,931**	15,516
Refundable deposits	**180**	176
	70,091	76,057

Impairment

An analysis of the credit quality of trade and other receivables and contract assets is summarized below:

(In millions of Rupiah)

	As at March 31, 2025	As at March 31, 2024
	Carrying amount	Carrying amount
Not past due	**35,216**	29,116
Past due:		
Less than 90 days	**8,979**	2,827
91 days to 1 year	**2,274**	31,432
1 year and above	**-**	-
	46,469	63,375

The following table provides information about the exposure to credit risk and ECLs for trade and other receivables and contract assets as at 31 March 2025 and 2024:

(In millions of Rupiah)

	March 31, 2025		
	Weighted average loss rate	Gross carrying amount	Loss allowance
Not past due		**35,216**	**-**
Past due:			
Less than 90 days	**0 %**	**8,979**	**-**
91 days to 1 year	**0 %**	**2,274**	**-**
1 year and above	**100 %**	**10,006**	**(10,006)**
		56,475	**(10,006)**

Notes forming part of Financial Statements

Financial risk management (continued)

Credit risk (continued)

Trade and other receivables and contract assets (continued)

(In millions of Rupiah)

	March 31, 2024		
	Weighted average loss rate	Gross carrying amount	Loss allowance
Not past due		-	-
Past due:	0 %	29,116	-
Less than 90 days	0 %	2,827	-
91 days to 1 year	38 %	50,631	(19,199)
1 year and above	100 %	3,468	(3,468)
		86,042	(22,667)

The movement in the allowance for impairment in respect of trade receivables and contract assets during the years was as follows:

(In millions of Rupiah)

	Year ended March 31, 2025	Year ended March 31, 2024
Balance at 1 April	**22,667**	13,290
(Reversal) additional impairment loss on trade receivables	**(12,661)**	9,377
Balance at 31 March	**10,006**	22,667

Cash in banks and cash equivalents

The Company's cash in banks and cash equivalents are deposited at reputable banks that are subject to tight regulations, therefore, the exposure to loss is minimized.

Refundable deposits

Refundable deposits represent cash paid in advance by the Company whereby the Company expects to be refundable after a specific period of time, or when certain conditions are satisfied, therefore, no significant credit risk factors was identified.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. The Company manage this liquidity risk by on-going monitoring of the projected and actual cash flows.

Notes forming part of Financial Statements

The following are the contractual maturities of financial liabilities, including estimated interest payments:

(In millions of Rupiah)

		Contractual cash flows
	Carrying amount	Total/Within 1 year
March 31, 2025		
Financial liabilities		
Trade and other payables	**28,456**	**28,456**
Lease liabilities (part of other current liabilities)	**138**	**139**
	28,594	**28,595**

(In millions of Rupiah)

		Contractual cash flows
	Carrying amount	Total/Within 1 year
March 31, 2024		
Financial liabilities		
Trade and other payables	**50,507**	**50,507**
Lease liabilities (part of other current liabilities)	**468**	**488**
	50,975	**50,995**

Currency risk

Payables arising from overseas suppliers expose the Company to fluctuating foreign exchange rates, from the currencies other than the Company's functional currency, primarily US Dollar (USD). The Company manages this risk also by buying or selling foreign currencies at spot rates, when necessary.

The Company's net exposure to currency risk is as follows:

(In millions of Rupiah)

	2025	2024
	US Dollars	US Dollars
Assets	**884,272**	909,665
Liabilities	**(634,047)**	(434,513)
Net exposure	**250,225**	475,152

At reporting dates, balances of monetary assets and liabilities denominated in USD are translated into Rupiah using the prevailing exchange rates which were Rp 16,667/USD at 31 March 2025; and Rp 15,873/USD at 31 March 2024.

The Company believes that a strengthening/weakening of the Rupiah, by against USD would not have significant impact to equity and profit or loss after income tax. This analysis is based on USD rate variances that management considers as being reasonably possible at the reporting date. The analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecasted sales and purchases.

Capital risk management

The Company manages capital with the objective of being able to continue as a going concern and sustaining its ability to provide returns for shareholders and benefits for other stakeholders, as well as maintaining an optimal capital structure to minimize the effective cost of capital. This objective is achieved by adjusting the amounts of dividends and by optimizing debt levels.

Back to content

TATA CONSULTANCY SERVICES (PHILIPPINES) INC.

(A Wholly-owned Subsidiary of Tata Consultancy Services Asia Pacific Pte. Ltd.)

For the year ended
March 31, 2025

FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

CONTENTS **PAGE**

Independent Auditor's Report	29.2
Statements of Financial Position	29.5
Statements of Comprehensive Income	29.6
Statements of Changes in Equity	29.7
Statements of Cash Flows	29.8
Notes forming part of the Financial Statements	29.9

Back to main content

INDEPENDENT AUDITOR'S REPORT

THE BOARD OF DIRECTORS AND STOCKHOLDERS
TATA CONSULTANCY SERVICES (PHILIPPINES), INC.

10th Floor, Panorama Tower
34th Street Corner Lane A
Bonifacio Global City, Taguig City

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Tata Consultancy Services (Philippines), Inc. (the "Company"), a wholly-owned subsidiary of Tata Consultancy Services Asia Pacific Pte. Ltd., which comprise the statements of financial position as at March 31, 2025 and 2024, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the years then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standard (PFRS) Accounting Standard.

Basis for the Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to our audit of the financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PFRS Accounting Standard, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 PSAs 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 financial statements.

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

REPORT ON THE SUPPLEMENTARY INFORMATION REQUIRED UNDER REVENUE REGULATIONS NO. 15-2010 OF THE BUREAU OF INTERNAL REVENUE

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information on taxes, duties and license fees in Note 27 to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such supplementary information is the responsibility of management. The supplementary information has been subjected to the auditing procedures applied in our audits of the basic financial statements. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

R. G. MANABAT & CO.

Partner
CPA License No. 108798
SEC Accreditation No. 108798-SEC, Group A, valid for five (5) years covering the audit of 2023 to 2027 financial statements
Tax Identification No. 225-454-652
BIR Accreditation No. 08-001987-035-2024
Issued March 26, 2024; valid until March 26, 2027
PTR No. MKT 10467162
Issued January 2, 2025 at Makati City

May 2, 2025
Makati City, Metro Manila

SUPPLEMENTAL WRITTEN STATEMENT OF AUDITOR

The Board of Directors and Stockholders
Tata Consultancy Services (Philippines), Inc.

10th Floor, Panorama Tower
34th Street Corner Lane A
Bonifacio Global City, Taguig City

We have audited the accompanying financial statements of Tata Consultancy Services (Philippines), Inc. (the "Company"), a wholly-owned subsidiary of Tata Consultancy Services Asia Pacific Pte. Ltd., as at and for the year ended March 31, 2025, on which we have rendered our report dated May 2, 2025.

In compliance with Revised Securities Regulation Code (SRC) Rule 68, we are stating that the Company has one (1) stockholder owning one hundred (100) or more shares.

R. G. MANABAT & CO.

Partner
CPA License No. 108798
SEC Accreditation No. 108798-SEC, Group A, valid for five (5) years covering the audit of 2023 to 2027 financial statements
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Issued January 2, 2025 at Makati City

May 2, 2025
Makati City, Metro Manila

Statements of Financial Position

	Note	As at March 31, 2025	As at March 31, 2024
ASSETS			
Current Assets			
Cash and cash equivalents	5, 23, 24	**P618,257,287**	P610,553,076
Trade receivables - net	6, 19, 23, 24	**2,058,502,912**	1,613,836,598
Prepayments and other current assets	7, 23, 24	**230,104,609**	258,677,888
Total Current Assets		**2,906,864,808**	2,483,067,562
Noncurrent Assets			
Trade receivables - net	6	**10,538,872**	-
Property and equipment - net	8	**429,775,156**	297,644,521
Intangible assets - net	9	**-**	3,978
Right-of-use assets - net	21	**214,590,244**	479,175,902
Other noncurrent assets	10, 23, 24	**95,990,991**	106,043,039
Total Noncurrent Assets		**750,895,263**	882,867,440
		P3,657,760,071	P3,365,935,002
LIABILITIES AND EQUITY			
Current Liabilities			
Trade and other payables	11, 23, 24	**P1,569,641,963**	P1,513,980,062
Lease liabilities - current portion	21	**170,897,432**	291,575,805
Income tax payable		**31,342,932**	22,374,286
Total Current Liabilities		**1,771,882,327**	1,827,930,153
Non current Liabilities			
Lease liabilities - net of noncurrent portion	21	**54,539,351**	225,354,268
Retirement benefit obligation	12	**302,125,415**	241,500,461
Total Noncurrent Liabilities		**356,664,766**	466,854,729
Total Liabilities		**2,128,547,093**	2,294,784,882
Equity			
Share capital	13	**276,200,000**	276,200,000
Accumulated remeasurements on retirement benefits		**20,652,381**	16,386,329
Retained earnings:			
Appropriated	14	**1,000,000,000**	500,000,000
Unappropriated	14	**784,880,597**	831,083,791
Treasury shares	13	**(552,520,000)**	(552,520,000)
Total Equity		**1,529,212,978**	1,071,150,120
		P3,657,760,071	P3,365,935,002

SEE NOTES TO THE FINANCIAL STATEMENTS.

Statements of Comprehensive Income

	Note	Year ended March 31, 2025	Year ended March 31, 2024
Revenues - net	15, 19	**P7,672,067,195**	P6,644,188,958
Cost of services	16	**5,890,877,984**	5,486,312,841
GROSS PROFIT		**1,781,189,211**	1,157,876,117
General and administrative			
Expenses	17	**544,421,401**	483,066,954
INCOME FROM OPERATIONS		**1,236,767,810**	674,809,163
OTHER INCOME - Net			
Interest expense	21	**(20,526,670)**	(37,315,096)
Foreign exchange gain - net		**16,496,011**	30,747,751
Interest income	5, 21	**13,110,775**	8,718,387
Others - net		**5,679,683**	1,717,250
		14,759,799	3,868,292
INCOME BEFORE INCOME TAX		**1,251,527,609**	678,677,455
Income tax expense	20	**102,530,803**	73,858,932
NET INCOME		**1,148,996,806**	604,818,523
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified			
subsequently to profit or loss			
Remeasurement gain (loss) on retirement benefits	12	**4,266,052**	(26,927,299)
TOTAL COMPREHENSIVE INCOME		**P1,153,262,858**	P577,891,224

SEE NOTES TO THE FINANCIAL STATEMENTS.

Statements of Changes in Equity

	Note	Share Capital (Note 13)	Accumulated Remeasurements on Retirement Benefits	Retained Earnings (Note 14)			Treasury Shares (Note 13)	Total
				Appropriated	Unappropriated	Total		
Balances as at March 31, 2023		P276,200,000	P43,313,628	P400,000,000	P672,265,268	P1,072,265,268	(P552,520,000)	P839,258,896
Net Income		-	-	-	604,818,523	604,818,523	-	604,818,523
Other comprehensive loss	12	-	(26,927,299)	-	-	-	-	(26,927,299)
Total comprehensive income		-	(26,927,299)	-	604,818,523	604,818,523	-	577,891,224
Reversal of appropriations		-	-	(400,000,000)	400,000,000	-	-	-
Additional appropriation	14	-	-	500,000,000	(500,000,000)	-	-	-
Dividend distribution	14	-	-	-	(346,000,000)	(346,000,000)	-	(346,000,000)
Transactions with owners of the Company		-	-	100,000,000	(446,000,000)	(346,000,000)	-	(346,000,000)
Balances as at March 31, 2024		**276,200,000**	**16,386,329**	**500,000,000**	**831,083,791**	**1,331,083,791**	**(552,520,000)**	**1,071,150,120**
Net Income		**-**	**-**	**-**	**1,148,996,806**	**1,148,996,806**	**-**	**1,148,996,806**
Other comprehensive income	12	**-**	**4,266,052**	**-**	**-**	**-**	**-**	**4,266,052**
Total comprehensive income		**-**	**4,266,052**	**-**	**1,148,996,806**	**1,148,996,806**	**-**	**1,153,262,858**
Reversal of appropriations		**-**	**-**	**(500,000,000)**	**500,000,000**	**-**	**-**	**-**
Additional appropriation	14	**-**	**-**	**1,000,000,000**	**(1,000,000,000)**	**-**	**-**	**-**
Dividend distribution	14	**-**	**-**	**-**	**(695,200,000)**	**(695,200,000)**	**-**	**(695,200,000)**
Transactions with owners of the Company		**-**	**-**	**500,000,000**	**(1,195,200,000)**	**(695,200,000)**	**-**	**(695,200,000)**
Balances as at March 31, 2025		**P276,200,000**	**P20,652,381**	**P1,000,000,000**	**P784,880,597**	**P1,784,880,597**	**(P552,520,000)**	**P1,529,212,978**

SEE NOTES TO THE FINANCIAL STATEMENTS.

Statements of cash Flows

	Note	Year ended March 31, 2025	Year ended March 31, 2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before tax		**P1,251,527,609**	P678,677,455
Adjustments for:			
Depreciation and amortization	8, 9, 21	**371,861,362**	407,041,286
Provision (reversal) for impairment losses on receivables	6, 7	**132,277,443**	14,825,465
Retirement benefit expense	12, 18	**65,103,956**	48,099,146
Interest expense	21	**20,526,670**	37,315,096
Unrealized foreign exchange gain - net		**5,020,236**	(9,671,510)
Interest Income	5, 21	**(13,110,774)**	(8,718,388)
Loss (gain) on sublease & lease modification		**(558,006)**	906,318
Provision for volume discount		**-**	4,869
Operating cash flows before working capital changes		**1,832,648,496**	1,168,479,737
Decrease (increase) in:			
Trade receivables		**(591,138,419)**	200,393,833
Prepayments and other current assets		**28,531,643**	11,953,652
Increase (decrease) in trade and other Payables		**48,307,812**	(310,537,842)
Cash generated from operations		**1,318,349,532**	1,070,289,380
Income taxes paid		**(93,562,157)**	(73,189,543)
Benefits paid		**(212,950)**	(12,789,199)
Net cash provided by operating activities		**1,224,574,425**	984,310,638
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to property and equipment	8	**(241,705,496)**	(150,881,799)
Decrease (increase) in other assets		**19,125,864**	(14,746,083)
Interest Income received	5	**9,418,909**	4,537,675
Net cash used in investing activities		**(213,160,723)**	(161,090,207)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid	14	**(695,200,000)**	(346,000,000)
Repayment of lease liabilities	21	**(291,493,290)**	(317,976,098)
Interest paid on lease liabilities	21	**(20,526,670)**	(37,315,096)
Net cash used in financing activities		**(1,007,219,960)**	(701,291,194)
NET INCREASE IN CASH AND CASH EQUIVALENTS		**P4,193,742**	P121,929,237
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		**3,510,469**	(1,461,242)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		**610,553,076**	490,085,081
CASH AND CASH EQUIVALENTS AT END OF YEAR	5	**P618,257,287**	P610,553,076

SEE NOTES TO THE FINANCIAL STATEMENTS.

Notes forming part of the Financial Statements

1. CORPORATE INFORMATION

Tata Consultancy Services (Philippines) Inc. (the "Company") was organized under the laws of the Republic of the Philippines and registered with the Philippine Securities and Exchange Commission (SEC) on September 19, 2008. The Company's principal activities are to provide information technology (IT), business solutions and outsourcing services.

The Company is a wholly-owned subsidiary of Tata Consultancy Services Asia Pacific Pte. Ltd. (the "Parent Company"), a company incorporated under the laws of Singapore. Tata Consultancy Services Limited (the "Intermediate Parent"), a company incorporated in India and Tata Sons Limited ("the Ultimate Parent"), a company incorporated in India is the Company's ultimate parent company.

The Company is registered with the Philippine Economic Zone Authorities (PEZA) under Republic Act No. 7916 (The Special Economic Zone Act of 2005) as an Ecozone IT Enterprise on June 2, 2010.

The Company is concurrently registered with the Philippine Board of Investments (BOI) under Executive Order No. 226 (Omnibus Investment Code of 1987) as an Export Market Enterprise on December 22, 2022.

2. BASIS OF PREPARATION

Statement of Compliance

The financial statements have been prepared in compliance with Philippine Financial Reporting Standards (PFRS) Accounting Standards as issued by the Philippine Financial and Sustainability Reporting Standards Council (FSRSC). PFRS Accounting Standards are based on International Financial Reporting Standards (IFRS) Accounting Standards issued by the International Accounting Standards Board (IASB).

Basis of Measurement

The financial statements of the Company have been prepared on the historical cost basis of accounting, except for the retirement benefit obligation which is measured at the present value of defined benefit obligation, certain financial instruments which are measured at fair value or amortized cost at the end of each reporting period and lease liability which is measured at amortized cost.

Functional and Presentation Currency

The financial statements are measured using the currency of the primary economic environment in which the Company operates. The financial statements are presented in Philippine Peso, which is the Company's functional currency. All amounts are rounded to the nearest Peso, except when otherwise indicated.

Authorization for Issuance of the Financial Statements

The accompanying financial statements were approved and authorized for issue by the Company's Board of Directors (BOD) on May 2, 2025.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all years presented in the financial statements, except for the changes in accounting policies as explained below.

Adoption of New or Revised Standards, Amendments to Standards and Interpretations

The Company has adopted the following new standards, amendments to standards and interpretations starting April 1, 2024 and accordingly, changed its accounting policies. Except as otherwise indicated, the adoption did not have any significant impact on Company's financial statements.

Effective January 1, 2024

- *Classification of Liabilities as Current or Non-current - 2020 amendments and Non-Current Liabilities with Covenants - 2022 amendments (Amendments to PAS 1, Presentation of Financial Statements).* To promote consistency in application and clarify the requirements on determining whether a liability is current or non-current, the amendments:
    - removed the requirement for a right to defer settlement of a liability for at least twelve months after the reporting period to be unconditional and instead requires that the right must have substance and exist at the end of the reporting period;

Notes forming part of the Financial Statements

- clarified that only covenants with which a company must comply on or before the reporting date affect the classification of a liability as current or non¬current and covenants with which the entity must comply after the reporting date do not affect a liability's classification at that date;
- provided additional disclosure requirements for non-current liabilities subject to conditions within twelvemonths after the reporting period to enable the assessment of the risk that the liability could become repayable within twelve months; and
- clarified that settlement of a liability includes transferring an entity's own equity instruments to the counterparty, but conversion options that are classified as equity do not affect classification of the liability as current or noncurrent.

Standard Issued But Not Yet Adopted

A number of new standards and amendments to standards are effective for annual periods beginning after April 1, 2024. However, the Company has not early adopted the following new or amended standards in preparing these financial statements. Unless otherwise stated, none of these are expected to have a significant impact on the Company's financial statements.

Effective January 1, 2026

- *Amendments to the Classification and Measurement of Financial Instruments (Amendments to PFRS 9, Financial Instruments, and PFRS 7, Financial Instruments: Disclosures).* The amendments relate to the date of recognition and derecognition, classification of financial assets, contractually linked instruments and nonrecourse features, and disclosures on investments in equity instruments.

Date of recognition and derecognition. The amendments clarified that:

- a financial asset or financial liability is recognized on the date on which the entity becomes party to the contractual provisions of the instrument unless the regular way exemption applies;
- a financial asset is derecognized on the date on which the contractual rights to cash flows expire or the asset is transferred; and
- a financial liability is derecognized on the settlement date, which is the date on which the liability is extinguished because the obligation specified in the contract is discharged or cancelled or expires or the liability otherwise qualifies for derecognition.

However, the amendments provide an exception for the derecognition of financial liabilities where an entity may choose to derecognize a financial liability that is settled using an electronic payment system before the settlement date if, and only if, the entity has initiated the payment instruction that resulted in:

- the entity having no practical ability to withdraw, stop or cancel the payment instruction;
- the entity having no practical ability to access the cash to be used for settlement as a result of the payment instruction; and
- the settlement risk associated with the electronic payment system is insignificant.

Entities may choose to apply the exception on a system-by-system basis.

Classification of financial assets. The amendments related to classification of financial assets introduces an additional test to assess whether the solely payments of principal and interest (SPPI) criterion is met for financial assets with contingent features that are not related directly to a change in basic lending risks or costs.

The amendments clarified that when a contingent feature gives rise to contractual cash flows that are consistent with a basic lending arrangement both before and after the change in contractual cash flows, but the nature of the contingent event itself does not relate directly to changes in basic lending risks and costs, the financial asset has contractual cash flows that are SPPI if, and only if, in all contractually possible scenarios, the contractual cash flows would not be significantly different from the contractual cash flows on a financial instrument with identical contractual terms, but without such a contingent feature.

Notes forming part of the Financial Statements

Additional disclosures are required for all financial assets and financial liabilities that have certain contingent features that are not related directly to a change in basic lending risks or costs and are not measured at fair value through profit or loss.

Contractually linked instruments and non-recourse features. The amendments clarify the key characteristics of contractually linked instruments (CLIs) and how they differ from financial assets with non-recourse features. The amendments also include factors that a company needs to consider when assessing the cash flows underlying a financial asset with non-recourse features (the 'look through' test). For example, it clarifies that a financial asset has non-recourse features if an entity's ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets; that CLIs have non-recourse features, but not all financial assets with non-recourse features are CLIs; and that the underlying pool of instruments of CLIs may include financial assets outside the scope of PFRS 9.

Disclosures on investments in equity instruments. The amendments require additional disclosures for investments in equity instruments that are measured at fair value with gains or losses presented in other comprehensive income (FVOCI). The entity discloses for each class of investment the fair value gain or loss presented in other comprehensive income during the period, showing separately the fair value gain or loss related to investments derecognized during the reporting period and the fair value gain or loss related to investments held at the end of the reporting period. It also discloses any transfers of the cumulative gain or loss within equity during the reporting period related to investments derecognized during that reporting period.

- Annual Improvements to PFRS Accounting Standards - Volume 11. This cycle of improvements contains amendments to five standards:
- Gain or Loss on Derecognition (Amendments to PFRS 7). The amendments replaced the reference to 'inputs that were not based on observable market data' in the obsolete paragraph 27A of PFRS 7, with reference to 'unobservable inputs' in paragraphs 72-73 of PFRS 13, *Fair Value Measurement*.
    - Introduction, Disclosure of Difference Between Fair Value and Transaction Price, and Credit Risk Disclosures (Amendments to Guidance on implementing PFRS 7). The amendments:
    - clarified that the Guidance on implementing PFRS 7 does not necessarily illustrate all the requirements in the referenced paragraphs of PFRS 7;
    - made the wordings on the disclosure of deferred difference between fair value and transaction price in paragraph IG14 of PFRS 7 consistent with the requirements in paragraph 28 of PFRS 7 and with the concepts in PFRS 9 and PFRS 13; and
    - simplified the wordings on credit risk disclosures in paragraph IG20B that the illustration does not include financial assets that are purchased or originated credit impaired.
    - Derecognition of Lease Liabilities and Transaction Price (Amendments to PFRS 9). The amendments:
    - added a cross-reference to clarify that when a lessee has determined that a lease liability has been extinguished in accordance with PFRS 9, the lessee applies the requirement that the difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, shall be recognized in profit or loss; and
    - replaced the term 'their transaction price (as defined in IFRS 15)' with 'the amount determined by applying IFRS 15' because a receivable might be initially measured at an amount that differs from the transaction price recognized as revenue, for example, when you recognize full amount for consideration that's unconditionally receivable but at the same time recognize expected refund liability with respect to retrospective rebates. Consequently, the definition of the transaction price has been deleted.
- Cost Method (Amendments to PAS 7, *Statement of Cash Flows*). The amendments replaced the term 'cost method' with 'at cost' given the definition of 'cost method' has previously been removed from PFRS Accounting Standards.

Notes forming part of the Financial Statements

Effective January 1, 2027

- PFRS 18, *Presentation and Disclosure in Financial Statements* will replace PAS 1 and aims to provide greater consistency in presentation of the income and cash flow statements, and more disaggregated information.
- A more structured income statement. PFRS 18 promotes a more structured income statement. It introduces a newly defined 'operating profit or loss' and 'profit or loss before financing and income tax' subtotals, and a requirement for all income and expenses to be classified into three new distinct categories - operating, investing, and financing - based on a company's main business activities. PFRS 18 also requires companies to analyze their operating expenses directly on the face of the income statement - either by nature, by function or on a mixed basis. Companies need to choose the presentation method that provides the 'most useful structured summary' of those expenses. New disclosures apply if any operating expenses are presented by function.
- Management-defined performance measures. PFRS 18 provides a definition for management-defined performance measures (MPMs) and introduces specific disclosure requirements. MPMs are subtotals of income and expenses that are used in public communications outside the financial statements, communicate management's view of an aspect of the financial performance of the entity as a whole and are not a required subtotal or a common income and expense subtotal listed in PFRS 18. For each MPM presented, companies will need to explain in a single note to the financial statements why the measure provides useful information and how it is calculated, and to reconcile it to an amount determined under PFRS Accounting Standards.
- Greater disaggregation of information. PFRS 18 provides enhanced guidance on how companies group information in the financial statements, including newly defined roles of the primary financial statements and the notes, principles of aggregation and disaggregation based on shared and non-shared characteristics, and specific guidance for labelling and describing items in a way that faithfully represents an item's characteristics.

PFRS 18 also now require goodwill to be presented as a line item in the statement of financial position.

Consequential amendments to PAS 7 requires the use of the operating profit or loss subtotal as the starting point when presenting operating cash flows under the indirect method and eliminate the options for classifying interest and dividend cash flows.

PFRS 18 also amends PAS 33, Earnings per Share, to permit companies to disclose additional amounts per share using as numerator a required income and expenses total or subtotal, a common subtotal listed in PFRS 18 or an MPM disclosed by the entity.

PFRS 18 applies for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. It applies retrospectively in accordance with PAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. Specific reconciliations are required to be disclosed. Eligible entities including venture capital organizations, mutual funds and some insurers will be allowed to change their election for measuring investments in associates and joint ventures from equity method to fair value through profit or loss.

Financial Assets & Financial Liabilities

Financial assets and liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. Financial assets and 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 measured on initial recognition of financial asset or financial liability.

The company derecognises a financial asset only 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 entity. The entity derecognises financial liabilities when, and only when, the entity obligations are discharged, cancelled or have expired.

Financial Assets at Amortized Cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Notes forming part of the Financial Statements

Financial Assets at Fair Value through Other Comprehensive Income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

The company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in other comprehensive income.

Financial Assets at fair Value through Profit or Loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

Financial Liabilities

Financial liabilities are measured at amortized cost using the effective interest method.

Impairment of Financial Assets (Other than at Fair Value)

The Company assesses at each date of statement of financial position whether a financial asset or a group of financial assets is impaired. PFRS 9 requires expected credit losses to be measured through a loss allowance. The entity recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. In determining the allowances for doubtful trade receivables the entity has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Prepayments

Prepayments represent expenses not yet incurred but already paid in cash. Prepayments are initially recorded as assets and measured at the amount of cash paid. Subsequently, these are charged to profit or loss as they are consumed in operations or expire with the passage of time.

Prepayments are classified in the statements of financial position as current assets when the cost of services related to the prepayments are expected to be incurred within one year or the Company's normal operating cycle, whichever is longer. Otherwise, prepayments are classified as noncurrent assets.

Property and Equipment

Property and equipment are initially measured at cost. The cost of an item of property and equipment comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates;
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by Management; and
- the initial estimate of the future costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

At the end of each reporting period, item of property and equipment measured using the cost model are carried at cost less any subsequent accumulated depreciation, amortization and impairment losses.

Notes forming part of the Financial Statements

Subsequent expenditures relating to an item of property and equipment that have already been recognized are added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the Company. All other subsequent expenditures are recognized as expenses in the period in which those are incurred.

Depreciation is computed on the straight-line method based on the estimated useful lives of the assets as follows:

	Number of Years
Computer equipment	4
Furniture and fixtures	5
Office equipment	5 - 10
Leasehold improvements	5 or lease term, whichever is shorter

Properties in the course of construction for production, rental or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognized impairment loss. Cost includes professional fees and for qualifying assets, borrowing costs capitalized in accordance with the Company's accounting policy. Depreciation of these assets commences at the time the assets are ready for their intended use.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a Lessee

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices.

The Company recognizees 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 using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the lessee's incremental borrowing rate. Generally, the Company uses the lessee's incremental borrowing rate as the discount rate.

The Company determines the lessee's incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

Notes forming part of the Financial Statements

- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

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.

Short-term leases and leases of low-value assets.

The Company has elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Impairment of Nonfinancial Assets

At the end of each reporting period, the Company assesses whether there is any indication that any of its nonfinancial assets, which comprise of property and equipment, may have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit (CGU) to which the asset belongs. A reasonable and consistent basis of allocation can be identified, assets are also allocated to individual (CGUs), or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and 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 the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. An impairment loss is recognized as in profit or loss.

Impairment losses recognized in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. A reversal of an impairment loss is recognized in profit or loss.

Share Capital

Share capital are classified as equity. Incremental costs directly attributable to the issuance of new shares or options are shown in equity as a deduction from the proceeds, net of tax.

Treasury Shares

When share capital recognized as equity is repurchased, the amount of the consideration paid, which includes directly attributable costs, net of any tax effects, is recognized as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the reserve for own shares. When treasury shares are sold or reissued subsequently, the amount received is recognized as an increase in equity, and the resulting surplus or deficit on the transaction is presented in additional paid-in capital.

Retained Earnings

Retained earnings represent accumulated profits or losses. Retained earnings may also include effect of changes in accounting policy as may be required by the standard's transitional provisions.

Notes forming part of the Financial Statements

Unappropriated retained earnings represent that portion which is free and can be declared as dividends to stockholders. Appropriated retained earnings represent that portion which has been restricted and, therefore, not available for dividend declaration. When appropriation is no longer needed, it is reversed.

Other Comprehensive Income (OCI)

Other comprehensive income represents income and expense that are not recognized in profit or loss as required or permitted by the related accounting standards.

Revenue Recognition

The Company earns revenue primarily from providing IT services, business solutions and outsourcing services. The Company offers a consulting-led, cognitive powered, integrated portfolio of IT, business and engineering services and solutions.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

- Revenue from time and material and job contracts is recognized on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognized based on time elapsed mode and revenue is straight lined over the period of performance.
- In respect of other fixed-price contracts, revenue is recognized using percentage- of-completion method ('POC method') of accounting with contract cost incurred determining the degree of completion of the performance obligation. The contract cost used in computing the revenues include cost of fulfilling warranty obligations.
- Revenue from the sale of distinct internally developed software and manufactured systems and third party software is recognized upfront at the point in time when the system/software is delivered to the customer. In cases where implementation and/or customization services rendered significantly modifies or customizes the software, these services and software are accounted for as a single performance obligation and revenue is recognized over time on a POC method .
- Revenue from the sale of distinct third party hardware is recognized at the point in time when control is transferred to the customer.
- The solutions offered by the Company may include supply of third-party equipment or software. In such cases, revenue for supply of such third party products are recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent of the customer. The Company recognizes revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contract fulfilment costs are generally expensed as incurred except for certain software license costs which meet the criteria for capitalization. Such costs are amortized over the contractual period or useful life of the license, whichever is less. The assessment of this criteria requires the application of judgement, when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

Contract assets are recognized when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognized when there are billings in excess of revenues. Contract liability is presented in the Company's financial statements as "unearned revenue".

The billing schedules agreed with customers could include periodic performance¬based payments and/or milestone-based progress payments. Invoices are payable within contractually agreed credit period.

Notes forming part of the Financial Statements

In accordance with PAS 37, the Company recognizes an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Company disaggregates revenue from contracts with customers by industry verticals, geography, and nature of services.

Use of significant judgments in revenue recognition

- The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products and services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgment to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- Judgment is also required to determine the transaction price for the contract and to ascribe the transaction price to each distinct performance obligation. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. The Company has applied the practical expedient provided by PFRS 15, whereby the Company does not adjust the transaction price for the effects of the time value of money where the period between when the control on goods and services transferred to the customer and when payment thereof is due, is one year or less. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and is reassessed at the each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.
- The Company exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.
- Revenue for fixed-price contracts are recognized using percentage-of-completion method. The Company uses judgment to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.

Finance and Other Income

Interest Income

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Other Income

Other income is income generated outside the normal course of business and is recognized when it is probable that the economic benefits will flow to the Company and it can be measured reliably.

Notes forming part of the Financial Statements

Expense Recognition

Costs and expenses are recognized when incurred and have been classified according to their primary functions in the following categories:

Cost of Revenue

These costs primarily include employee compensation of personnel engaged in providing services, travel expenses, fees to external consultants, cost of equipment and software licenses, depreciation and amortization of production related equipment and software, facility expenses, communication expenses and other project related expenses.

Selling, General and Administrative Expenses

Selling costs primarily include employee compensation for sales and marketing personnel, travel expenses, advertising, business promotion expenses, bad debts and advances written off, allowance for doubtful trade receivables and advances, facility expenses for sales and marketing offices and market research costs.

General and administrative costs primarily include employee compensation for administrative, supervisory, managerial and practice management personnel, depreciation and amortization expenses of non-production equipment and software, facility expenses for administrative offices, communication expenses, fees to external consultants and other general expenses.

Employee Benefits

Short-term Benefits

The Company recognizes a liability net of amounts already paid and an expense for services rendered by employees during the accounting period that are expected to be settled wholly before twelve months after the end of the reporting period. A liability is also recognized for the amount expected to be paid under short-term cash bonus or profit sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

Compensated absences

Compensated absences are recognized as undiscounted liability as at the end of the reporting periods.

Post-employment Benefits

The Company classifies its retirement benefit as defined benefit plans. Under the defined benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, is reflected immediately in the statement of financial position with a charge or credit recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income will not be reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability. Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements).
- Net interest expense or income.

The Company presents the first two components of defined benefit costs in profit or loss in the line item of cost of services and general and administrative expenses. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognized in the statements of financial position represents the present value of the defined benefit obligation.

Notes forming part of the Financial Statements

Taxes

Current and deferred taxes are recognized in profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

Income tax expense represents the sum of current tax expense and deferred tax.

Current Tax

The current tax expense is based on taxable profit for the year. Taxable profit differs from net income as reported in the statements of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. As a PEZA-registered entity, the Company is entitled to corporate income tax holiday (ITH) for four years for IT and Business Process Outsourcing (BPO) projects effective on the committed date of start of commercial operations, or the actual date of start of commercial operations, whichever is earlier. The Company's liability for current tax is calculated using 0% tax rate for PEZA-registered activities under ITH and 5% tax rate for PEZA and BOI-registered activities and 25% tax rate for ordinary activities.

Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences, while deferred tax assets are generally recognized for all deductible temporary differences and carry forward benefits of unused net operating loss carry over (NOLCO), to the extent that it is probable that taxable profits will be available against which those deductible temporary differences and carry forward benefits of NOLCO can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognized deferred income tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that sufficient future taxable profits will allow the deferred income tax asset to be recovered.

Deferred tax liabilities and assets are measured using substantial enacted tax rates that are expected to apply in the period in which the liability is settled or the asset realized.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets against current tax liabilities and they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Value-added Tax (VAT)

Revenues, expenses and assets are recognized net of the amount of VAT, except:

- where the sales tax incurred on a purchase of assets or services is not recoverable from the tax authority, in which case the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of VAT included.

The net amount of sales tax recoverable from or payable to the tax authority is included as part of receivables or payables in the Company's statements of financial position.

Foreign Currency Denominated Transactions and Translation

Transactions in currencies other than Philippine Peso are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period. Gains and losses arising on settlement and retranslation are included in profit or loss for the year. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

Notes forming part of the Financial Statements

Related Parties and Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or corporate entities.

Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable (i.e., more likely than not) that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Where the Company expects some or all of the provision to be reimbursed, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to any provision is presented in profit or loss, net of reimbursement. If the effect of the time value of money is material, provisions are discounted using the current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as interest expense.

Contingencies

Contingent liabilities are not recognized in the financial statements but are disclosed in the notes to the financial statements unless the outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the financial statements but disclosed in the notes to the financial statements when an inflow of economic benefits is probable.

Events After the Reporting Period

The Company identifies events after the end of the reporting period as those events, both favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue. The financial statements of the Company are adjusted to reflect those events that provide evidence of conditions that existed at the end of the reporting period. Non-adjusting events after the end of the reporting period are disclosed in the notes to the financial statements when material.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

In the application of the Company's accounting policies, Management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on the historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Critical Judgments in Applying Accounting Policies

The following are the critical judgments, apart from those involving estimations, that management have made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognized in financial statements.

Determining Functional Currency

Based on the economic substance of the underlying circumstances relevant to the Company, the functional currency of the Company has been determined to be the Philippine Peso. The Philippine Peso is the currency of the primary economic environment in which the Company operates. It is the currency that mainly influences the Company in determining the costs and selling price of its services.

Determining Term and Discount Rate of Lease Agreement

The company evaluates if an arrangement qualifies to be a lease as per the requirements of PFRS 16. Identification of a lease requires significant judgment. The entity uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

Notes forming part of the Financial Statements

The company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the entity is reasonably certain not to exercise that option. In assessing whether the entity is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the entity to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Entity revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Key Sources of Estimation Uncertainty

The following are the key assumptions concerning the future and other key sources of estimation uncertainty at the end of each reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Key source of estimation of uncertainty in respect of revenue recognition, impairment has been discussed in their respective policies.

Estimating Impairment Losses on Trade Receivable

The Company assesses at each date of statement of financial position whether a financial asset or a group of financial assets is impaired. PFRS 9 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. In determining the allowances for doubtful trade receivables the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

As at March 31, 2025 and 2024, the management provided for allowances amounting to P132.24 million and P14.82 million, respectively considering doubtful collection from accounts (see Note 6).

As at March 31, 2025 and 2024, trade receivables recognized in the Company's statements of financial position amounted to P2,069.04 million and P1,613.84 million, respectively (see Note 6).

Estimating Useful Lives of Property and Equipment

The useful lives of the Company's property and equipment are estimated based on the period over which the assets are expected to be available for use. The estimated useful lives are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the Company's assets. In addition, the estimation of the useful lives is based on the Company's collective assessment of industry practice, internal technical evaluation and experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in estimates brought about by changes in factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. A reduction in the estimated useful lives of property and equipment would increase the recognized operating expenses and decrease non-current assets.

There is no change in the EUL of the Company's property and equipment in 2025 and 2024.

As at March 31, 2025 and 2024, the carrying amounts of the Company's property and equipment amounted to P429.78 million and P297.64 million, respectively (see Note 8).

Estimating Impairment of Nonfinancial Assets

The Company performs an impairment review when certain impairment indicators are present. Determining the recoverable amount of property and equipment, which require the determination of future cash flows expected to be generated from the continued use and ultimate disposition of such assets, require the Company to make estimates and assumptions that can materially affect the financial statements. Future events could cause the Company to conclude that

Notes forming part of the Financial Statements

property and equipment and intangible asset are impaired. Any resulting impairment loss could have a material adverse impact on the financial position and results of operations.

The preparation of the estimated future cash flows involves significant judgment and estimations. While the Company believes that its assumptions are appropriate and reasonable, significant changes in the assumptions may materially affect the assessment of recoverable values and may lead to future additional impairment charges.

As at March 31, 2025 and 2024, the Company's management determined that there are no impairment indicators affecting its property and equipment.

Recoverability of Deferred Tax Assets

The Company reviews its deferred tax assets at each reporting date and reduces the carrying amounts to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. The Company also reviews expected timing and rates upon reversal of temporary differences and adjust impact of deferred tax assets accordingly. The Company's assessment on the recognition of deferred tax assets is based on the forecasted taxable income of the subsequent reporting periods. This forecast is based on Company's past results and future expectation on revenues and expenses.

As at March 31, 2025 and 2024, Company has not recognized deferred tax assets for retirement benefit obligation, bonus and leave liability as management believes it is not probable that future taxable profits from its PEZA registered activities will be available against which the company can utilize the carryforward benefits of retirement benefit obligation, bonus and leave liability, respectively (see Notes 20 and 22).

Estimating Retirement Benefit Obligation and Expense

The determination of the retirement benefit obligation and expense is dependent on the selection of certain assumptions used by actuaries in calculating such amounts. Those assumptions include discount rates, mortality rates and rates of compensation increase, among others. Actual results that differ from the assumptions are accumulated and amortized over future periods and therefore, generally affect the recognized expense and recorded obligation in such future periods. While the Company believes that the assumptions are reasonable and appropriate, significant differences in the actual experience or significant changes in the assumptions may materially affect the retirement obligations.

The retirement benefit expense charged to operations amounted to P65.10 million and P48.10 million in 2025 and 2024, respectively. The carrying amount of the retirement benefit obligation in the Company's statements of financial position amounted to P302.13 million and P241.50 million as at March 31, 2025 and 2024, respectively (see Note 12).

Estimating Provisions and Contingent Liabilities

The Company is involved in a certain claim, which arise in the normal course of business. The management believes that the claims lack legal basis and will contest any future proceedings. The estimate on the probable costs for the resolution of these possible claims is based upon analysis of potential results. Currently, the Company does not believe these claims will have a material adverse effect on the Company's financial statements. It is possible that future financial performance could be materially affected by changes in the estimates or in the effectiveness of the strategies relating to these proceeding.

Contingent liabilities are disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote.

5. CASH AND CASH EQUIVALENTS

This account consists of:

	Note	As at March 31, 2025	As at March 31, 2024
Cash on hand		**P95,000**	P95,000
Cash in banks	23, 24	**14,812,775**	85,063,051
Cash equivalents	23, 24	**603,349,512**	525,395,025
		P618,257,287	P610,553,076

Notes forming part of the Financial Statements

Cash pertains to cash on hand and unrestricted cash in banks, which earned an average interest of 0.01%. Interest for time deposit earned an average interest of 3.39% and 3.06% in 2025 and 2024, respectively. Income earned on cash in banks amounted to P0.12 million and P0.09 million in 2025 and 2024, respectively, while interest income earned on time deposits amounted to P9.30 million and to P4.45 million in 2025 and 2024, respectively.

6. TRADE RECEIVABLES - NET

(a) Current

This account consists of:

	As at March 31, 2025	As at March 31, 2024
Trade:		
Billed receivables	**P1,784,477,578**	P1,239,814,752
Unbilled receivables	**406,261,141**	388,843,261
	2,190,738,719	1,628,658,013
Allowance for impairment losses	**(132,235,807)**	(14,821,415)
	P2,058,502,912	P1,613,836,598

The average credit period taken on sales of services is 15-75 days. No interest is charged in the receivable exceeding the credit period.

Out of the total trade receivables, due from related parties amounted to P1,694.79 million and P1,087.52 million as at March 31, 2025 and 2024, respectively (see Note 19).

Movements of allowance for impairment losses:

	Note	As at March 31, 2025	As at March 31, 2024
Balance at beginning of year		**P14,821,415**	P -
Provision	17	**117,401,107**	14,821,415
Foreign exchange gain		**13,285**	-
Balance at end of year		**P132,235,807**	P14,821,415

(b) Noncurrent

This account consists of:

	As at March 31, 2025	As at March 31, 2024
Trade:		
Unbilled receivables	**P10,538,872**	P -
	P10,538,872	P -

The noncurrent trade receivables pertains to sale of services where the credit period is more than one year from the balance sheet date. No interest is charged in the receivable exceeding credit period.

Notes forming part of the Financial Statements

7. PREPAYMENTS AND OTHER CURRENT ASSETS

This account consists of:

	Note	As at March 31, 2025	As at March 31, 2024
Contract assets	15, 19	**P181,524,273**	P191,725,481
Prepaid expenses		**20,007,338**	42,747,580
Advances to employees		**15,870,779**	12,698,836
Sublease receivable	19	**6,761,563**	3,593,876
Other receivables		**3,028,863**	2,724,393
Refundable deposits	21, 23, 24	**1,833,600**	1,833,600
Others		**1,078,193**	3,354,122
		P230,104,609	P258,677,888

Prepaid expenses include health medical insurance.

Advances to employees is net of allowance for impairment losses amounting to P0.05 million and P0.04 in 2025 and 2024, respectively. Doubtful expense is recognized in profit or loss under General and administrative expenses amounting to P0.04 million and P4,050 in 2025 and 2024, respectively (see Note 17).

Other receivables include receivables from Social Security System for advances made on behalf of the Company's employees.

Others include excess input VAT credit.

8. PROPERTY AND EQUIPMENT

Movements in the carrying amounts of the property and equipment are as follows:

	Computer Equipment	Furniture and Fixtures	Office Equipment	Leasehold Improvements	Construction in Progress	Total
Cost						
Balance, March 31, 2023	P656,239,275	P93,791,027	P281,227,708	P485,143,925	P1,038,357	P1,517,440,292
Addition	82,427,636	-	2,045,700	-	78,733,054	163,206,390
Reclassifications	374,355	-	-	830,000	(1,204,355)	-
Balance, March 31, 2024	739,041,266	93,791,027	283,273,408	485,973,925	78,567,056	1,680,646,682
Addition	**119,093,146**	**144,810**	**5,675,276**	**-**	**119,313,074**	**244,226,306**
Reclassifications	**3,790,250**	**-**	**1,748,522**	**-**	**(5,538,772)**	**-**
Balance, March 31, 2025	**861,924,662**	**93,935,837**	**290,697,206**	**485,973,925**	**192,341,358**	**1,924,872,988**
Accumulated Depreciation and Amortization						
Balance, March 31, 2023	472,076,575	86,839,197	247,431,339	472,849,464	-	1,279,196,575
Depreciation and amortization	77,379,440	4,156,514	15,541,427	6,728,205	-	103,805,586
Balance, March 31, 2024	549,456,015	90,995,711	262,972,766	479,577,669	-	1,383,002,161
Depreciation and amortization	93,665,440	2,493,948	10,412,777	5,523,506	-	112,095,671
Balance, March 31, 2025	**643,121,455**	**93,489,659**	**273,385,543**	**485,101,175**	**-**	**1,495,097,832**
Carrying Amounts						
March 31, 2024	P189,585,251	P2,795,316	P20,300,642	P6,396,256	P78,567,056	P297,644,521
March 31, 2025	**P218,803,207**	**P446,178**	**P17,311,663**	**P872,750**	**P192,341,358**	**P429,775,156**

Notes forming part of the Financial Statements

The total amount of additions to property and equipment pain in cash amounted to P241.71 million and P150.88 million as at March 31, 2025 and 2024, respectively.

Management believes that there are no impairment indicators offsetting the Company's property and equipment.

Depreciation and amortization is recognized in profit or loss as follows:

	Note	As at March 31, 2025	As at March 31, 2024
Cost of services	16	**P96,413,738**	P94,145,032
General and administrative expenses	17	**15,681,933**	9,660,554
		P112,095,671	P103,805,586

9. INTANGIBLE ASSET - NET

	Note	As at March 31, 2025	As at March 31, 2024
Cost		**P30,406**	P30,406
Amortization	16	**(30,406)**	(26,428)
Carrying Amount, March 31		**P -**	P3,978

10. OTHER NONCURRENT ASSETS

This account consists of:

	Note	As at March 31, 2025	As at March 31, 2024
Refundable deposits	21, 23, 24	**P81,375,240**	P93,544,297
Sublease receivable	19	**4,919,491**	7,029,445
Contract assets	15	**9,696,243**	5,469,279
Others		**17**	18
		P95,990,991	P106,043,039

11. TRADE AND OTHER PAYABLES

This account consists of:

	Note	As at March 31, 2025	As at March 31, 2024
Trade payables		**P530,528,596**	P512,485,388
Accrued short-term employee benefits		**733,204,707**	739,163,952
Unearned revenues	15	**117,134,196**	117,273,678
Withholding taxes payables		**70,385,835**	59,172,411
Provision for volume discount		**52,097,347**	39,421,353
Output VAT - net		**6,375,296**	-
Other statutory payables		**59,915,986**	46,463,280
	24	**P1,569,641,963**	P1,513,980,062

The average credit period on purchases of goods and services from suppliers is 30-45 days. No interest is charged on the trade payables. The Company has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

Notes forming part of the Financial Statements

Accrued short-term employee benefits include provision for employee bonus, sick leave, and vacation leave accruals.

Output VAT is net of input VAT amounting to P6.38 million and nil million as at March 31, 2025 and 2024, respectively. Claims for tax credit amounted to P0.57 million and P21.17 million as at March 31, 2025 and 2024.

Out of the total trade payables, due to related parties amounted to P401.43 million and P409.09 million as at March 31, 2025 and 2024, respectively (see Note 19).

Refer to Note 15 for changes in contract liabilities, presented above as "Unearned revenues".

12. RETIREMENT BENEFIT PLAN

The Company operates a defined benefit plan for qualifying employees. Under the plan, the employees upon reaching the age of 60 years or more but not beyond 65 years, which is declared the compulsory retirement age, and have served at least five years in the Company are entitled to retirement benefits equivalent to at least one half month salary for every year of service rendered in the Company.

The plan typically exposes the participants to actuarial risks such as: interest rate risk, longevity risk and salary risk.

Interest Rate Risk

A decrease in the government bond interest rate will increase the plan liability.

Longevity Risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary Risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The most recent actuarial valuation of the present value of the defined benefit obligation were carried out at March 31, 2025 by an independent actuary. The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit Credit Method.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

	Valuation at	
	2025	2024
Discount rate	**6.18%**	6.25%
Expected rate of salary increase	**5.00%**	5.00%

Notes forming part of the Financial Statements

Amounts recognized in profit or loss and other comprehensive income in respect of this defined benefit plan are as follows:

	Defined Benefit Obligation	
	2025	2024
Balance at beginning of year	**P241,500,461**	P179,263,215
Included in Profit or Loss		
Current service cost	**50,010,177**	36,196,069
Interest cost	**15,093,779**	11,903,077
	65,103,956	48,099,146
Contribution paid	**(212,950)**	(12,789,199)
Included in OCI		
Remeasurement loss (gain) arising from:		
Changes in financial assumptions	**2,933,101**	28,720,835
Deviations of experience from assumptions	**(7,199,153)**	(1,793,536)
	(4,266,052)	26,927,299
Balance at end of year	**P302,125,415**	P241,500,461

Retirement benefits expense is recognized in profit or loss as follows:

	Note	As at March 31, 2025	As at March 31, 2024
Cost of services	16,18	**P53,230,850**	P39,067,067
General and administrative expenses	17,18	**11,873,106**	9,032,079
		P65,103,956	P48,099,146

The reasonably possible changes to the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	Increase (Decrease) in Defined Benefit Obligation	
	As at March 31, 2025	As at March 31, 2024
Discount rate:		
Increase by 0.5%	**(P20,160,603)**	(P16,496,079)
Decrease by 0.5%	**22,072,788**	18,143,694
Salary rate:		
Increase by 0.5%	**22,290,368**	18,292,102
Decrease by 0.5%	**(20,627,608)**	(16,795,896)
Employee turnover:		
Increase by 10%	**(25,186,876)**	(21,235,102)
Decrease by 10%	**25,186,876**	21,235,102

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Notes forming part of the Financial Statements

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the Projected Unit Credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the statements of financial position.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

There has been no change in the process used by the Company to manage its risks from prior periods.

13. SHARE CAPITAL

An analysis of the Company's share capital is as follows:

	As at March 31, 2025	As at March 31, 2024
Authorized 3,000,000 ordinary shares of P100 par value		
Issued	**2,762,000**	2,762,000
Treasury shares	**(380,000)**	(380,000)
Total issued and outstanding	**2,382,000**	2,382,000

The Company has one class of ordinary shares which carries no right to fixed income.

Treasury Shares

On July 26, 2017, the BOD approved to buy-back 380,000 shares from Tata Consultancy Services Asia Pacific Pte. Ltd. for P1,454 per share for a total of P552.52 million. These shares will not be retired and shall be deemed as treasury shares.

14. RETAINED EARNINGS

Under the Revised Corporation Code of the Philippines, the Company is prohibited to retain surplus profits in excess of one hundred percent (100%) of its paid-up capital except: when justified by definite corporate expansion projects or programs approved by the BOD; when a company is prohibited under any loan agreement with any financial institution or creditor, whether local or foreign, from declaring dividends without its consent, and such consent has not yet been secured; or when it can be clearly shown that such retention is necessary under special circumstances, such as when there is a need for reserve for probable contingencies.

On October 31, 2023, the BOD approved the declaration of cash dividends at P71.79 per share amounting to P171 million. The dividends were paid on November 3, 2023.

On March 15, 2024, The Company reversed the appropriated retained earnings amounting to P400 million for the purpose of business expansion held on March 15, 2024. Further, the BOD approved appropriation between P375 million to P500 million of the total retained earnings of P1,331.08 million as at March 31, 2024 for business expansion. Appropriation of P500 million was ratified by the BOD on April 30, 2024. Furthermore, the BOD approved the declaration of cash dividends at P73.47 per share amounting to P175 million. The dividends were paid on March 18, 2024.

On July 26, 2024, the BOD approved the declaration of cash dividends at P73.89 per share amounting to P176 million. The dividends were paid on July 29, 2024.

On October 25, 2024, the BOD approved the declaration of cash dividends at P121.75 per share amounting to P290 million. The dividends were paid on October 28, 2024.

On March 17, 2025, The Company reversed the appropriated retained earnings amounting to P500 million for the purpose of business expansion held on March 15, 2024. Further, the BOD approved appropriation between P800 million to P1,200 million of the total retained earnings of P1,784.88 million as at March 31, 2025 for business expansion. Appropriation of P1,000 million was ratified by the BOD on May 2, 2025. Furthermore, the BOD approved the declaration of cash dividends at P96.22 per share amounting to P229.20 million. The dividends were paid on March 20, 2025.

Notes forming part of the Financial Statements

15. REVENUE

An analysis of the Company's revenue is as follows:

	Note	As at March 31, 2025	As at March 31, 2024
Sale of service to third parties		**P2,096,056,938**	P1,931,979,045
Sale of service to related parties	19	**5,576,010,257**	4,712,209,913
		P7,672,067,195	P6,644,188,958

Sale of services is net of volume discount amounting to P95.89 million and P58.54 million in 2025 and 2024, respectively.

Revenue disaggregation by industry vertical is as follows:

	As at March 31, 2025	As at March 31, 2024
Banking, financial and insurance	**P2,399,321,288**	P2,230,506,778
Energy, resources and utilities	**1,921,186,077**	1,603,530,862
High-tech industry practice	**962,772,234**	997,043,087
Communication, media, and technology	**784,264,233**	547,545,096
Life Sciences and healthcare	**482,167,944**	377,150,845
Others	**1,122,355,419**	888,412,290
Total	**P7,672,067,195**	P6,644,188,958

Revenue disaggregation by geography is as follows:

	As at March 31, 2025	As at March 31, 2024
America	**P3,341,931,982**	P3,078,155,109
Asia Pacific	**2,783,882,196**	2,120,100,687
Europe	**272,654,321**	224,644,070
Others	**1,273,598,696**	1,221,289,092
Total	**P7,672,067,195**	P6,644,188,958

Contract Assets Movement

	Note	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year		**P197,194,760**	P160,384,016
Revenue recognized during the year		**104,742,930**	177,130,230
Invoices raised during the year		**(102,816,825)**	(143,899,680)
Translation exchange difference		**(7,900,349)**	3,580,194
Balance at the end of the year	7, 10	**P191,220,516**	P197,194,760

Notes forming part of the Financial Statements

Contact assets to related parties are as follows:

	Note	As at March 31, 2025	As at March 31, 2024
Prepayments and other current assets	7,10,19	**P24,808,922**	P44,212,737
Other noncurrent assets	7,10,19	**4,919,491**	7,029,445
		P29,728,413	P51,242,182

Contract Liabilities Movement

	Note	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year		**(P117,273,678)**	(P125,274,539)
Increase due to invoicing during the year excluding amounts recognized as revenue during the year		**(97,236,783)**	(103,640,300)
Revenue recognized that was included in the contract liability balance at the beginning of the period		**85,306,384**	111,203,707
Translation exchange difference		**12,069,881**	437,454
Balance at the end of the year	11	**(P117,134,196)**	(P117,273,678)

While disclosing the aggregate amount of transaction price yet to be recognized as revenue towards unsatisfied or partially satisfied performance obligations, along with the broad time band for the expected time to recognize those revenues, the Company has applied the practical expedient in PFRS 15. Accordingly, the Company has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognized corresponds to the value transferred to customer typically involving time and material, outcome based and event-based contracts.

Unsatisfied (or partially satisfied) performance obligations are futuristic and therefore subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc.). The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations P3.60 billion out of which 55.11% is expected to be recognized as revenue within the next year and the balance thereafter. No consideration from contracts with customers is excluded from the amount mentioned above.

Notes forming part of the Financial Statements

16. COST OF SERVICES

This account consists of:

	Note	As at March 31, 2025	As at March 31, 2024
Salaries and other short-term employee benefits	18	**P4,608,882,988**	P4,362,252,093
Direct cost-intercompany charges	19	**519,882,766**	365,012,320
Depreciation and amortization	8, 9, 21	**356,179,429**	397,380,732
Repairs and maintenance		**95,407,202**	92,941,722
Communication		**63,348,201**	67,320,628
Retirement benefit expense	12, 18	**53,230,850**	39,067,067
Facilities		**51,139,149**	48,865,928
Security services		**41,655,002**	40,326,176
Recruitment and training		**37,247,331**	24,411,181
Project cost		**13,443,171**	17,450,318
Legal and professional fees		**5,812,483**	1,195,809
Transportation and travel		**4,763,410**	7,925,065
Taxes and licenses		**2,703,399**	7,672,838
Rent	21	**-**	546,937
Others		**37,182,603**	13,944,027
		P5,890,877,984	P5,486,312,841

Others include office supplies, cleaning supplies and other miscellaneous items.

17. GENERAL AND ADMINISTRATIVE EXPENSES

This account consists of:

	Note	As at March 31, 2025	As at March 31, 2024
Salaries and other short-term employee benefits	18	**P275,632,727**	P305,844,216
Doubtful expense	6,7	**117,442,743**	14,825,465
Management cost	19	**48,330,843**	77,007,365
Taxes and licenses		**19,371,659**	6,581,634
Depreciation and amortization	8	**15,681,933**	9,660,554
Repairs and maintenance		**13,671,672**	249,615
Retirement benefits expense	12, 18	**11,873,106**	9,032,079
Legal and professional fees		**8,183,732**	16,450,633
Transportation and travel		**6,919,524**	11,066,238
Fees paid to business associates		**5,320,613**	8,311,949
Brand equity contribution	19	**5,240,142**	4,852,350
Advertising		**4,834,068**	3,447,602
Communication		**2,346,697**	3,604,366
Representation and entertainment		**2,182,448**	4,242,832
Recruitment and training		**1,469,391**	4,018,574
Printing and stationery		**1,028,064**	1,252,292
Director's fees		**200,000**	33,333
Others		**4,692,039**	2,585,857
		P544,421,401	P483,066,954

Others include cleaning expenses and miscellaneous items.

Notes forming part of the Financial Statements

18. EMPLOYEE BENEFITS

Employee benefits consist of:

	Note	As at March 31, 2025	As at March 31, 2024
Salaries and other short-term employee benefits	16 ,17	**P4,884,515,715**	P4,668,096,309
Retirement benefits expense	12, 16, 17	**65,103,956**	48,099,146
		P4,949,619,671	P4,716,195,455

19. RELATED PARTY TRANSACTIONS

In the normal course of business, the Company transacts with companies which are considered related parties under PAS 24, *Related Party Disclosures*.

The summary of the Company's transactions and outstanding balances with related parties as at and for the years ended March 31, 2025 and 2024 are as follows:

	Note	Transactions During the Year	Outstanding Balance			Terms	Condition
			Trade Receivables	Other Assets	Trade Payables		
2025							
Ultimate Parent							
Brand Equity	b	**P5,240,142**	**P -**	**P -**	**P5,240,142**	**30-day; non-interest bearing**	**Unsecured, not impaired**
Intermediate Parent							
Sales	a	**5,403,291,962**	**1,481,772,427**	**10,387,961**	**264,428,285**	**30-day; non-interest bearing**	**Unsecured, not impaired**
Volume discount	a	**89,560,862**	**-**	**-**	**50,127,292**		
Purchase	a	**126,034,603**	**-**	**-**	**-**		
Direct Cost and General and Administrative Expenses	a	**484,674,477**	**-**	**-**	**-**		
Management cost	d	**29,568,912**	**-**	**-**	**-**		
Parent Company							
Sales	a	**12,725,453**	**989,205**	**-**	**57,373,414**	**30-day; non-interest bearing**	**Unsecured, not impaired**
Volume discount	a	**158,558**	**-**	**-**	**910,173**		
Management cost	c	**18,761,931**	**-**	**-**	**-**		
Purchase	a	**13,366**	**-**	**-**	**-**		
Direct Cost	a	**2,690,902**	**-**	**-**	**-**		
Dividend declaration		**695,200,000**	**-**	**-**	**-**		
Fellow Subsidiaries							
Sales	a	**250,596,186**	**65,431,436**	**7,659,398**	**22,294,872**	**30-day; non-interest bearing**	**Unsecured, not impaired**
Volume discount		**883,925**	**-**	**-**	**1,059,879**		
Purchases		**3,809,155**	**-**	**-**	**-**		
Direct cost		**32,764,255**	**-**	**-**	**-**		
Rental income		**5,091,821**	**-**	**11,681,054**	**-**		
Other income		**5,309,825**	**-**	**-**	**-**		
			P1,548,193,068	**P29,728,413**	**P401,434,057**		

Notes forming part of the Financial Statements

	Note	Transactions During the Year	Outstanding Balance			Terms	Condition
			Trade Receivables	Other Assets	Trade Payables		
2024							
Ultimate Parent							
Brand Equity	b	P4,852,350	P -	P -	P9,378,514	30-day; non-interest bearing	Unsecured, not impaired
Intermediate Parent							
Sales	a	4,559,533,051	887,564,312	35,846,543	308,643,900	30-day; non-interest bearing	Unsecured, not impaired
Volume discount	a	55,236,389	-	-	382,26,750		
Purchase	a	130,610,756	-	-	-		
Direct Cost	a	329,961,453	-	-	-		
Management cost	d	53,942,828	-	-	-		
Parent Company							
Sales	a	27,080,279	15,271,071	-	34,850,754	30-day; non-interest bearing	Unsecured, not impaired
Volume discount	a	581,465	-	-	738,541		
Management cost	c	23,064,537	-	-	-		
Purchase	a	452,600	-	-	-		
Direct Cost	a	1	-	-	-		
Dividend declaration		346,000,000	-	-	-		
Fellow Subsidiaries							
Sales	a	181,188,546	50,731,395	4,772,318	21,617,849	30-day; non-interest bearing	Unsecured, not impaired
Volume discount	a	185,395	-	-	184,066		
Purchases	a	2,039,003	-	-	-		
Direct cost	a	35,050,866	-	-	-		
Dividend income		-	-	-	-		
Rental income		2,519,901	-	10,623,321	-		
Other income		3,034,861	-	-	-		
			P953,566,778	P51,242,182	P413,640,374		

a. Sales to related parties were made at the Company's usual list prices. Purchases and direct cost-intercompany charges, representing subcontract costs for employee-related costs recoveries and reimbursements, were made at market price discounted to reflect the services purchased and the relationships between the parties. Sale of services is net of volume discount amounting to P90.60 million and P56.00 million in 2025 and 2024, respectively. Contract assets amounting to P108.27 million and P104 million are recognized from the Intermediate Parent as at 2025 and 2024, respectively. Direct Cost and General and Administrative Expenses Direct from the Company's intermediate parent company, Tata Consultancy Services Limited, consist of direct cost-intercompany charges under Cost of Services and Legal and Professional Fees under General and Administrative Expenses amounting to P484.43 million and P0.25 million, respectively.

b. On December 23, 2009, the BOD approved the subscription of the Company to Tata Brand Equity & Business Promotion Scheme (Scheme) and authorized its intermediate parent company, Tata Consultancy Services Limited, to enter into a Brand Equity and Business Promotion Agreement through its authorized signatories with Ultimate parent company Tata Sons Limited, on behalf of the Company, towards the Company's subscription to the Scheme. Total fees charged to the Company amounted to P5.24 million and P4.85 million in 2025 and 2024, respectively (see Note 17).

c. The Company's Parent Company has allocated its management cost to all its Asia Pacific subsidiaries. The management cost is allocated based on time spent of management personnel for respective subsidiaries. Total charges allocated to the Company amounted to P18.76 million and P23.06 million in 2025 and 2024, respectively (see Note 17).

Notes forming part of the Financial Statements

d. On April 1, 2013, the Company and its Intermediate parent signed an agreement for General Services and Cost Sharing. The Company is a subsidiary company of Tata Consultancy Services Limited, a group of companies (the "TCS group"), that is engaged in business of promoting, marketing, designing, developing, delivering, maintaining information technology services and products and delivery of information technology-enabled services. The Corporate Office of Tata Consultancy Services Limited ("TCS-HQ") raises charges on various subsidiaries distributing the expenses incurred by TCS-HQ comprising cost towards staffing and support activities and other support functions which has been provided by TCS-HQ and which can reasonably be allocated to subsidiaries. The Company hereby recognizes the efficiency and acknowledges benefit of the said referred services since services are not locally performed within the Philippines. Total management cost allocated to the Company amounted to P29.57 million and P53.94 million in 2025 and 2024, respectively (see Note 17).

Remuneration of Key Management Personnel

The remuneration of the key management personnel of the Company consists of short-term benefits amounting to P16.89 million and P16.47 million in 2025 and 2024, respectively.

20. INCOME TAXES

The Company's income tax expense represents current tax expense amounting to P102.53 million and P73.86 million in 2025 and 2024, respectively.

The reconciliation of the income tax expense computed at the statutory tax rate of 5% and the income tax expense shown in profit or loss is as follows:

	As at March 31, 2025	As at March 31, 2024
Income before income tax	**P1,251,527,609**	P678,677,455
Income tax at statutory rate	**P62,576,380**	P33,933,873
Income subject to 25% in ordinary tax Additions to (reductions in) income:	**3,256,936**	4,101,289
Tax resulting from the tax effects of:		
Non-deductible expenses	**37,168,432**	36,050,654
Income subject to final tax	**(470,945)**	(226,884)
Income tax expense	**P102,530,803**	P73,858,932

As at March 31, 2025 and 2024, the gross amount of the Company's unrecognized deferred tax assets on retirement benefit obligations amounted to P53.02 million and P26.28 million as of March 31, 2025 and 2024, respectively, on accrued bonuses amounted to P75.17 million and P79.79 million as of March 31, 2025 and 2024, respectively and on accrued leave amounted to P22.96 million and P38.32 million as of March 31, 2025 and 2024, respectively.

Management believes it is not probable that future taxable profits from the Company's PEZA-registered activities will be available against which the Company can utilize the benefits from retirement benefit obligation, bonus and leave liability. As a result, the Company has not recognized the deferred tax assets on retirement benefit obligation, accrued bonus and leave.

21. LEASES

The Company has entered into lease agreements with third parties in respect of the leases of office building spaces ranging from five to six years, renewable at the option of the lessee. The rent is payable monthly with an escalation rate ranging from 5% to 6% on the subsequent years. The Company does not have any lease restrictions and commitment towards variable rent as per the contract.

Notes forming part of the Financial Statements

Right-of-Use Assets

The details of the right-of-use assets held by the Company is as follows:

	Additions for the Year Ended March 31, 2025	Deletion for the Year Ended March 31, 2025	Net Carrying Amount as at March 31, 2025
Building	**(P4,823,945)**	**P -**	**P212,019,128**
Building - Security Deposit	**-**	**-**	**2,571,116**
Total	**(P4,823,945)**	**P -**	**P214,590,244**

	Additions for the Year Ended March 31, 2024	Deletion for the Year Ended March 31, 2024	Net Carrying Amount as at March 31, 2024
Building	**P95,016,761**	**P -**	**P473,808,533**
Building - Security Deposit	**1,564,822**	**-**	**5,367,369**
Total	**P96,581,583**	**P -**	**P479,175,902**

Amortization on right-of-use asset is as follows:

	As at March 31, 2025	As at March 31, 2024
Building	**P256,965,460**	P299,915,608
Building - Security Deposit	**2,796,253**	3,312,492
Total	**P259,761,713**	P303,228,100

Amortization of right-of-use assets charges to cost of services amounted to P259.76 million and P303.23 million in March 31, 2025 and 2024 respectively.

	As at March 31, 2025	As at March 31, 2024
Lease Liabilities		
Balance at April 1	**P516,930,073**	P736,106,792
Payments made	**(312,019,960)**	(355,291,194)
Interest charge for the year	**20,526,670**	37,315,096
Additions to lease liabilities	**-**	98,799,379
Balance at March 31	**P225,436,783**	P516,930,073

Non-current lease liabilities payable after one year amounted to P54.54 million and P225.35 million at March 31, 2025 and 2024, respectively.

Total cash outflow for leases is P312.02 million and P335.29 million for the year ended March 31, 2025 and 2024, respectively.

Other Leases

The Company applied the recognition exemption for right-of-use asset and lease liability on various short-term leases. Rental expense incurred on these lease agreements amounted to nil and P0.55 million in March 31, 2025 and 2024, respectively (see notes 16 and 17).

Notes forming part of the Financial Statements

Security Deposits

Total deposits made on these lease agreements amounted to P83.21 million and P95.38 million as at March 31, 2025 and 2024 (see Notes 7 and 10). Total advance rent amounted to nil and nil million as at March 31, 2025 and 2024, respectively (see Note 7).

Interest income recognized in the statements of comprehensive income amounted to P2.92 million and P3.38 million in 2025 and 2024, respectively.

At the end of each reporting period, the Company had outstanding commitments for future minimum rentals payable under these lease agreements as follows:

	As at March 31, 2025	As at March 31, 2024
Not later than one year	**P180,633,015**	P311,603,473
Later than one year but not later than five years	**62,361,791**	233,646,283
	P242,994,806	P545,249,756

All additions, alteration and improvements made on the leased office units at Bench Tower and Panorama by the lessee (except movable furniture and fixtures, equipment, appliances, electronic items and others) installed at the lessee's expense and removable without damaging the leased office units and the premises, shall become the lessor's property upon the termination of the contract or its extension, without any obligation on the lessor's part to reimburse the lessee for the value thereof.

Should the lessor decide, at its sole discretion, that it does not wish to retain any of the said additions, alterations and improvements, it shall so advise the lessee at least 60 days prior to the termination of the Contract, and the lessee hereby undertakes to remove such additions, alterations and improvements from the leased office units at its sole expense.

Said obligation is considered contingent since the existence will be confirmed only by the occurrence or non-occurrence of an uncertain future event, i.e., lessor's decision prior to termination of contract.

22. REGISTRATION WITH PHILIPPINE ECONOMIC ZONE AUTHORITY AND PHILIPPINE BOARD OF INVESTMENTS

As discussed in Note 1, the Company was registered with PEZA to set up an I.T.-enabled facility to perform information technology outsourcing services and BPO to all types of enterprises, organizations, entities and companies. As a registered enterprise, the Company's project shall be entitled to incentives granted to non-pioneer projects under R.A. 7916 (The Special Economic Zone Act of 2005), as amended, and the PEZA IT. Guidelines.

Incentives include the following:

a. Corporate Income Tax Holiday (ITH) for four (4) years for original project effective on the committed date of start of commercial operations, or the actual date of start of commercial operations, whichever is earlier; ITH entitlement for the original project can also be extended for another three (3) years provided specific criteria are met for each additional year and prior PEZA approval is obtained; duly approved and registered "Expansion" and "New" projects are entitled to a three-year and four-year ITH, respectively;

b. Tax and duty-free importation of merchandise which include raw materials, capital equipment, machineries, and spare parts;

c. Exemption from wharfage dues and export tax, impost, or fees;

d. VAT zero-rating of local purchases subject to compliance with Bureau of Internal Revenue (BIR) and PEZA requirements; and

e. Exemption from payment of any and all local government imposts, fees, licenses or taxes except real estate tax; however, machinery installed and operated in the ecozone for manufacturing, processing or for industrial purposes shall not be subject to payment of real estate taxes for the first three years of operation of such machineries; production equipment not attached to real estate shall be exempt from real property taxes.

Notes forming part of the Financial Statements

At the end of ITH, the following incentives shall apply:

a. The Company shall pay a 5% final tax on gross income, in lieu of all national and local taxes.

b. Additional deduction for training expenses (1/2 of value) against the 5% tax on gross income earned, but not to exceed 3%, subject to guidelines to be formulated by PEZA in coordination with the Department of Labor and Employment and the Department of Finance.

As discussed in Note 1, the Company was concurrently registered with the Philippine Board of Investments (BOI) under Executive Order No. 226 (Omnibus Investment Code of 1987), as amended, Title XIII of the National Internal Revenue Code of 1997, as amended by Republic Act No. 11534, or the CREATE Act, and the Fiscal Incentives Review Board Resolution No. 026-22. As a registered enterprise, the Company's project shall be entitled to the remaining incentives and subject to the representations and commitments set forth in its application for registration with PEZA, the provisions of the above-cited law, the rules and regulations promulgated thereunder, and the terms and conditions with PEZA and its Registrations or Supplemental Agreement. PEZA shall monitor the registered project's compliance thereof and administer the availment of remaining incentives.

Furthermore, R.A. 12066 (Corporate Recovery and Tax Incentives for Enterprises to Maximize Opportunities for Reinvigorating the Economy or CREATE MORE Act) extended the sunset provisions for the following incentives until 31 December 2034:

a. Five percent (5%) tax on Gross Income Earned

b. Duty Exemption

c. VAT Exemption and Zero Rating

23. FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair values of the Company's financial assets and financial liabilities are shown below:

	As of March 31, 2025		As of March 31, 2024	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets				
Cash and cash equivalents	**P618,257,287**	**P618,257,287**	P610,553,076	P610,553,076
Trade receivables	**2,069,041,784**	**2,069,041,784**	1,613,836,598	1,613,836,598
Refundable deposits	**83,208,840**	**83,208,840**	95,377,897	95,377,897
	P2,770,507,911	**P2,770,507,911**	P2,319,767,571	P2,319,767,571
Financial Liabilities				
Trade and other payables*	**P1,101,416,993**	**P 1,101,416,993**	P1,089,184,123	P1,089,184,123
Lease liabilities	**225,436,783**	**225,436,783**	516,930,073	516,930,073
	P1,326,853,776	**P1,326,853,776**	P1,606,114,196	P1,606,114,196

*Excluding non-financial instruments amounting to P468.22 million and P417.57 million as at March 31, 2025 and 2024, respectively.

The difference between the carrying amount of the trade and other payables disclosed in the statements of financial position and the amount disclosed in this note pertains to government payables, provisions and deferred revenues that are not considered as financial liabilities.

Due to the short-term maturities of cash and cash equivalents, trade receivables, current refundable deposits and trade and other payables, their carrying amounts approximate their fair values.

The fair value of noncurrent refundable deposits cannot be measured reliably since there were no comparable market data and inputs for the sources of fair value such as discounted cash flow analysis. However, Management believes that their carrying amounts approximate their fair values. Fair value measurement of lease liabilities is not required.

Notes forming part of the Financial Statements

24. FINANCIAL RISK MANAGEMENT

Financial Risk Management Objectives and Policies

The Company's activities expose it to a variety of financial risks such as market risks (including foreign exchange risk and interest rate risk), credit risk and liquidity risk The Company's overall risk management program seeks to minimize potential adverse effects on the financial performance of the Company. The policies for managing specific risks are summarized below:

Market Risk

Market risk refers to the possibility that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's profit or the value of its holdings of financial instruments. The Company focuses on two market risk areas such as interest rate risk and foreign currency risk. The objective and management of these risks are discussed below:

Foreign Exchange Risk

Foreign exchange risk arises when an investment's value changed due to changes in currency exchange rate. The Company undertakes certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations arise with respect to transactions other than the functional currency. Foreign exchange risk arises when future commercial transactions and recognized assets and liabilities are denominated in a currency that is not the Company's functional currency. Significant fluctuation in the exchange rates could significantly affect the Company's financial position. The exposure is managed partly by natural hedges that arise from offsetting assets and liabilities that are denominated in foreign currencies. The Company kept its foreign currency transaction at a minimum to minimize the effect of foreign currency fluctuations.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities and their Philippine peso equivalents at the end of each reporting period are as follows:

	Currency	As of March 31, 2025		As of March 31, 2024	
		Currency Amount	PHP	Currency Amount	PHP
Financial Assets					
Cash	USD	**5,827,229**	**334,379,355**	6,305,042	354,494,668
	AUD	**5,737**	**207,278**	6,266	228,917
			334,586,633		354,723,585
Trade receivables	USD	**22,366,394**	**1,283,439,864**	16,407,228	922,452,222
	GBP	**3,127,676**	**232,418,652**	3,018,274	213,968,185
	AUD	**6,947,693**	**251,006,636**	4,538,207	165,794,772
	EUR	**512,334**	**31,698,003**	328,251	19,918,538
	MYR	**10,277**	**133,049**	18,731	222,435
	INR	**-**	**-**	209,670	141,374
	KRW	**3,885,595**	**152,113**	213,593,755	8,920,743
	SGD	**(11,190)**	**(478,908)**	(21,008)	(875,059)
	CAD	**34,730**	**1,390,744**	58,894	2,434,196
			1,799,760,153		1,332,977,406
Financial Liabilities					
Trade and other payables	USD	**3,120,638**	**180,614,065**	4,070,132	230,165,321
	EUR	**104,684**	**6,476,763**	27,825	1,688,442

Notes forming part of the Financial Statements

	Currency	As of March 31, 2025		As of March 31, 2024	
		Currency Amount	PHP	Currency Amount	PHP
	INR	**(1,018,003)**	**(683,733)**	(1,028,003)	(693,154)
	GBP	**126,168**	**9,375,599**	(721,823)	(51,170,731)
	AUD	**(16,390)**	**(592,149)**	125,347	4,579,363
	SGD	**-**	**1**	1,012	42,157
	CAD	**101**	**4,036**	3,357	138,772
	HKD	**7,667**	**56,565**	-	-
	TWD	**4,961**	**8,597**	-	-
	NZD	**681**	**22,355**	-	-
	PLN	**360**	**5,320**	-	-
			195,287,419		184,750,170
			1,939,059,367		1,502,950,821

Foreign exchange rates as at March 31 are shown in the following table:

	2025	2024
Closing exchange rate:		
USD	**57.38**	56.22
AUD	**36.13**	36.53
GBP	**74.31**	70.89
INR	**0.67**	0.67
EUR	**61.87**	60.68
MYR	**12.95**	11.87
AED	**15.62**	15.31
KRW	**0.04**	0.04
SGD	**42.80**	41.65
CAD	**40.04**	41.34
HKD	**7.38**	-
TWD	**1.73**	-
NZD	**32.82**	-
PLN	**14.80**	-

The sensitivity rate used in reporting foreign currency risk internally to key management personnel is 10% and it represents Management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% in foreign currency rates. The sensitivity analysis includes all the Company's foreign currency denominated monetary assets and liabilities.

The table below details the Company's sensitivity to a 10% increase and decrease in the Philippine Peso against the relevant foreign currencies. The sensitivity rate used reporting foreign currency risk internally to key management personnel is 10% and it represents Management's assessment of the reasonably possible change in foreign exchange

Notes forming part of the Financial Statements

rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% in foreign currency rates. The sensitivity analysis includes all the Company's foreign currency denominated monetary assets and liabilities. A positive number below indicates an increase in profit when the Philippine Peso strengthens 10% against the relevant currency. For a 10% weakening of the Philippine Peso against the relevant currency, there would be an equal and opposite impact on the profit and the balances below would be negative.

	March 31, 2025	
	Effect on Income before Income Tax	
	10% Increase in the Exchange Rate	10% Decrease in the Exchange Rate
USD	**P143,720,515**	**(P143,720,515)**
GBP	**22,304,305**	**(22,304,305)**
SGD	**(47,891)**	**47,891**
AUD	**25,180,606**	**(25,180,606)**
INR	**68,373**	**(68,373)**
MYR	**13,305**	**(13,305)**
EUR	**2,522,124**	**(2,522,124)**
KRW	**15,211**	**(15,211)**
CAD	**138,671**	**(138,671)**
HKD	**(5,657)**	**5,657**
TWD	**(860)**	**860**
NZD	**(2,236)**	**2,236**
PLN	**(532)**	**532**
	P193,905,934	**(P193,905,934)**

	March 31, 2024	
	Effect on Income before Income Tax	
	10% Increase in the Exchange Rate	10% Decrease in the Exchange Rate
USD	P104,678,157	(P104,678,157)
GBP	26,513,892	(26,513,892)
SGD	(91,722)	91,722
AUD	16,144,433	(16,144,433)
INR	83,453	(83,453)
MYR	22,244	(22,244)
EUR	1,823,010	(1,823,010)
AED	-	-
KRW	892,074	(892,074)
CAD	229,542	(229,542)
	P150,295,083	(P150,295,083)

Management does not foresee or expect any significant change in its foreign currency risk exposures or in the strategies it employs to manage them soon.

Notes forming part of the Financial Statements

Interest Rate Risk

Interest rate risk refers to the possibility that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest.

The primary source of the Company interest rate risk relates to cash in banks. The interest rates on these assets are disclosed in Note 5 to the financial statements.

The cash in banks are short-term in nature and with the current interest rate level, any variation in the interest will not have a material impact on profit or loss of the Company.

Credit Risk

Credit risk refers to the possibility that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, when appropriate, as a means of mitigating the risk of financial loss from defaults.

The Company uses other publicly available financial information and its own trading records to rate its major customers. The Company's exposure and the credit ratings of its counterparties are continuously monitored, and the aggregate value of transactions concluded is spread amongst approved counterparties.

The following table presents the Company's maximum exposure to credit risk without taking account of the value of any collateral obtained.

	Note	As of March 31, 2025	As of March 31, 2024
Cash in banks	5	**P14,812,775**	P85,063,051
Cash equivalents	5	**603,349,512**	525,395,025
Trade receivables	6	**2,069,041,784**	1,613,836,598
Refundable deposits	7, 10, 23	**83,208,840**	95,377,897
		P2,770,412,911	P2,319,672,571

The Company does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

As at March 31, 2025 and 2024, the aging analysis of the Company's financial assets is as follows:

	Neither Past Due nor Impaired	Past Due Account but not Impaired				Impaired Financial Assets	Total
		1 – 90 Days Past Due	91 – 180 Days Past Due	181 – 270 Days Past Due	Over 271 Days Past Due		
2025							
Cash in banks	**P14,812,775**	**P -**	**P -**	**P -**	**P -**	**P -**	**P14,812,775**
Cash equivalents	**603,349,512**	**-**	**-**	**-**	**-**	**-**	**603,349,512**
Trade receivables	**1,292,861,083**	**755,108,755**	**21,071,946**	**-**	**132,235,807**	**(132,235,807)**	**2,069,041,784**
Refundable deposits	**83,208,840**	**-**	**-**	**-**	**-**	**-**	**83,208,840**
	P1,994,232,210	**P755,108,755**	**P21,071,946**	**P -**	**P132,235,807**	**(P132,235,807)**	**P2,770,412,911**

Notes forming part of the Financial Statements

	Neither Past Due nor Impaired	Past Due Account but not Impaired				Impaired Financial Assets	Total
		1 – 90 Days Past Due	91 – 180 Days Past Due	181 – 270 Days Past Due	Over 271 Days Past Due		
2024							
Cash in banks	P85,063,051	P -	P -	P -	P -	P -	P85,063,051
Cash equivalents	525,395,025	-	-	-	-	-	525,395,025
Trade receivables	1,599,015,183	-	-	-	14,821,415	-	1,613,836,598
Refundable deposits	95,377,897	-	-	-	-	-	95,377,897
	P2,304,851,156	P -	P -	P -	P14,821,415	P -	P2,319,672,571

The Company provided an allowance on past due account that believed to be impaired. Management believes that there is no change in the credit quality of financial assets from the date credit was initially granted up to the end of each reporting period.

The table below details the credit quality of the Company neither past due nor impaired financial assets:

	Neither Past Due nor Impaired		
	High Grade	Satisfactory Grade	Total
2025			
Cash in banks	**P14,812,775**	**P -**	**P14,812,775**
Cash equivalents	**603,349,512**	**-**	**603,349,512**
Trade receivables	**1,292,861,083**	**-**	**1,292,861,083**
Refundable deposits	**-**	**83,208,840**	**83,208,840**
	P1,911,023,370	**P83,208,840**	**P1,994,232,210**

	Neither Past Due nor Impaired		
	High Grade	Satisfactory Grade	Total
2024			
Cash in banks	P85,063,051	P -	P85,063,051
Cash equivalents	525,395,025	-	525,395,025
Trade receivables	1,599,015,183	-	1,599,015,183
Refundable deposits	-	95,377,897	95,377,897
	P2,209,473,259	P95,377,897	P2,304,851,156

The Company uses internal ratings to determine the credit quality of its financial assets. These have been mapped to the summary rating below.

High Grade - This applies to highly rated financial obligors, strong corporate counterparties, and personal borrowers with whom the Company has excellent repayment experience.

Satisfactory Grade - This applies to financial assets that are performing as expected, including loans and advances to small and medium sized entities and recently established businesses.

Acceptable Grade - This applies to counterparties with risk profiles that are subject to closer monitoring and scrutiny with the objective of managing risk and moving accounts to improved rating category.

Low Grade - This applies to risks that is neither past due nor expected to result in loss but where the Company requires a workout of the relationship unless an early reduction in risk is achievable.

Back to content

Notes forming part of the Financial Statements

Cash in Banks and Cash Equivalents

Cash in banks and cash equivalents are held with counterparties with high external credit ratings. The credit quality of these financial assets is high grade. Impairment on cash in banks and cash equivalents have been measured on a 12-month ECL basis and reflects the short maturities of the exposures. The Company considers that its cash in banks and cash equivalents have low risk based on the external credit ratings of its counterparties.

Trade Receivables

The Company computes impairment loss on trade receivables based on past collection experiences, current circumstances, and the impact of future economic conditions, if any, available at the reporting period. Loss rates are based on actual credit loss experience. Any adjustments to the loss rates for forecasts of future economic conditions are not expected to be material. The Company applies the simplified approach in providing for ECL prescribed by PFRS 9, which permits the use of the lifetime expected loss provision and applies a provision matrix. The maturity of the Company's trade receivables is less than one year so the lifetime expected credit losses and the 12-month expected credit losses are similar.

Other Receivables and Refundable Deposits

With respect to credit risk arising from other receivables and refundable deposits, the Company's exposure to credit risk arises from default of the counterparty with a maximum exposure equal to the carrying amount of these financial assets. The Company trades only with reputable and recognized third parties.

Liquidity Risk

Liquidity risk is the possibility that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows. The Company maintains adequate highly liquid assets in the form of cash and cash equivalents to assure necessary liquidity.

25. CAPITAL RISK MANAGEMENT

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximizing the return to shareholders. The Company is governed by the following fundamental strategies:

a. The Company enters bank guarantee for some operational transactions.

b. It does not enter high risk security or equity investments. The Company's overall strategy remains unchanged from 2015.

The capital structure of the Company consists of equity attributable to the shareholders comprising of share capital and retained earnings.

Equity is defined as capital and retained earnings of the Company, while assets include current and noncurrent assets.

The Company's equity ratio is as follows:

	As of March 31, 2025	As of March 31, 2024
Total equity	**P1,529,212,978**	P1,071,150,120
Total assets	**3,657,760,071**	3,365,935,002
Equity ratio	**0.42:1**	0.32:1

The Company has not externally imposed capital requirement. There was no change in the Company's approach to capital management for the years ended March 31, 2025 and 2024.

Notes forming part of the Financial Statements

26. CONTINGENT LIABILITIES AND COMMITMENT

The Company has contractually committed P23.79 million and P98.27 million as at March 31, 2025 and 2024 respectively, for purchase of property, plant, and equipment. The company has given financial guarantees worth P50.57 million and P49.56 million as at March 31, 2025 and 2024, respectively. Claims against the Company not acknowledged as debts amounted to P1.90 million and P0.48 million as at March 31, 2025 and 2024, respectively.

The Company has contingent liability in respect of tax demand received from tax authority during the year of P6.91 million and P161.37 million as at March 31, 2025 and 2024, respectively. This demand order is being contested by the Company based on the management evaluation and advice of tax consultant.

27. SUPPLEMENTARY INFORMATION REQUIRED BY THE BUREAU OF INTERNAL REVENUE (BIR) UNDER REVENUE REGULATIONS (RR) NO. 15-2010

In addition to the disclosures mandated under PFRS, and such other standards and/or conventions as may be adopted, companies are required by the BIR to provide in the notes to the financial statements, certain supplementary information for the taxable year. The amounts relating to such information may not necessarily be the same with those amounts disclosed in the financial statements which were prepared in accordance with PFRS. Following are the tax information required for the taxable period ended March 31, 2025:

A. VAT

	Amount
Output VAT	**P73,749,790**
Basis of the Output VAT	
Vatable sales	**P614,581,580**
Exempt sales	**-**
Zero-rated sales	**7,131,897,994**
	P7,746,479,574

	Amount
Input VAT	
Beginning of the year	**P21,173,451**
Adjustment	**(19,282,123)**
Beginning of the year as adjusted	**1,891,328**
Current year's domestic purchases:	
Domestic purchases of goods other than capital goods	**365,333**
Purchase of capital goods exceeding 1 million	**8,509,942**
Purchase of capital goods not exceeding 1 million	**-**
Importation of goods other than capital goods	**-**
Domestic purchases of services	**26,005,843**
Total	**36,772,446**
Less: Input VAT applied in current year	**(36,204,917)**
Balance at the end of the period	**P567,529**

Notes forming part of the Financial Statements

B. Withholding Taxes

	Amount
Withholding tax - compensation	**P452,324,400**
Withholding tax - expanded	**26,766,901**
Withholding tax - final	**106,943,853**
Fringe benefit tax	**1,652,472**
	P587,687,626

C. All Other Taxes (Local and National)

Details of the Company's other taxes and licenses and permits paid or accrued during 2024 are as follows:

	Amount
Charged to Cost of Services	
PEZA processing fee for local sales, permit fees	**P2,703,399**
Charged to General and Administrative Expenses	
Permit fees, fringe benefit tax	**19,371,659**
	P22,075,058

D. As at March 31, 2025 the Company received Letter of Authority, Preliminary Assessment Notice, and Notice of Discrepancy

During the Fiscal year 2022-23, Company received a Formal Letter of Demand Notice from the Bureau of Internal Revenue covering fiscal year 2019, amount of P183.34 million (Including Base Amount, Penalty & Interest) for deficiency taxes on Income Tax, Withholding Tax, Final Tax, Fringe Benefit Tax, Documentary Stamp Tax, Withholding Value-Added Tax, and Value-Added Tax. On May 14, 2024, the Company voluntarily paid P3.26 million representing expanded and final withholding taxes. The Company has contingent liability of P6.91 million, in respect of the remaining tax demand, is being contested by the Company based on the management evaluation and advise of tax consultant.

On July 17, 2023, the Company paid the tax assessment from the Bureau of Internal Revenue for Value-Added Tax covering fiscal year 2020 amounting to P4.0 million (including Base Amount, Penalty & Interest) for deficiency taxes on Value-Added Tax and Final Withholding Value-Added Tax.

On May 14, 2024 and July 30, 2024, the Company fully paid the tax assessment from the Bureau of Internal Revenue covering fiscal year 2020 amounting to P9.80 million (including Base Amount, Penalty & Interest) for deficiency taxes on all internal revenue taxes except Value-Added Tax.

On March 26, 2025, Company received a Letter of Authority from the Bureau of Internal Revenue for all internal revenue taxes covering fiscal year 2023. On April 4, 2025, the Company initially submitted books of accounts, documentary evidence, and registration requirements. The Company submitted additional documentary evidence and reconciliations April 25, 2025.

Information on amounts of customs duties, tariff fees and excise taxes are not applicable, since there are no transactions that the Company will be subjected to these taxes during the year.

REPORT OF INDEPENDENT AUDITORS

The Board of Directors and Stockholders
Tata Consultancy Services (Philippines), Inc.

10th Floor, Panorama Tower, 34th Street Corner Lane A
Bonifacio Global City, Taguig City

We have audited, in accordance with Philippine Standards on Auditing, the accompanying financial statements of Tata Consultancy Services (Philippines), Inc. (the "Company"), a wholly-owned subsidiary of Tata Consultancy Services Asia Pacific Pte. Ltd., as at and for the year ended March 31, 2025, on which we have rendered our report dated May 2, 2025.

Our audit was made for the purpose of forming an opinion on the basic separate financial statements of the Company taken as a whole. The supplementary information included in the accompanying Schedule of Reconciliation of Retained Earnings Available for Dividend Declaration is the responsibility of the Company's management.

The supplementary information has been presented for purposes of complying with the Revised Securities Regulation Code Rule 68 and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

R. G. MANABAT & CO.

VERNILO G. YU
Partner
CPA License No. 108798
SEC Accreditation No. 108798-SEC, Group A, valid for five (5) years covering the audit of 2023 to 2027 financial statements
Tax Identification No. 225-454-652
BIR Accreditation No. 08-001987-035-2024
Issued March 26, 2024; valid until March 26, 2027
PTR No. MKT 10467162
Issued January 2, 2025 at Makati City

May 2, 2025
Makati City, Metro Manila

SCHEDULE OF RECONCILATION OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION FOR THE YEAR ENDED MARCH 31, 2025

		2024
Unappropriated Retained Earnings, beginning of reporting period		**P267,987,676**
Add: Category A: Items that are directly credited to Unappropriated Retained Earnings		
Reversal of Retained Earnings Appropriation/s Effect of restatements or prior-period	P500,000,000	
adjustments	-	
Others	-	**500,000,000**
Less: Category B: Items that are directly debited to Unappropriated Retained Earnings		
Dividend declaration during the reporting period	695,200,000	
Retained Earnings appropriated during the reporting period	1,000,000,000	
Effect of restatements or prior-period adjustments	-	
Others	-	**1,695,200,000**
Unappropriated Retained Earnings, as adjusted		**(927,212,324)**
Add: Net Income for the current year		**1,148,996,806**
Less: Category C.1: Unrealized income (loss) recognized in the profit or loss during the reporting period (net of tax)		
Equity in net income of associate/joint venture, net of dividends declared	-	
Unrealized foreign exchange gain (loss), except those attributable to cash and cash equivalents	-	
Unrealized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-	
Unrealized fair value gain of Investment Property	-	
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS	-	**-**
Sub-total		**-**
Add: Category C.2: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)		
Realized foreign exchange gain, except those attributable to Cash and cash equivalents	P10,576,114	
Realized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-	
Realized fair value gain of Investment Property	-	
Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS	-	**P10,576,114**
Sub-total		**10,576,114**

Back to content

		2024
Add/Less: Category C.3: Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)		
Reversal of previously recorded foreign exchange gain (loss), except those attributable to cash and cash equivalents	-	
Reversal of previously recorded fair value adjustment (mark-to market gains) of financial instruments at fair value through profit or loss (FVTPL)	-	
Reversal of previously recorded fair value gain of Investment Property	-	
Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS, previously recorded	-	-
Sub-total		-
Adjusted Net Income		
Add: Category D: Category D: Non-actual losses		
recognized in profit or loss during the reporting period (net of tax)		
Depreciation on revaluation increment (after tax)	-	
Sub-total		
Add/Less: Category E: Adjustments related to relief granted by the SEC and BSP		-
Amortization of the effect of reporting relief Total amount of reporting relief granted during	-	
the year	-	
Others	-	
Sub-total		-
Add/Less: Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution		
Net movement of treasury shares (except for reacquisition of redeemable shares)	P -	
Net movement of deferred tax asset not considered in the reconciling items under the previous categories	-	
Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g, set up of right of use of asset and lease liability, set-up of asset and asset retirement obligation, and set- up of service concession asset and concession payable	-	
Adjustment due to deviation from PFRS/GAAP -		
gain (loss)	-	
Others	-	**P -**
Sub-total		**-**
Total Retained Earnings, end of the reporting period available for dividend		**P232,360,596**

Tata Consultancy Services Japan, Ltd

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended
31 March 2025

ANNUAL REPORT FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

CONTENTS **PAGE**

Independent Auditors' Report	30.2
Balance Sheet	30.4
Statement of Income	30.5
Statement of Changes in Equity	30.6
Notes to the Financial Statements	30.7

Back to main content

This is unofficial convenience translation of the Japanese original version.
If there is any discrepancy between the Japanese original and this translation, the Japanese original will always prevail.

INDEPENDENT AUDITOR'S REPORT

May 8, 2025

Tata Consultancy Services Japan, Ltd.
Mr. Narasimha Shenoy, Corporate Auditor
Mr. Akihiko Kitamura, Corporate Auditor

KPMG AZSA LLC
Tokyo Office
Tetsushi Umetani
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Opinion

We have audited the financial statements, which comprise the balance sheet, the statement of income, the statement of changes in Equity and the related notes, and the accompanying supplementary schedules ("the financial statements and the accompanying supplementary schedules") of Tata Consultancy Services Japan, Ltd. ("the Company") as at March 31, 2025 and for the year from April 1, 2024 to March 31, 2025 in accordance with Article 436-2-1 of the Companies Act.

In our opinion, the financial statements and the accompanying supplementary schedules referred to above present fairly, in all material respects, the financial position and the results of operations of the Company for the period, for which the financial statements and the accompanying supplementary schedules were prepared, in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements and the Accompanying Supplementary Schedules* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The other information comprises the business report and its supplementary schedules. Management is responsible for the preparation and presentation of the other information. Corporate auditors are responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the reporting process for the other information.

Our opinion on the financial statements and the accompanying supplementary schedules does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements and the accompanying supplementary schedules, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the accompanying supplementary schedules or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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Responsibilities of Management and Corporate Auditors for the Financial Statements and the Accompanying Supplementary Schedules

Management is responsible for the preparation and fair presentation of the financial statements and the accompanying supplementary schedules in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements and the accompanying supplementary schedules that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the accompanying supplementary schedules, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

Corporate auditors are responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements and the Accompanying Supplementary Schedules

Our objectives are to obtain reasonable assurance about whether the financial statements and the accompanying supplementary schedules 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. 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 financial statements and the accompanying supplementary schedules.

As part of our audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements and the accompanying supplementary schedules, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the accompanying supplementary schedules 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 whether the presentation and disclosures in the financial statements and the accompanying supplementary schedules are in accordance with accounting standards generally accepted in Japan, the overall presentation, structure and content of the financial statements and the accompanying supplementary schedules, including the disclosures, and whether the financial statements and the accompanying supplementary schedules represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with corporate auditors regarding, among other matters, the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

We do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Back to content

(Translation)

Balance Sheet as of March 31, 2025

(In Millions of Yen)

Accounts	Amount	Accounts	Amount
(Assets)		**(Liabilities)**	
Current assets	**40,030**	**Current liabilities**	**19,992**
Cash and deposits	23,138	Accounts payable-trade	4,711
Notes, Accounts receivable & Contract Assets	15,479	Accrued expenses	3,703
Provision for doubtful debts	(324)	Accrued income taxes	2,436
Prepaid expenses	1,319	Accrued consumption taxes	1,540
Merchandise	159	Unearned revenue	1,983
Other current assets	257	Provision for bonuses	4,090
		Lease obligations	411
		Provision for loss on contracts	78
		Other current liabilities	1,036
Non-current assets	**18,504**		
Tangible fixed assets	**4,124**		
Buildings	1,495		
Tools, furniture and fixtures	1,895	**Non-current liabilities**	**1,779**
Leased assets	728	Unearned revenue	293
Construction in progress	4	Asset retirement obligations	760
		Lease obligations	405
		Provision for loss on contracts	305
		Other non-current liabilities	15
Intangible fixed assets	**58**	**Total Liabilities**	**21,772**
Software	58		
		(Equity)	
		Shareholders' equity	**36,761**
Investments and other assets	**14,320**	**Common stock**	**4,327**
Long-term time deposits	10,000	**Capital surplus**	**2,942**
Deferred tax assets	2,996	Legal capital surplus	2,352
Guarantee deposits	950	Other capital surplus	590
Long-term prepaid expenses	76		
Other non-current assets	297	**Retained earnings**	**29,491**
		Legal reserve	58
		Other retained earnings	29,433
		Retained earnings brought forward	29,433
		Total Equity	**36,761**
Total Assets	**58,534**	**Total Liabilities and Equity**	**58,534**

(Amounts less than one million yen are rounded down)

(Translation)

Statement of Income from April 1, 2024 to March 31, 2025

(In Millions of Yen)

Accounts	Amount	
Net sales		103,079
Cost of sales		72,254
Gross profit		30,825
Selling, general and administrative expenses		19,032
Operating income		**11,792**
Non-operating income		
Interest income	107	
Other income	72	180
Non-operating expenses		
Loss on disposals of fixed assets	4	
Foreign exchange losses	144	
Interest expenses	16	
Other expenses	10	175
Ordinary income		**11,797**
Income before income taxes		**11,797**
Income taxes-current	3,488	
Income taxes-deferred	(327)	3,160
Net income		**8,636**

(Amounts less than one million yen are rounded down)

(Translation)

Statement of Changes in Equity from April 1, 2024 to March 31, 2025

(In Millions of Yen)

	Shareholders' Equity								Total Equity
		Capital surplus			Retained earnings				
	Common stock	Legal capital surplus	Other capital surplus	Total	Legal reserve	Other retained earnings: Retained earnings brought forward	Total	Shareholders' Equity Total	
Balance as of March 31, 2024	**4,327**	**2,352**	**590**	**2,942**	**58**	**24,346**	**24,404**	**31,674**	**31,674**
Changes during period									
Dividends of surplus						**(3,549)**	**(3,549)**	**(3,549)**	**(3,549)**
Net income						**8,636**	**8,636**	**8,636**	**8,636**
Total Changes during period	**-**	**-**	**-**	**-**	**-**	**5,087**	**5,087**	**5,087**	**5,087**
Balance as of March 31, 2025	**4,327**	**2,352**	**590**	**2,942**	**58**	**29,433**	**29,491**	**36,761**	**36,761**

(Amounts less than one million yen are rounded down)

Notes forming part of the Financial Statements

(Translation)

[Notes to Significant Accounting Policies]

1. Valuation standard and method of inventory (merchandise, supplies)

At cost determined by the specific identification method (The balance sheet amount has been determined at the lower of cost and net realizable value.)

2. Depreciation method of fixed assets

(1) Tangible fixed assets excluding leased assets: Straight-line method:

Major useful lives are as follows:

Buildings	5-10 years
Tools, furniture, and fixtures	4-10 years

(2) Intangible fixed assets excluding leased assets

Software

Internal use: Straight-line method over the anticipated useful period 4 years

(3) Leased assets

Finance leases that do not transfer ownership of leased assets to the lessee:

Depreciation is computed using the straight-line method based on the lease term or the applicable useful life of an owned fixed asset, whichever is shorter, with a residual value of zero.

3. Provision

(1) Provision for doubtful debts

The Company provides for possible credit losses stemming from monetary claims and other receivables. Estimates of irrecoverable amounts are determined by considering historical loan¬loss ratios for general receivables and on consideration of recoverable amounts on a case-by- case basis in instances of suspected bad debt or other dubious accounts.

(2) Provision for bonuses

Provision for bonuses is recorded based on estimated bonus payment amounts.

(3) Provision for loss on contracts

To prepare for losses on contracts, we estimated loss amount for the order contracts at the end of the business year.

4. Recognition of revenues and costs

For system integration contracts, etc., we assume an obligation to fulfill the provision of products and services in accordance with customer specifications, and as the obligation is satisfied over a certain period of time, revenue is recognized in accordance with the manner in which expenses are incurred (such as the progress measured as the ratio of actual costs to total estimated costs). With respect to maintenance and support service contracts, we have obligations to provide support services related to product maintenance and software development, etc., and because these obligations are fulfilled over a certain period of time, we recognize revenues based on a percentage of the total amount of goods or services transferred (the Output Method) or as time passes.

For products such as hardware equipment, revenue is recognized upon transfer of control because performance obligations are satisfied primarily when products are sold and the delivery to the customer is completed.

Transaction prices are measured based on the amount of consideration that the company expects to be entitled to in exchange for the transfer of promised goods or services to customers. The amount of consideration promised does not include important financial factors.

Notes forming part of the Financial Statements

For transactions in which the Company acts as an agent in providing goods or services to the customer (Transactions in which the Company does not obtain control of the goods or services transferred to the customer and only provides the services of arranging those goods or services), revenue is recognized at the net amount received from the customer less the amount paid to the vendor.

(Notes on Accounting Estimates)

Items whose amounts are recorded in the financial statements for the current fiscal year based on accounting estimates and which may have a material impact on the financial statements for the following fiscal year are as follows.

1.	Deferred tax asset	2,996 million yen
2.	Asset retirement obligations	760 million yen
3.	Provision for doubtful debts	324 million yen
4.	Provision for loss on order received	384 million yen

Information on important accounting estimates for identified items

1. Deferred tax asset

The recognition of deferred tax assets takes into account the possibility that deductible temporary differences may be made available to taxable income in the future. In assessing the recoverability of deferred tax assets, the expected reversal of deferred tax liabilities, expected future taxable income and tax planning are taken into account.

Our company estimates deferred tax assets based on its past taxable income levels and future business plans for the periods in which deferred tax assets can be recognized and believes that the calculation is reasonable. However, the projections of future taxable income may change depending on market trends and economic conditions surrounding our company.

2. Asset retirement obligations

Asset retirement obligations, which are obligations to restore rental properties such as the head office building to their original condition, are based on cost estimates from third parties.

3. Provision for doubtful debts

Please refer to (Notes on Items Related to Important Accounting Policies 3. Accounting Standard for the Provision (1) Provision for doubtful debts) for the accounting standard of the reserve for doubtful debts.

4. Provision for loss on contracts

Please refer to (Notes on Items Related to Important Accounting Policies 3. Accounting Standard for the Provision (3) Provision for loss on contracts) for the accounting standard of the reserve for loss on orders received.

[Notes to Balance Sheet]

1. Of notes receivable, accounts receivable and contract assets, the amounts of receivables and contract assets arising from contracts with customers are as follows, respectively:

Notes receivable	0 million yen
Accounts receivable	14,490 million yen
Contract assets	989 million yen

2. Financial assets and liabilities from/to affiliates:

Short-term financial assets	2,051 million yen
Short-term financial liabilities	3,233 million yen

3. Accumulated depreciation of tangible fixed assets 4,663 million yen

Notes forming part of the Financial Statements

[Notes to Statement of Income]

1. Transactions with affiliates

Operating transactions

Net sales	14,935 million yen
Cost of sales	23,090 million yen
Selling, general and administrative expenses	1,352 million yen

[Notes to Statement of Changes in Equity]

1. Number of issued shares as of the end of the fiscal year

Common Stock 94,969 shares

2. Dividends

(1) Payments of dividends

Resolution	Type of Shares	Source of Dividend	Total amount of dividends (in Million Yen)	Dividends per share (in Yen)	Record Date	Effective date
The Shareholders' Meeting on May 14, 2024	Common stock	Retained earnings	3,549	37,371	March 31, 2024	May 15, 2024

(2) Dividends for which the record date is in the year ended March 31, 2025, but for which the effective date is in the next fiscal year

During the shareholders' meeting in May 2025, resolution as follows is expected to be resolved:

Resolution	Type of Shares	Source of Dividend	Total amount of dividends (in Million Yen)	Dividends per share (in Yen)	Record Date	Effective date
The Shareholders' Meeting on May 16, 2025	**Common stock**	**Retained earnings**	**4,318**	**45,471**	**March 31, 2025**	**May 17, 2025**

[Notes to Revenue Recognition]

Basic information to understand revenue

Is as follows Recognition of revenues and costs in [Notes to Significant Accounting Policies]

Notes forming part of the Financial Statements

[Notes to Tax Effect Accounting]

1. Significant components of deferred tax assets and liabilities

Deferred tax assets

(In Millions of Yen)

Provision for bonuses	1,252
Accrued expenses	775
Asset retirement obligation	239
Social security payable	291
Accrued rent	126
Depreciation	162
Accrued enterprise taxes	170
Provison for doubtful debts	99
Provision for loss on contracts	117
Long-term prepaid expenses	3
Accrued business establishment tax	27
Inventory write-down	49
Others	8
Deferred tax assets Subtotal	3,325
Valuation allowance	(169)
Deferred tax assets Total	3,155

Deferred tax liabilities

Asset retirement obligation (assets)	(159)
Deferred tax liabilities Total	(159)

Net deferred tax assets 2,996

2. Impact of Changes in Corporate Tax Rate

The Law to Partially Amend the Income Tax Act" was promulgated on March 31, 2025, and the Special Defense Corporate Tax will be imposed from the business year starting on or after April 1, 2026. As a result, the statutory effective tax rate used in the calculation of deferred tax assets and deferred tax liabilities will increase from the previous 30.62% to 31.52% for temporary differences expected to be resolved in the business year starting on or after April 1, 2026.Due to this change in tax rate, the amount of deferred tax assets (after deducting the amount of deferred tax liabilities) increased by 8 million yen, and the amount of corporate tax adjustments (credit) decreased by the same amount.

[Notes to financial instruments]

Policy on financial instruments

The Company makes efforts to limit credit risk of customers affecting notes receivable and accounts receivable in line with the Risk Management Rule and Risk Management Practice Rule.

Notes forming part of the Financial Statements

[Notes to Transactions with Related Parties]

1. Parent Company

(In Millions of Yen)

Attribute	Name	Voting rights	Relationship	Transaction Details	Transaction Amount	Accounts	Ending balance
Parent	Tata Consultancy Services Limited	66% indirectly owned	System Development consignment, Co-headed Directors	Sales	838	Prepaid expenses	601
				Cost of goods purchased	22,950	Accounts payable	2,476

Transaction terms and decision policies

(Note) Ordinary transaction terms are the same as those of other third parties.

2. Affiliates

(In Millions of Yen)

Attribute	Name	Voting rights	Relationship	Transaction details	Transaction Amount	Accounts	Ending balance
Other affiliate	Mitsubishi Corporation	34% directly owned	System Development Turnkey, Co-headed Directors	Net sales	14,039	Accounts receivable	956

Transaction terms and decision policies

(Note) Ordinary transaction terms are the same as those of other third parties.

[Notes to Per Share Information]

1. Net assets per share 387,094 yen

2. Net income per share 90,941 yen

The 29th (FY2025) Supplementary Schedule from April 1, 2024 to March 31, 2025

1. Tangible fixed assets and Intangible fixed assets

(In Millions of Yen)

Category	Asset type	Beginning book value	Increase for the period	Decrease for the period	Depreciation for the period	Ending book value	Accumulated depreciation	Ending acquisition cost
Tangible fixed assets	Buildings	1,876	48	0	429	1,495	1,585	3,081
	Tools, furniture and fixtures	1,131	1,271	4	501	1,895	1,870	3,766
	Leased assets	980	258	4	506	728	1,207	1,936
	Construction in progress	90	4	90	-	4	-	4
	Total	**4,078**	**1,582**	**99**	**1,437**	**4,124**	**4,663**	**8,787**
Intangible fixed assets	Software	71	31	-	44	58		
	Total	**71**	**31**	**-**	**44**	**58**		

(Note)

Due to tablets and other devices for the British Council, increase in Tools, furniture and fixtures by 1,115 million yen.

Back to content

Notes forming part of the Financial Statements

2. Details of provisions

(In Millions of Yen)

Division	Beginning balance	Increase for the period	Decrease for the period	Ending Balance
Provision for doubtful debts	324	324	324	324
Provision for bonuses	3,799	4,090	3,799	4,090
Provision for loss on contracts	211	384	211	384

The basis for accounting and calculation is stated in "3. Provision" under "Notes to the Significant Accounting Policies".

3. Selling, general and administrative expenses

(In Millions of Yen)

Accounts	Amount
Employee salary	8,801
Welfare benefit	2,018
Employee bonus	1,731
Office expenses	1,294
Recruitment	1,011
Depreciation and amortization	667
Corporate Overhead	637
Tax and public charge	631
Information processing	565
Commissioned services	464
Employee retirement benefit expenses	236
Advertising & publicity	235
Travel expenses	207
Legal & Professional	133
Others	396
TOTAL	**19,032**

Tata Consultancy Services Italia S.r.l.

Annual Report and Financial Statements

For the period ended
March 31, 2025

FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

CONTENT	PAGE
Independent Auditors' Report	31.2
General information about the company	31.4
Income Statement	31.5
Balance Sheet	31.6
Financial statement, indirect method	31.10
Notes forming part of the Financial Statements	31.15
Management Report	31.31

Back to main content

INDEPENDENT AUDITOR'S REPORT

Pursuant to art. 14 of Legislative Decree 27 January 2010, n. 39
Financial Statements as at March 31, 2025

TO THE QUOTA-HOLDERS OF
TATA CONSULTANCY SERVICES ITALIA S.R.L.
INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the financial statements of Tata Consulting Services Italy S.r.l. (the Company), which comprise the balance sheet, the income statement and the notes as March, 31st, 2025.

In our opinion, the financial statements give a true and fair view of the financial position of the Company, as at March 31st, 2025, of the result of its operations and its cash flows for the year then ended in accordance with the Italian regulations and accounting principles governing financial statements.

Basis of opinion

We conducted our audit in accordance with International Standards Auditing (ISA Italia). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of this report. We are independent of the Company in accordance with ethical requirements and standards applicable in Italy that are relevant to the audit of financial statement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibility of the management and of the Sole Auditor for the financial statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with the Italian regulations and accounting principles governing financial statement and, within the limits of the law, for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability continue as 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.

Auditor's Responsibility for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, 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 the international auditing standards (ISA Italia) will always detect a misstatement when it exists. Misstatements may arise from fraud or from 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 financial statements.

As part of an audit in accordance with international auditing standards (ISA Italia), we exercise professional judgment and maintain professional skepticism throughout the audit. Also:

- we have identified and assessed the risks of material misstatement in the financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks; and obtained audit evidence that is sufficient and appropriate to provide a basis 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 overriding of internal control;

- we have obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- we have evaluated the appropriateness of the accounting policies used and the reasonableness of the accounting estimates and related disclosures made by management;
- we have concluded 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 doubts on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on auditor's report. However, future events or conditions may cause the Company to cease to operate as a going concern;
- we evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that provides a fair representation.

We have communicated with those charged with governance, as properly identified in accordance with ISA Italy, among other aspects, the planned scope and timing of the audit and the significant findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory provisions

Opinion in accordance with Article 14, paragraph 2 (e) of Legislative Decree 39/10.

The Directors of Tata Consulting Services Italy S.r.l. are responsible for the preparation of the report on operations of Tata Consulting Services Italy S.r.l. as March 31st, 2025, including its consistency with the related financial statements and its compliance with legal requirements.

We have performed the procedures specified in Auditing Standard (SA Italy) No. 720B for the purpose of expressing an opinion on the consistency of the management report with the financial statements of Tata Consulting Services Italy S.r.l. as March 31, 2025, and on its compliance with legal requirements, as well as to issue a statement on any material misstatement.

In our opinion, the management report is consistent with the statutory financial statements of Tata Consulting Services Italy S.r.l. as March 31, 2025, and is prepared in accordance with legal requirements.

With reference to the statement referred to in Article 14(2)(e) of Legislative Decree 39/10, made on the basis of the knowledge and understanding of the company and its context acquired in the course of the audit, we have nothing to report.

MILAN, 2nd May 2025

The Auditor

Dott.ssa Raffaella Pagani

General information about the company

Name		ID Code
Company name	:	TATA CONSULTANCY SERVICES ITALIA SRL a socio unico
Company site	:	Corso Italia 1 20122 MILANO MI
Share capital	:	100.000
Fully paid-in share capital	:	yes
Registration Authority id code	:	Milano
VAT number	:	04083450967
Fiscal code	:	04083450967
Registation number	:	1723756
Legal form	:	SOCIETA' A RESPONSABILITA' LIMITATA con socio unico
Activity Code	:	620200 Consulenza nel settore delle tecnologie dell'informatica
Company being wound up	:	no
Company with a single shareholder:	:	yes
Company subject to the management and coordination of others	:	yes
Name of the company or entity that exercises management and coordination:	:	TATA CONSULTANCY SERVICES NETHERLANDS BV
Belonging to a group:	:	yes
Name of the controlling entity:	:	TATA CONSULTANCY SERVICES LIMITED
Country of the controlling entity:	:	MUMBAI-INDIA

Income statement (value and cost of production)

(EUR)

	As at March 31, 2025	As at March 31, 2024
Income statement (value and cost of production)		
A) Value of production		
1) Revenues from sales and services	45.999.733	39.412.033
5) Other income and revenues		
other	390.228	878.116
Total Other income and revenues	390.228	878.116
TOTAL VALUE OF PRODUCTION	**46.389.961**	**40.290.149**
B) Costs of production		
6) Raw, ancillary and consumable materials and goods for resale	12.244	6.905
7) Services	25.112.127	21.866.473
8) Use of third party assets	1.621.237	1.987.647
9) personnel		
a) wages and salaries	10.937.308	11.706.190
b) related salaries	2.373.072	2.283.609
c) severance	526.718	525.194
e) other costs	358.111	383.823
Total payroll and related costs	**14.195.209**	**14.898.816**
10) depreciation, amortisation and write downs		
b) depreciation of tangible fixed assets	109.488	113.901
d) write-downs of accounts included among current assets	1.781	657
Total Amortisation, depreciation and write-downs	**111.269**	**114.558**
13) Other provisions	3.064	0
14) Other operating expenses	77.112	54.707
TOTAL COST OF PRODUCTION	**41.132.262**	**38.929.106**
Difference between value and cost of production (A - B)	**5.257.699**	**1.361.043**
C) Financial income and charges		
16) other financial income		
d) income other than the above		
other	105.174	117.956
Total income other than the above	**105.174**	**117.956**
Total other financial income	**105.174**	**117.956**
17-bis) Currency gains and losses	(20.742)	17.930
Total financial income and expense (15 + 16 - 17 + - 17-bis)	84.432	135.886
PRE-TAX RESULT (A - B + - C + - D)	**5.342.131**	**1.496.929**
20) Income tax for the year, current, deferred and prepaid		
Current taxes	1.983.857	1.008.053
tax related to previous years	(7.966)	8.382
deferred and prepaid tax	(2.952)	33.976
TOTAL TAXES ON THE INCOME FOR THE YEAR	**1.972.939**	**1.050.411**
21) PROFIT (LOSS) FOR THE YEAR	**3.369.192**	**446.518**

Back to content

Balance sheet (mandatory scheme)

(EUR)

	As at March 31, 2025	As at March 31, 2024
ASSETS		
B) Fixed assets		
I - Intangible fixed assets		
6) assets in process of formation and advances	328.584	0
Total intangible fixed assets	**328.584**	**0**
II - Tangible fixed assets		
1) land and buildings	0	0
2) plant and machinery	0	0
3) industrial and commercial equipment	0	0
4) other assets	191.012	241.545
5) assets under construction and payments on account	109.182	55.884
Total tangible fixed assets	**300.194**	**297.429**
Total fixed assets (B)	**628.778**	**297.429**
C) Current assets		
II - Receivables		
1) trade accounts		
due within the following year	11.554.668	8.941.050
due beyond the following year	0	0
Total trade accounts	**11.554.668**	**8.941.050**
2) due from subsidiary companies		
due within the following year	0	0
due beyond the following year	0	0
Total receivables due from subsidiary companies	**0**	**0**
3) due from associated companies		
due within the following year	0	0
due beyond the following year	0	0
Total receivables due from associated companies	**0**	**0**
4) due from parent companies		
due within the following year	2.854.021	1.648.247
due beyond the following year	0	0
Total receivables due from parent companies	**2.854.021**	**1.648.247**
5) receivables due from companies controlled by parent companies		
due within the following year	532.720	762.793
due beyond the following year	0	0
Total receivables paid by companies controlled by parent companies	**532.720**	**762.793**
5-b) tax receivables		
due within the following year	0	30.350
due beyond the following year	0	0
Total receivables due from tax authorities	**0**	**30.350**

(EUR)

	As at March 31, 2025	As at March 31, 2024
5-c) prepaid tax	224.693	221.741
5-d) other receivables		
due within the following year	5.659	7.738
due beyond the following year	410.065	180.067
Total receivables due from third parties	**415.724**	**187.805**
Total receivables	15.581.826	11.791.986
IV - **Liquid funds**		
1) bank and post office deposits	5.499.051	5.126.593
2) cheques	0	0
3) cash and equivalents on hand	0	0
Total liquid funds	**5.499.051**	**5.126.593**
Total current assets (C)	**21.080.877**	**16.918.579**
D) Accrued income and prepayments	**68.303**	**74.291**
Total assets	**21.777.958**	**17.290.299**
LIABILITIES AND SHAREHOLDERS' EQUITY		
A) Shareholders' equity		
I - Share capital	100.000	100.000
II - Share premium reserve	0	0
III - Revaluation reserves	0	0
IV - Legal reserve	20.000	20.000
V - Statutory reserves	0	0
VI - Other reserves, indicated separately		
Extraordinary reserve	0	0
Reserves from exceptions as per art. 2423 Civil Code	0	0
Shares reserve of the parent entity	0	0
Investment revaluation reserve	0	0
Contributions for capital increase	0	0
Contributions for future capital increase	0	0
Contributions to capital account or to cover previous losses	0	0
Contributions to cover losses	2.100.000	2.100.000
Capital reduction reserve	0	0
Merger surplus reserve	0	0
Reserve from exchange gains not redeemed	0	0
Reserve from current profit adjustments	0	0
Miscellaneous other reserves	0	0
Total other reserves	**2.100.000**	**2.100.000**
VII- Reserve for hedging expected cash flow operations	0	0
VIII-Retained earnings (accumulated losses)	6.819.224	6.372.705
IX - Net profit (loss) for the year	3.369.192	446.518
Minimised loss for the year	0	0
X- Negative reserve for own portfolio shares	0	0
Total shareholders' equity	**12.408.416**	**9.039.223**

(EUR)

		As at March 31, 2025	As at March 31, 2024
B)	**Reserves for contingencies and other charges**		
1)	pension and similar commitments	0	0
2)	taxation	0	0
3)	passive derivative financial instruments	0	0
4)	other	3.351	287
	Total reserves for contingencies and other charges	**3.351**	**287**
Total reserve for severance indemnities (TFR)		**1.742.200**	**1.630.937**
D)	**Payables**		
1)	bonds	0	0
	due within the following year	0	0
	due beyond the following year	0	0
	Total bonds	**0**	**0**
2)	convertible bonds		
	due within the following year	0	0
	due beyond the following year	0	0
	Total convertible bonds	**0**	**0**
3)	due to partners for financing	0	0
	due within the following year	0	0
	due beyond the following year	0	0
	Total payables due to partners for financing	**0**	**0**
4)	due to banks	0	0
	due within the following year	0	0
	due beyond the following year	0	0
	Total payables due to banks	**0**	**0**
5)	due to other providers of finance	0	0
	due within the following year	0	0
	due beyond the following year	0	0
	Total payables due to other providers of finance		
6)	advances		
	due within the following year	1.308.800	838.448
	due beyond the following year	0	0
	Total advances	**1.308.800**	**838.448**
7)	trade accounts		
	due within the following year	1.701.931	1.620.014
	due beyond the following year	0	0
	Total trade accounts	**1.701.931**	**1.620.014**
8)	payables represented by credit instruments		
	due within the following year	0	0
	due beyond the following year	0	0
	Total payables represented by credit instruments	**0**	**0**

(EUR)

		As at March 31, 2025	As at March 31, 2024
9)	due to subsidiary companies		
	due within the following year	0	0
	due beyond the following year	0	0
	Total payables due to subsidiary companies	**0**	**0**
10)	due to associated companies		
	due within the following year	0	0
	due beyond the following year	0	0
	Total payables due to associated companies	**0**	**0**
11)	due to parent companies		
	due within the following year	474.225	958.285
	due beyond the following year	0	0
	Total payables due to parent companies	**474.225**	**958.285**
11-b)	payables due to companies controlled by parent companies		
	due within the following year	475.578	200.078
	due beyond the following year	0	0
	Total payables due to companies controlled by parent companies	**475.578**	**200.078**
12)	due to tax authorities		
	due within the following year	1.144.423	218.511
	due beyond the following year	0	0
	Total payables due to tax authorities	**1.144.423**	**218.511**
13)	due to social security and welfare institutions		
	due within the following year	165.825	197.570
	due beyond the following year	0	0
	Total payables due to social security and welfare institutions	**165.825**	**197.570**
14)	other payables		
	due within the following year	1.390.595	2.395.577
	due beyond the following year	0	0
	Total other payables	**1.390.595**	**2.395.577**
Total payables (D)		**6.661.377**	**6.428.483**
E)	**Accrued liabilities and deferred income**	**962.614**	**191.369**
	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**21.777.958**	**17.290.299**

Financial statement, indirect method

(EUR)

	As at March 31, 2025	As at March 31, 2024
Financial statement, indirect method		
A) Cash flows from current activities (indirect method)		
Profit (loss) for the year	3.369.192	446.518
Income tax	1.972.939	1.050.411
Payable (receivable) interest	(105.174)	(117.956)
(Dividends)	0	0
(Capital gains)/Capital losses from business conveyance	0	0
1) Profit (loss) for the year before income tax, interest, dividends and capital gains/losses from conveyances.	**5.236.957**	**1.378.973**
Adjustments to non monetary items that were not offset in the net working capital.		
Allocations to preserves	4.845	944
Fixed asset depreciation/amortisation	109.488	113.901
Write-downs for long-term value depreciation	0	0
Adjustments to financial assets and liabilities for derivative financial instruments that do not involve monetary transactions	0	0
Other adjustments to increase/(decrease) non-monetary items	526.718	525.194
total adjustments for non-monetary items that were not offset in the net working capital	**641.051**	**640.039**
2) Cash flow before changing net working capital	5.878.008	2.019.012
Changes to the net working capital		
Decrease/(increase) in inventory	0	0
Decrease/(increase) in payables to customers	(2.615.399)	3.380.559
Increase/(decrease) in trade payables	81.917	(611.455)
Increase/(decrease) from prepayments and accrued income	5.988	291.506
Increase/(decrease) from accruals and deferred income	771.245	130.285
Other decreases/(other increases) in net working capital	(2.024.189)	(4.052.992)
Total changes to net working capital	**(3.780.438)**	**(862.097)**
3) Cash flow after changes to net working capital	2.097.570	1.156.915
Other adjustments		
Interest received/(paid)	105.174	117.956
(Income tax paid)	(973.995)	(324.231)
Dividends received	0	0
(Use of reserves)	0	(117.516)
Other collections/(payments)	(415.455)	(398.286)
Total other adjustments	(1.284.276)	(722.077)
Cash flow from current activities	**813.294**	**434.838**
B) Cash flows from investments		
Tangible fixed assets		
(Investments)	(112.253)	(20.520)
Disposals	0	0

Back to content

(EUR)

		As at March 31, 2025	As at March 31, 2024
	Intangible fixed assets		
	(Investments)	(328.584)	0
	Disposals	0	0
	Financial fixed assets		
	(Investments)	0	0
	Disposals	0	0
	Short term financial assets		
	(Investments)	0	0
	Disposals	0	0
	(Acquisition of branches of business net of liquid assets)	0	0
	Transfer of branches of business net of liquid assets	0	0
	Cash flows from investments (B)	**(440.837)**	**(20.520)**
C)	Cash flows from financing activities		
	Loan capital		
	Increase/(decrease) in short term bank loans	0	0
	New loans	0	0
	(Loan repayments)	0	0
	Equity		
	Capital increase payments	0	0
	(Capital repayments)	0	0
	Transfer/(purchase) of own shares	0	0
	(Dividends and advances on dividends paid)	1	(3)
	Cash flows from financing activities (C)	1	(3)
	Increase (decrease) in liquid assets (A ± B ± C)	372.458	414.315
	Exchange rate effect on liquid assets	0	0
	Liquid assets at the start of the year		
	Bank and post office deposits	5.126.593	4.712.278
	Loans	0	0
	Cash and valuables in hand	0	0
	Total liquid assets at the start of the year	5.126.593	4.712.278
	of which not freely available	0	0
	Liquid assets at the end of the year		
	Bank and post office deposits	5.499.051	5.126.593
	Loans	0	0
	Cash and valuables in hand	0	0
	Total liquid assets at the end of the year	5.499.051	5.126.593
	of which not freely available	0	0

SUPPLEMENTARY NOTES, INITIAL PART PUBLISHING PRINCIPLES

Structure and Contents of the Financial Statements

The financial statements for the financial year closed as of 31/03/2025, composed of the balance sheet, Income statement, financial statement and notes correspond to the results of duly kept accounting entries and have been drawn up in accordance with the provisions of articles 2423 and 2423-bis of the civil code as well as in accordance with the accounting principles and accounting guidelines drawn up by the Italian Accounting Body (O.I.C.). The articles mentioned in this note, unless otherwise indicated, refer to the Civil Code.

The financial statement has been drawn up in compliance with the principles of clarity, correctness and truthfulness, as well as the general principle of materiality. A piece of data or information is considered important when the omission or incorrect indication of same could influence decisions taken by the recipients of financial statement information.

The financial statement has been drawn up on the presumption that the undertaking will carry on its business as a going concern.

It is structured in accordance with the provisions of articles 2424 and 2425 of the Civil code according to the recitals set out by article 2423-ter. The Notes comply with the contents of articles 2427, 2427-bis and with all the other provisions that refer to them.

The entire document and all its related parts have been drawn up to give a fair and true picture of the company's assets and financial situation as well as of the operating results. It gives, where necessary, additional supplementary information for this purpose.

In accordance with the provisions of Art. 2423-ter, each item is presented with the amount of the corresponding item from the previous year.

Interested parties are referred to the contents of the Management Report as regards information related to the company's operating and financial trend, to relations and transactions with correlated parties.

ACCOUNTING PRINCIPLES

In accordance with the provisions of Art. 2423-bis of the Civil Code, following principles have been complied with while preparing the Financial Statements:

- prudential approach to entry assessment in accordance with the going-concern value and taking into account the substance of the transaction or arrangement;
- only profits actually achieved during the financial year are reported;
- proceeds and charges related to the financial year have been stated irrespective to their occurrence and payment;
- risks and losses accrued in the financial year are reported even if they became known after closure;
- sundry elements included in the various Financial Statements items have been assessed separately.

The assessment criteria provided for by art. 2426 of the Civil Code have been maintained unchanged compared to those used in the previous financial year.

The Financial Statements and these Notes have been drawn up in units of Euros.

Applied evaluation criteria

The assessment criteria provided for by art. 2426 of the Civil Code have been applied when drawing up these Financial statements.

Intangible fixed assets

At the end of the year, intangible fixed assets were fully amortised.

Tangible fixed assets

Tangible fixed assets have been entered in the Financial Statements at their purchase or in-house production cost. This cost includes additional costs as well as directly allocated costs.

The related amounts are entered after deduction of depreciation expenses, calculated systematically using the rates indicated below and related to their residual possibility of use that takes into account the use, destination and economic-technical duration of the assets.

Description	Applicable rates
Other assets:	
- Furniture	20%
- Electronic office equipment	25%

There have been no changes in depreciation rates from the previous financial year.

Fixed assets with value at the date of closure of the financial year that is enduringly lower than the value as calculated above, have been entered at that lesser value; this has not been made in the following financial statements if the reasons for the adjustment made no longer exist.

Receivables

Receivables are entered using the amortised cost criterion, considering the time factor; differences arising from successive recalculation of value are entered in financial income and expenses.

Receivables falling due within 12 months are nonetheless entered at book value, since the effects are negligible, with regard to the criterion of amortised cost, pursuant to Art. 2423, subsection 4 of the Italian Code of Civil Procedure.

Receivables are entered net of all premiums, discounts, allowances and inclusive of any costs directly attributable to the transaction generating the receivable (these latter are entered in prepayments if the amortised cost criterion is not applied).

Receivables are subsequently adapted to probable realisation value, using the allocation of a special depreciation fund, to which an amount corresponding to the risk of receivables entered in the financial statement becoming irrecoverable is set aside, in relation to general economic conditions in the sector, as well as the sector of the debtor.

Receivables include issued invoices and those still to issue but which refers to services assigned to the financial year under examination.

Receivables with customers subject to insolvency proceedings or in a state of proven financial difficulties where it would serve no purpose to bring executive measures are entered as a total loss or a loss to the extent to which current proceedings and information obtained let us suppose them to be definitively irrecoverable.

Liquid assets

The item contains cash in hand both in Euro and in foreign currency, stamps and monetary reserves resulting from accounts held by the company with financing institutions, all expressed at their nominal values and explicitly converted into Italian currency when the accounts were in foreign currency.

Accruals and deferrals

Accruals and deferrals have been calculated according to the temporal accruals principle of accounting.

Contingency funds for risks and charges

These have been allocated to cover losses or liabilities of a specific nature, certain or probable to exist, but for which, at the closure of the financial year, it was not yet possible to determine the amount or the date of occurrence.

These funds were assessed by applying general criteria of prudence and accrual. No generic contingency funds for risks lacking economic justifications were created.

Severance pay

The severance pay fund corresponds to the Company's real commitment with each employee, calculated pursuant to existing laws and, in particular, to the provisions of art. 2120 of the Civil Code, to the collective labor agreements and to company's supplementary agreements.

This liability is subject to revaluation by applying indexes.

Payables

Payables are entered using the amortised cost criterion, considering the time factor; differences arising from successive recalculation of value are entered in financial income and expenses.

Payables falling due within 12 months are nonetheless entered at book value, since the effects are negligible, with regard to the criterion of amortised cost, pursuant to Art. 2423, subsection 4 of the Italian Code of Civil Procedure.

Payables are entered net of all premiums, discounts, allowances and inclusive of any costs directly attributable to the transaction generating the debt (these latter are entered in prepayments if the amortised cost criterion is not applied).

Conversion criteria for values expressed in currency

Receivables and payables originally expressed in foreign currency are converted into euros at the exchange rates at the date of occurrence. Exchange differences arising during payment of payables and collection of receivables in foreign currency are allocated to the Income Statement.

The existing receivables in currency at the end of the financial year have been converted into euros at the rate valid on the day of closure of the Financial Statement; profits and losses coming from the exchange have been entered in the Income Statement under the C.17-bis "Exchange profits/losses" item, allocating, if necessary, an amount equal to the net profits emerging from the algebraic sum of the values to net worth reserve that cannot be distributed until the time of collection.

As to the amount entered under C.17-bis item we clarify that the collected part of losses on exchanges is equal to euros 84.031, while that not collected profit is equal to euros 109.280.

Recording of revenue and costs

Income and proceeds are entered after deduction of returns, discounts and allowances as well as of taxes directly connected with sale of the products and lending of the services.

In particular:

- revenue for supply of services are calculated according to the actual supply of the service and in accordance with the relevant contracts. Revenue related to works in progress on order is calculated with the method of the percentage of completion of the works;
- costs are recorded according to the accruals principle of accounting;
- proceeds and financial charges are calculated according to the temporal accruals principle of accounting.

Income taxes

Financial year income taxes are allocated in accordance with the accruals principle of accounting and are calculated in accordance with existing laws and on the basis of the estimated taxable income. In the Balance Sheet the debt is indicated in the "Tax payables" item and the credit in the "Tax receivable" item.

We specify the following concerning detection of the fiscal effects caused by temporary differences between entry of economic items in the Financial Statements and the time they become fiscally important.

Deferred taxes were calculated according to the temporary taxable differences applying the tax rate valid at the moment these temporary differences will generate increases in the taxable base.

Assets for advanced taxes, in accordance with the prudence principle, were calculated on the deductible temporary differences applying the tax rate which is valid at the moment these differences generate a decrease in the taxable base, according to the principle of the reasonable certainty of the existence of future taxable bases sufficient to reabsorb the variations specified above.

The amount of advanced taxes is revised every year to check the existence of the reasonable certainty of having, in the future, fiscally taxable income sufficient to recover the entire amount of the advanced taxes.

The amount of deferred and advanced taxes is also subject to recalculation whenever there are changes in the taxation rates originally considered.

Notes forming part of the Financial Statements

SUPPLEMENTARY NOTES, ASSETS

Fixed assets

Intangible fixed assets

The composition of intangible fixed assets and the variations made during the financial year are illustrated in the following schedule.

Financial statements item	Initial balance	Increases	Decreases	Final balance
Intangible fixed assets in progress and down payments		328.584		328.584
Totals		**328.584**		**328.584**

Intangible fixed assets, after deduction of depreciation expenses, as of 31/03/2025 amount to Euros 328.584 (Euro 0 at the end of the previous financial year). The costs classified here refer to the expenses incurred by the company for the relocation of its registered office (in process) to new offices within the municipality of Milan. The transfer should be effective by June.

Tangible fixed assets

The following schedule illustrates the composition of tangible fixed assets and the variations that took place during the financial year.

(EUR)

	Initial balance	Increases	Decreases	Final balance
Other assets	241.545	58.955	109.488	191.012
- Electronic equipment	241.545	58.955	109.488	191.012
Fixed assets in progress and down payments	55.884	53.298		109.182
Totals	**297.429**	**112.253**	**109.488**	**300.194**

Tangible fixed assets, after deduction of the depreciation fund, are equal to euros 300.194 (euros 297.429 at the end of the previous financial year).

Changes in tangible fixed assets

The following schedule illustrates the components that contributed to calculating the net book value of the Financial statements (art. 2427, point 2 of the Civil Code).

(EUR)

	Other tangible fixed assets	Tangible assets in process and advances	Total tangible fixed assets
Year opening balance			
Cost	724.402	55.884	780.286
Amortisation (amortisation fund)	482.857	0	482.857
Balance sheet value	241.545	55.884	297.429
Changes during the year			
Increases for purchases	58.955	53.298	112.253
Depreciation/amortisation for the year	109.488	0	109.488
Total changes	**(50.533)**	**53.298**	**2.765**
Year closing balance			
Cost	783.357	109.182	892.539
Amortisation (amortisation fund)	592.344	0	592.344
Balance sheet value	191.012	109.182	300.194

Notes forming part of the financial statements

Following report shows the details of the "Other tangible fixed assets", indicating the movements relating to each component.

Description	Automobiles and motorcycles	Electronic office machinery	Rounding off	Other tangible fixed assets balance
Historic cost	1.573	722.829	-1	724.401
Initial depreciation fund	1.573	481.284		482.857
Rounding off				1
Financial year initial balance		241.545		241.545
Financial year purchases		58.955		58.955
Financial year depreciations		109.488		109.488
Final balance		191.012		191.012

The increase in electronic office equipment of Euro 58.955 is composed of PCs used by engineers that became operational during the year.

Fixed Assets in progress and down payments

The fixed asstes in progress amounting to Euro 191.012 are mainly referred to PCs used by engineers, relates to the PCs which are not in use at the year end.

CURRENT ASSETS

Receivables included among current assets

Changes and deadline of receivables posted to current assets

The following schedule illustrates the composition, the variation and the expiration dates of receivables present in current assets (art. 2427, point 4 and 6 of the Civil Code).

(EUR)

	Year opening balance	Change during the year	Year closing balance	Amount due within 12 months	Amount due beyond 12 months	of which beyond 5 years
Trade receivables included among current assets	8.941.050	2.613.618	11.554.668	11.554.668	0	0
receivables due from parent companies included among current assets	1.648.247	1.205.774	2.854.021	2.854.021	0	0
receivables due from companies controlled by parent companies posted to current assets	762.793	(230.073)	532.720	532.720	0	0
Tax receivables included among current assets	30.350	(30.350)	0	0	0	0
Assets for prepaid tax included among current assets	221.741	2.952	224.693			
Other receivables included among current assets	187.805	227.919	415.724	5.659	410.065	0
Total receivables included among current assets	**11.791.986**	**3.789.840**	**15.581.826**	**14.947.068**	**410.065**	**0**

Notes forming part of the financial statements

Breakdown of receivables included among current assets by geographic area

Receivables of current assets are subdivided according to geographic areas where the debtor does business (art. 2427, point 6 of the Civil Code):

(EUR)

Geographic area	Italy	Europe	Rest of the World	Total
Trade receivables included among current assets	10.832.961	645.056	76.651	11.554.668
Receivables due from parent companies included among current assets	0	90.227	2.763.794	2.854.021
receivables due from companies controlled by parent companies posted to current assets	0	526.233	6.487	532.720
Assets for prepaid tax included among current assets	224.693	0	0	224.693
Other receivables included among current assets	415.724	0	0	415.724
Total receivables included among current assets	**11.473.378**	**1.261.516**	**2.846.932**	**15.581.826**

Receivables with customers

(EUR)

Description	Previous financial year	Current financial year	Variation
Crediti verso clienti	8.940.393	11.554.592	2.614.199
Fondo svalutazione crediti	657	76	-581
Total	**8.941.050**	**11.554.668**	**2.613.618**

Receivables with controlling companies

(EUR)

Description	Previous financial year	Current financial year	Variation
Tata Consultancy Services LTD	1.556.621	2.763.794	1.207.173
Tata Consultancy Services Netherlands B.V.	91.626	90.227	-1.399
Total	**1.648.247**	**2.854.021**	**1.205.774**

The receivables here classified are all related to the commercial transactions occurred with the direct mother company and also with the ultimate mother company. All the transactions have been made at arms'lenght principle.

Receivables from businesses subject to the control of the parent companies

(EUR)

Description	Previous financial year	Variation	Current financial year
Tata Consultancy Services America International Corp.	1		1
Tata Consultancy Services Sverige AB	3.696	-3.696	
Tata Consulting Services Asia Pacific Pte Ltd.		1.055	1.055
Tata Consultancy Services Osterreich GmbH	139.958	20.493	160.451
Tata Consultancy Services Switzerland LTD	157.414	-62.623	94.791
Tata Consultancy Services Deutschland GmbH	235.960	-43.396	192.564
Tata Consultancy Services Luxembourg S.A.	5.377	-5.377	
Tata Consultancy Services France SAS	187.554	-130.122	57.432

Notes forming part of the financial statements

(EUR)

Description	Previous financial year	Variation	Current financial year
Tata Consultancy Services Belgium N.V./S.A.	31.476	-17.841	13.635
Tata Consultancy Services Canada Inc.			
Tata Consultancy Services de Espana	1.032	4.429	5.461
Tata Consultancy Services do Brasil LTDA	289	5.142	5.431
Tata Consultancy Services Portugal, Unipessoal LDA	36	1.863	1.899
Total receivables from businesses subject to the control of the parent companies	**762.793**	**-230.073**	**532.720**

The receivables here classified are all related to the commercial transactions occurred with the other companies of the group. All the transanctions have been made at arms'lenght principle.

Other receivables

(EUR)

Description	Previous financial year	Current financial year	Variation
a) **Other receivables following year**	7.738	5.659	-2.079
Employees receivables	7.737	5.659	-2.078
Other receivables:			
- other	1		-1
b) **Other receivables above following year**	180.067	410.065	229.998
Cash deposits	180.067	410.065	229.998
Other receivables:			
Total other receivables	**187.805**	**415.724**	**227.919**

Under "Other Receivables" have been classified receivables towards employees (Euro 5.659) and cash deposits (Euros 410.065).

Receivables include assets for advanced taxes (Euros 224.693) relating to the time difference in the deductibility of certain costs. For a detailed description, please refer to the section on deferred taxation.

Adjustment of the nominal value of the receivables to the presumed break up value was done by using a specific allowance for bad debts which sustained, during the financial year, the following movements:

(EUR)

Description	Initial balance	Uses	Allocations	Final balance
Allowance for bad debts of the current assets	**657**	**581**		**76**

Liquid funds

The balance detailed below represents the amount and variations in liquid assets existing at the time of closure of the financial year (art. 2427, point 4 of the Civil Code).

(EUR)

	Year opening balance	Change during the year	Year closing balance
Bank and post office deposits	5.126.593	372.458	5.499.051
Total liquid funds	**5.126.593**	**372.458**	**5.499.051**

Notes forming part of the financial statements

Accrued income and prepayments

The composition and variations for the item under examination are detailed as follows (art. 2427, point 7 of the Civil Code):

(EUR)

	Year opening balance	Change during the year	Year closing balance
Deferred income	74.291	(5.988)	68.303
Total accrued income and prepaid expenses	**74.291**	**(5.988)**	**68.303**

SUPPLEMENTARY NOTES, LIABILITIES AND NET EQUITY

Shareholders' equity

Changes in shareholders' equity for the three previous years are shown below:

(EUR)

Description	Value as at 31/03/2022	Increase/ Decrease	Value as at 31/03/2023	Increase/ Decrease/	Value as at 31/03/2024
Share Capital	100.000	0	100.000	0	100.000
Legal Reserve	20.000	0	20.000	0	20.000
Contribution to cover the loss	2.100.000	0	2.100.000	0	2.100.000
Miscellaneous other reserves	1	2	3	(3)	0
Retained earning (accumulated losses)	4.495.443	1.934.181	6.429.624	(56.919)	6.372.705
Net profit (loss) of the year	1.934.181	(1.991.100)	(56.919)	503.437	446.518
Total	**8.649.625**	**(56.917)**	**8.592.708**	**446.515**	**9.039.223**

Changes in shareholders' equity

Net worth existing at the closure of the financial year amounts to Euros 12.408.417 and has experienced the following evolution (art. 2427, point 4 of the Civil Code).

(EUR)

	Year opening balance	Destination of the previous year's result		Other changes			Result for the year	Year closing balance
		Dividend allocations	Other destinations	Increases	Decreases	Reclassifications		
Capital	100.000	0	0	0	0	0		100.000
Legal reserve	20.000	0	0	0	0	0		20.000
Other reserves								
Contributions to cover losses	2.100.000	0	0	0	0	0		2.100.000
Total other reserves	2.100.000	0	0	0	0	0		2.100.000
Profit (loss) carried forward	6.372.705	0	0	446.519	0	0		6.819.224
Profit (loss) for the year	446.518	0	446.518	0	0	0	3.369.192	3.369.192
Total shareholders' equity	**9.039.223**	**0**	**446.518**	**446.519**	**0**	**0**	**3.369.192**	**12.408.416**

Use of shareholders' equity

Details are given, in particular, related to the reserves that compose the Net Worth, specifying their origin or nature, and their possible uses and distributability limits as well as their uses in previous financial years (art. 2427, point 7-bis of the Civil Code):

Explanation column "Origin/nature": C = Capital reserve; U = Profit reserve.
Explanation column "Possible use": A = for capital increase; B = to cover losses; C = for distribution to shareholders.

Back to content

Notes forming part of the financial statements

(EUR)

	Amount	Origin / nature	Possible use	Available amount	Summary of uses in the three previous years	
					to cover losses	for other reasons
Capital	100.000	C	B	0	0	0
Legal reserve	20.000	U	B	0	0	0
Other reserves						
Contributions to cover losses	2.100.000	C	B, C	2.100.000	0	0
Total other reserves	2.100.000			2.100.000	0	0
Profit carried forward	6.819.224	U	A,B,C	6.819.224	0	0
Total	**9.039.224**			**8.919.224**	**0**	**0**
Residual available share				**8.919.224**		

Key: A: for capital increase, B: to hedge losses, C: distribution to shareholders, D: for other article of association restraints, E: other

As of 31/03/2025 capital was fully underwritten and paid up.

Provisions for risks and charges

The composition and the movements in the single items are given in the following schedule (art. 2427, point 4 of the Civil Code).

	Other funds	Total provisions for risks and charges
Year opening balance	287	287
Changes during the year		
Operating accrual	3.064	3.064
Total changes	**3.064**	**3.064**
Year closing balance	**3.351**	**3.351**

The Management, in the financial year closed as of 31.03.2025, evaluated the portfolio project as at the year end and decided to accrue a contingency for foreseeable losses on 'ready-to-deliver' projects and it amounted to Euro 3.351.

This schedule gives a detailed description of the item related to other contingency funds for risks and charges as well as the variations since the previous financial year, because they are held to be of appreciable amount (art. 2427, point 7 of the Civil Code).

(EUR)

Description	Previous financial year	Variation	Current financial year
Other provisions for risks and charges:			
Loss on projects	287	**3.064**	**3.351**
Totals	**287**	**3.064**	**3.351**

Staff severance fund

The fund being allocated represents the actual debt of the company with its employees as of al 31/03/2025 after deduction of paid advances.

Notes forming part of the financial statements

The severance pay is directly deposited in the pension fund for employees who have opted for complementary social security which is shown on "Other"; in other cases the severance pay is transferred to the Treasury Fund managed by INPS. the amount booked as use is related to amount paid during the year.

Composition and uses are listed in the following schedule (art. 2427, point 4 of the Civil Code).

(EUR)

	Staff severance fund
Year opening balance	1.630.937
Changes during the year	
Operating accrual	526.718
Use in the financial year	337.293
Other changes	(78.162)
Total changes	**111.263**
Year closing balance	**1.742.200**

PAYABLES DUE TO COMPANIES CONTROLLED BY PARENT COMPANIES

Payables changes and due date

The composition, the variations in the single items and the subdivision by due dates of payables are illustrated in the following schedule (art. 2427, point 4 and 6 of the Civil Code).

(EUR)

	Year opening balance	Change during the year	Year closing balance	Amount due within 12 months	Amount due beyond 12 months	of which beyond 5 years
Advances	838.448	470.352	1.308.800	1.308.800	0	0
Payables to suppliers	1.620.014	81.917	1.701.931	1.701.931	0	0
Payables to parent companies	958.285	(484.060)	474.225	474.225	0	0
Payables due to companies controlled by parent companies	200.078	275.500	475.578	475.578	0	0
Tax payables	218.511	925.912	1.144.423	1.144.423	0	0
Payables due to social security and welfare institutions	197.570	(31.745)	165.825	165.825	0	0
Other payables	2.395.577	(1.004.982)	1.390.595	1.390.595	0	0
Total payables (D)	**6.428.483**	**232.894**	**6.661.377**	**6.661.377**	**0**	**0**

Advance payments

(EUR)

Description		Previous financial year	Current financial year	Variation
a)	**Advance payments due within a year**	838.448	1.308.800	470.352
	Advance payments from customers	838.448	1.308.800	470.352
	Total advance payments	838.448	**1.308.800**	**470.352**

Back to content

Notes forming part of the financial statements

Payables to suppliers

(EUR)

	Description	Previous financial year	Current financial year	Variation
a)	**Payables to suppliers due within a year**	1.620.014	1.701.931	81.917
	Suppliers within a year:	780.846	544.335	-236.511
	- altri	780.846	544.335	-236.511
	Invoices to be received within a year:	839.167	1.157.596	318.429
	- altri	839.167	1.157.596	318.429
b)	Payables to suppliers due after a year			
	Total payables to suppliers	**1.620.014**	**1.701.931**	**81.917**

Payables to parent companies

(EUR)

Description	Previous financial year	Current financial year	Variation
Tata Consultancy Services LTD	873.937	378.529	-495.408
Tata Consultancy Services Netherlands B.V.	84.348	95.696	11.348
Total payables to parent companies	**958.285**	**474.225**	**-484.060**

Under the item "Payables to parent companies" are reclassified not only the payables to Tata Consultancy Services Netherlands B.V, but also the payables to Indian parent company Tata Consultancy Services LTD. All the transactions are made at the arms'lenght value.

Payables due to companies subject to the control of the parent companies

(EUR)

Description	Previous financial year	Current financial year	Variation
Tata Consultancy Services America Int. Corp			
Tata Consultancy Services Deutschland GmbH	66.318	68.699	2.381
Tata Consultancy Services France SAS	56.736	103.899	47.163
Tata Consultancy Services Brasil LTD	14.444	10.562	-3.882
Tata Sons Private Limited		99.594	99.594
Tata Consultancy Services Sverige AB	11.715	12.115	400
Tata Consultancy Services Belgium SA	18.760	17.378	-1.382
Tata Consultancy Services Osterreich GmbH		112.754	112.754
Tata Consultancy Services Switzerland LTD	23.834	49.313	25.479
Tata Asia Pacific PTE e LTD	8.271	1.264	-7.007
Total payables due to companies subject to the control of the parent companies	**200.078**	**475.578**	**275.500**

All the transactions are made at the arms' lenght value.

Back to content

Notes forming part of the financial statements

Tax payables

(EUR)

Description	Previous financial year	Variation	Current financial year
Income Tax (IRPEF) / Corporate Income Tax (IRES)	9.752	855.901	865.653
Regional Income Tax (IRAP)		115.645	115.645
VAT	91.003	-37.669	53.334
Employee withholding taxes	116.317	-12.710	103.607
Consultant/collaborator withholding taxes	1.439	4.745	6.184
Total tax payables	**218.511**	**925.912**	**1.144.423**

The IRES and IRAP payable shown here represents the balance for the year.

Payables with social security and insurance institutions

(EUR)

Description	Previous financial year	Current financial year	Variation
Payables with Inps (National Institute of Social Insurance)	197.570	**165.825**	**-31.745**
Total social security and insurance payables	**197.570**	**165.825**	**-31.745**

Other payables

(EUR)

Description	Previous financial year	Current financial year	Variation
a) **Other payables following year**	2.395.577	**1.390.595**	**-1.004.982**
Employees / similar payables	2.303.905	**1.289.916**	**-1.013.989**
Other payables:			
- altri	91.672	**100.679**	**9.007**
Total other payables	**2.395.577**	**1.390.595**	**-1.004.982**

Breakdown of payables by geographic area

An illustrative schedule is also given with the breakdown of payables according to the geographic area of business of the creditor.

(EUR)

Geographic area	Italy	Europe	Rest of the World	Total
Advances	1.308.800	-	-	1.308.800
Payables to suppliers	1.701.931	-	-	1.701.931
Payables due to parent companies	-	95.696	378.529	474.225
Payables due to companies controlled by parent companies	-	364.158	111.420	475.578
Tax payables	1.144.423	-	-	1.144.423
Payables due to social security and welfare institutions	165.825	-	-	165.825
Other payables	1.390.595	-	-	1.390.595
Payables	**5.711.574**	**459.854**	**489.949**	**6.661.377**

Notes forming part of the financial statements

Accrued liabilities and deferred income

The following schedule indicates the composition and movements of the item under examination (art. 2427, point 7 of the Civil Code).

(EUR)

	Year opening balance	Change during the year	Year closing balance
Accrued liabilities	191.369	771.245	962.614
Total accrued liabilities and deferred income	**191.369**	**771.245**	**962.614**

SUPPLEMENTARY NOTES, INCOME STATEMENT

Value of production

Production worth composition is given below as well as variations in the single items compared to the previous financial year:

(EUR)

Description	Previous financial year balance	Current financial year balance	Variation	Var. %
Revenue from sales and services	39.412.033	45.999.733	6.587.700	16,71
Other revenue and proceeds	878.116	390.228	-487.888	-55,56
Totals	**40.290.149**	**46.389.961**	**6.099.812**	

Breakdown of net revenue by geographic area

In accordance with the provisions of point 10) of article 2427 we specify the breakdown of revenue from sales and services by geographic area.

(EUR)

Geographic area	Current year value
Italy	39.165.882
Europe	4.631.533
Rest of the World	2.202.318
Total	**45.999.733**

Cost of production

The following schedule illustrates the composition and movements in the "Production costs" item.

(EUR)

Description	Previous financial year balance	current financial year balance	Variation	Var. %
For raw materials, ancillary materials, consumables and goods	6.905	12.244	5.339	77,32
For services	21.866.473	25.112.127	3.245.654	14,84
For use of third party assets	1.987.647	1.621.237	-366.410	-18,43
For personnel:				
a) wages and salaries	11.706.190	10.937.308	-768.882	-6,57
b) social security contributions	2.283.609	2.373.072	89.463	3,92

Back to content

Notes forming part of the financial statements

(EUR)

Description	Previous financial year balance	current financial year balance	Variation	Var. %
c) severance pay	525.194	526.718	1.524	0,29
d) pension indemnity and similar				
e) other costs	383.823	358.111	-25.712	-6,70
Depreciations and write-offs:				
a) intangible fixed assets				
b) tangible fixed assets	113.901	109.488	-4.413	-3,87
c) other write-offs of fixed assets				
d) receivables write-offs included in current assets	657	1.781	1.124	171,08
Variations in stocks of raw materials, ancillary materials and consumables and goods				
Contingency fund for risks				
Other funds		3.064	3.064	
Sundry operating charges	54.707	77.112	22.405	40,95
Rounding off				
Totals	**38.929.106**	**41.132.262**	**2.203.156**	

Costs raw materials, ancillary materials, consumables and good

They include mainly the costs for the purchases of the goods and products required for the office uses.

Costs for services

They include all the costs relating to the services incurred by the company during the year. In particular: costs related to the providing of services for the projects (Euro 23.749.517), marketing and sponsorship related (Euro 112.443), legal, fiscal and consultancy expenses (Euro 374.558), and communication costs (Euro 47.931).

Use of third party assets

They include the fees incurred by the Company in relation to its offices (euro 210.009), for the rent of the cars given to the employees (Euro 141.640) and for the apartments rented for its employees (Euro 1.268.338)

Costs for personnel

It represents the full costs for employees, including also the accruals for vacation and deferred provided by law.

Depreciation tangible assets

They have been calculated applying the rates provided by our fiscal law.

Sundry operations charge

They represent the residual category in which those costs not classified previously are accounted, like registration tax, stamp duty, government concession tax, fines and other management costs.

Financial income and charges

A schedule is also given concerning the composition of the "C.16.d) Proceeds other than the previous ones" item.

(EUR)

Description	Others	Total
Bank and postal interest	105.174	105.174
Totals	**105.174**	**105.174**

Notes forming part of the financial statements

INCOME TAX FOR THE YEAR, CURRENT, DEFERRED AND PREPAID

Operating income taxes

The composition of the "Operating income taxes" item is illustrated in the following table:

(EUR)

Description	Previous financial year balance	Variation	Var.%	Current financial year balance
Current taxes	1.008.053	975.804	96,80	1.983.857
Taxes relative to previous periods	8.382	-16.348	-195,04	-7.966
Advanced taxes	33.976	-36.928	-108,69	-2.952
Totals	**1.050.411**	**922.528**		**1.972.939**

"Current taxes" are composed by:

- IRES: Euros 1.556.219;
- IRAP: Euros 427.638.

Deferred taxation (art. 2427, point 14 of the Civil Code)

Deferred taxes were calculated taking into account the amount of all the temporary differences generated from application of tax regulations and applying the rates valid at the moment these differences arose.

Assets for advanced taxes were detected as it is reasonably certain that there will be, during subsequent financial year, a taxable base not inferior to the amount of the differences that will be written off. The total amount at the year end is Euro 224.693.

For a full disclosure, it is reported that the company pays IRAP tax in three different regions:

- Tuscany: IRAP applicable rate 4,82%;
- Lombardy: IRAP applicable rate 3,9%;
- Piedmont: IRAP applicable rate 3,9%.

SUPPLEMENTARY NOTES, OTHER INFORMATION

Employment data

In accordance with the provisions of point 15) of article 2427 of the Civil Code, the following schedule illustrates the data related to the composition of staff employed as of 31/03/2025.

(EUR)

	Average number
Directors	9
Middle management	33
Office staff	69
Blue collar workers	0
Other employees	13
Total employees	**124**

For a full disclosure, it is reported that the total of detached staff at the end of the financial year is composed by 61 engineers.

Notes forming part of the financial statements

Remuneration to legal auditor or audit company

According to art. 2427 paragraph 16-bis we provide the following details about the legal auditor (auditing company) fees PAGANI RAFFAELLA for the rendered services, divided in legal audit services and other services.

(EUR)

	Value
Legal audit of annual accounts	15.000
Total remuneration due to the legal auditor or audit firm	**15.000**

Commitments, guarantees and potential liabilities not posted to the balance sheet

Compliant with art. 2427 no. 9 of the Civil Code, please note that the Company has no commitments, guarantees and contingent liabilities other than those resulting from the balance sheet.

INFORMATION ON ASSETS AND LOANS ADDRESSED TO SPECIFIC DEALS

Assets and loans allocated to a specific deal

The Company has not created any assets destined to the a specific business.

INFORMATION ON TRANSACTIONS WITH CORRELATED PARTIES

Related party transactions

According to Art. 2427 point 22-bis, please note that during the financial year related party transactions were not carried out with significant amounts and in any case they were fulfilled at regular market conditions. In any case, transactions with related parties are displayed in the following table:

(EUR)

Description	Controlling companies	Other related parties	Total
Revenue	3.395.998	3.165.357	6.561.355
Costs	23.493.578	1.596.158	25.089.737
Commercial receivables	2.854.021	532.720	3.386.471
Commercial debts	474.226	475.578	949.804

In item "controlled companies" have been classified the transactions (revenues, costs, receivables and debts) toward the direct parent company Tata Consultancy Services B.V., Amsterdam, and toward the holding Tata Consultancy Services Ltd. Mumbai, India.

According to Art. 2427 point 22-bis, please note that during the financial year related party transactions took place and the year-end balance is the following ones:

(EUR)

Description	Revenues for services	Costa for services	Receivables	Liabilities
Tata America International Corporation			1	
Tata Consultancy Services Luxembourg S.A.		582		
Tata Consultancy Services Asia Pacific Pte Ltd		31.963	1.055	1.264
Tata Consultancy Services Belgium N.V./S.A.	127.989	21.937	13.635	17.378
Tata Consultancy Services Deutschland GmbH	1.433.336	460.738	192.564	68.699
Tata Consultancy Services France S.A.S	369.577	284.698	57.432	103.899
Tata Consultancy Services Limited	2.727.883	23.043.176	2.763.794	378.530

Notes forming part of the financial statements

(EUR)

Description	Revenues for services	Costa for services	Receivables	Liabilities
Tata Consultancy Services Netherland BV	668.115	450.402	90.227	95.696
Tata Consultancy Services Osterreich GmbH	273.880	342.000	160.451	112.754
Tata Consultancy Services Sverige AB	925	263.894		12.115
Tata Consultancy Services Switzerland Ltd	959.650	42.623	94.791	49.313
Tata Consultancy Services Espana SA		5.770	5.461	
Tata Consultancy Services Brazil Ltd.		142.193	5.431	10.562
Tata Consultancy Services Portugal, Unipessoal, LDA		1.863	1.899	
Tata Sons Limited		99.572		99.594
Totale	**6.561.355**	**25.089.737**	**3.386.741**	**949.804**

INFORMATION ON AGREEMENTS NOT POSTED TO THE BALANCE SHEET

Agreements not included in balance sheet

According to Art. 2427 point 22-ter, please note that the Company is not engaged in any agreement which is not included in the Balance Sheet, represents relevant risks or benefits and is necessary to evaluate the Company's assets and financial situation.

Information on significant events after year end

Pursuant to art. 2427 no. 22 quater) of the Italian Civil Code after the end of the year there are anything to be reported.

INFORMATION REGARDING DERIVATIVE FINANCIAL INSTRUMENTS AS PER ART. 2427-B CIVIL CODE

Information concerning the "Fair value" of derivative financial instruments

It is hereby stated, in accordance with article 2427-bis, paragraph 1, number 1) of the Civil Code, that the Company does not use derivative instruments.

Summary of balance sheet of the company exercising management and coordination activities

The Company belongs to the Tata Group which carries on management and coordination through the Tata Consultancy Services Netherlands BV company.

The following schedule gives essential figures from the last Financial Statements approved by the Company which carries on management and coordination in accordance with paragraph 4 of article 2497-bis of the Civil Code. Figures provided in the following table are rounded to the nearest EUR '000.

Summary of balance sheet of the company exercising management and coordination activities (overview)

(EUR)

	last financial year	Previous year
Date of the last approved balance sheet	**31/03/2024**	**31/03/2023**
A) receivables due from shareholders	0	0
B) Fixed assets	154.105	159.126
C) Current assets	343.482	345.089
D) Prepaid expenses and accrued income	0	0
Total assets	**497.587**	**504.215**
A) Shareholders' equity		
share capital	66.000	66.000

Notes forming part of the financial statements

(EUR)

		last financial year	Previous year
	Reserves	188.640	161.744
	Profit (loss) for the year	60.375	56.661
	Total shareholders' equity	315.015	284.405
B)	Reserves for contingencies and other charges	0	0
	Total reserve for severance indemnities (TFR)	0	0
D)	Payables	182.572	219.810
E)	Accrued expenses and deferred income	0	0
Total liabilities and shareholders' equity		**497.587**	**504.215**

Summary of memorandum accounts of the company exercising management and coordination activities (overview)

(EUR)

	last financial year	Previous year
Date of the last approved balance sheet	**31/03/2024**	**31/03/2023**
A) Value of production	935.927	852.517
B) Costs of production	890.911	810.924
C) Financial income and charges	27.959	26.699
D) Value adjustments to financial assets	0	0
Income taxes for the year	12.600	11.631
Profit (loss) for the year	**60.375**	**56.661**

PROPOSED USE OF PROFITS OR HEDGING OF LOSSES

Operating results allocation

Compliant with Art. 2427 no. 22-septies the following operating results allocation is proposed to the shareholders' meeting called to approve the Financial Statement:

(EUR)

Description	Value
Operating profits:	
- carry forward	3.369.192
Total	**3.369.192**

Payment times for commercial transactions

Pursuant to art. 7-ter of Lgs. Decree 231/2002, the average time for payment of suppliers in commercial transactions is 30 days (end of month) from the date of receipt of invoice. Any general delays with regard to the agreed term will be limited to ten working days.

The company's business policies do not envisage requests to suppliers for particular deferments.

Shareholdings in unlimited liability companies

We point out, in accordance with article 2361 paragraph 2 of the Civil Code, that the company have not acquired shareholdings involving unlimited liability in any Company.

Financial Charges Capitalized on Assets in the Balance Sheet

We hereby certify that no capitalization of financial charges was made to the values entered on the assets side of the balance sheet during the financial year (Article 2427.8 of the Italian Civil Code).

Notes forming part of the financial statements

Finance Leasing Transactions

It is hereby certified that no financial leasing operations were performed during the financial year.

Information Concerning the Fair Value of Derivative Financial Instruments

Pursuant to Article 2427 bis, paragraph 1, number 1) of the Italian Civil Code it is hereby stated that the Company does not use derivative instruments.

Significant Effects of Changes in Foreign Exchange Rates

In accordance with the provisions of point 6-bis) of Article 2427 of the Italian Civil Code, we report that no significant changes in currency exchange rates occurred between the closing date of the financial year and the date of preparation of the draft financial statements.

Balance sheet conformity statement

MILANO, 17/04/2025

For the Directors

CHAPALAPALLI SAPTHAGIRI

The undersigned CHAPALAPALLI SAPTHAGIRI, as Director, aware of the penal responsibilities in case of false or misleading statement, as per art. 76 of Presidential Decree 445/2000, certifies the correspondence between the XBRL electronic document containing the balance sheet, income statement, financial statement and explanatory notes and the documents stored in the company records according to art.47 of the aforementioned decree.

MANAGEMENT REPORT

Registered office in MILANO Corso Italia 1
Company's Capital Euros 100.000,00 f.p.
Register of Companies of Milano - Monza - Brianza - Lodi No. 04083450967 - Tax Code 04083450967
Adm. Eco. Register of Milano No. 1723756 - VAT Reg. No. 04083450967
Company subject to the direction and control of TATA CONSULTANCY SERVICES NETHERLANDS BV in accordance with art. 2497-bis Civil Code

REPORT OF THE BOARD OF DIRECTORS OVER THE PERIOD ENDED ON 31/03/2025

To the Sole Shareholders,

compliant to the provisions of Art. 2428 of Civil Code, the Report of the Board of Directors comments on the management choices and the results for the period ended on 31/03/2025 in order to provide a faithful, impartial and exhaustive account about the state of the company, its management trend and its results as well as about the activities performed by the company during the current business year; the Report also provides information about the risks which the company is exposed to.

COMPANY ACTIVITIES

The company provides IT consultancy services and solutions. The broad range of services enables the company to provide comprehensive and high value-added services to its clients.

The Company is owned 100% by Tata Consultancy Services Netherlands B.V. with legal seat at Amsterdam, European headquarter of the holding company Tata Consultancy Services Limited, located at Mumbai (India). The sole shareholder also provides Management and coordination activity. The group structure did not change during the previous year.

The company headquarter and legal office is in MILAN, and operates through the following branches:

Municipality	Adress
Florence	via Panciatichi, 31
Turin (TO)	Corso Castelfidardo, 22

COMPANY PERFORMANCE

The financial statements submitted for your approval show a profit of Euro 3.369.192; the main factors influencing the annual result are as follows:

- an improvement in operating profitability;
- an increase of the revenues;
- a reduction in operating costs.

The tables below summarize the balance of assets and the company's performance over the period, outlining the factors above mentioned:

(EUR)

Balance Sheet	Previous financial year	Difference	Current financial year
Receivables from shareholders for payments due			
Fixed assets	297.429	331.349	628.778
Current assets	16.918.579	4.162.298	21.080.877
Accruals and deferrals	74.291	-5.988	68.303
TOTAL ASSETS	**17.290.299**	**4.487.659**	**21.777.958**
Net worth:	9.039.223	3.369.193	12.408.416
- of which operating profit (loss)	446.518	2.922.674	3.369.192
Contingency funds for risks and future	287	3.064	3.351
Severance pay	1.630.937	111.263	1.742.200
Short term debts	6.428.483	232.894	6.661.377
Long term debts			
Accruals and deferrals	191.369	771.245	962.614
TOTAL LIABILITIES	**17.290.299**	**4.487.659**	**21.777.958**

Back to content

Description	Previous financial year balance	% of revenue	Current financial year balance	% of revenue
Revenue from typical operations	39.412.033		45.999.733	
Variation in stocks of products currently being processed, semi-finished and finished products and fixed assets increase				
Purchases and variation in stocks of raw materials, ancillary materials, consumables and goods	6.905	0,02	12.244	0,03
Costs for services and for use of third party assets	23.854.120	60,52	26.733.364	58,12
ADDED VALUE	**15.551.008**	**39,46**	**19.254.125**	**41,86**
Revenue from ancillary operations	878.116	2,23	390.228	0,85
Cost of labor	14.898.816	37,80	14.195.209	30,86
Other operating costs	54.707	0,14	77.112	0,17
GROSS OPERATING MARGIN	**1.475.601**	**3,74**	**5.372.032**	**11,68**
Depreciations, write-offs and other appropriations	114.558	0,29	114.333	0,25
ORDINARY RESULTS	**1.361.043**	**3,45**	**5.257.699**	**11,43**
Financial charges and proceeds and value adjustments to financial assets and liabilities	135.886	0,34	84.432	0,18
PRE-TAX RESULT	**1.496.929**	**3,80**	**5.342.131**	**11,61**
Income tax	1.050.411	2,67	1.972.939	4,29
OPERATING POFIT (LOSS)	**446.518**	**1,13**	**3.369.192**	**7,32**

Below are comments over several areas of the Company's overall performance.

MACROECONOMIC TREND AND MARKET CONDITIONS

Italian GDP is expected to grow by 0.6% in 2025, GDP growth will be affected by the tighter trade policies but will be buoyed by the expansion in consumption fostered by the recovery in real disposable income. Foreign sales will be held back significantly by the effects of the newly announced tariff increases by the United States.

Inflation is projected to decline and to remain around 1.5% over the entire three-year period.

GDP is projected to expand at a moderate pace and to record stronger growth than last year on average, owing above all to the favourable developments in consumption. In terms of yearly average figures, GDP is projected to grow by 0.6% in 2025, 0.8% in 2026 and 0.7% in 2027. Compared with previous analysis, growth estimates have been revised downwards, mainly owing to more unfavourable assumptions on the international situation, which reflect the tightening of trade policies.

The Company's IT sector continuous to show a trend which is favourable. According to the forecast of the Anitec-Assinform report (report of IT market elaborated by Association of Companies of IT sector), the addressable market to TCS (Software Solutions and IT Services) should continue to grow in the next three years, with a slight growth compared to the end of 2024. At the end of 2025, the total expenditure on digital products, solutions and services is expected to reach a value of approximately euros 22 Bn, corresponding to a growth of 3.8%; while between 2026 and 2027 it should record slightly greater increases, respectively of 4.1% and 4.2%, to reach euros 23 Bn at the end of 2027.

MARKET STRATEGY

The target market of your Company is software consultancy. The target customer group did not experience any particular changes during the year. In fact, the markets in which Tata Consultancy Services Italia Srl is engaged, are traditional ones in which the ultimate Indian parent company is well recognized worldwide.

The Company has a prestigious pool of clients including the best Italian companies. Sales by country are detailed below:

(EUR)

Geographic area	Previous financial year balance	Variation	Var. %	Current financial year balance
Italy	33.276.674	6.213.173	18,67	39.489.847
Europe	4.372.689	-65.121	-1,49	4.307.568
Rest of the World	1.762.670	439648	24,94	2.202.318
TOTAL	**39.412.033**	**6.587.700**		**45.999.733**

Sales expenditure split by cost category is shown below:

(EUR)

Category	Domestic	European Market	Foreign Countries
Advertising	112.443		
Representation expenses	23.664		
TOTAL	**136.107**		

INVESTMENT STRATEGY

Investment during the period is detailed below:

(EUR)

Investment in tangible fixed assets	Financial year purchases
Intangible assets in progress and down payments	328.584
TOTAL	**328.584**

Investment in tangible fixed assets	Financial year purchases
Fixed assets in progress and down payments	53.298
Other assets	58.955
TOTAL	**112.253**

The investments in intangible assets in progress are related to the customization of the new office where the Company is moving, when ready, the legal seat. The investment in fixed assets in progress are related to the hardware that will be place later on.

FINANCIAL STRUCTURE AND STRATEGY

The Company's net financial debt is detailed below; the report, based on ESMA guidelines, highlights the composition of the financial debt; a negative value states a situation in which financial assets are greater than financial liabilities.

(EUR)

Description		Previous financial year	Variation	Current year adjustment	Current financial year
A)	Cash	5.126.593	372.458		5.499.051
B)	Cash equivalents				
C)	Other current financial assets				
	Other short term assets				
D)	**Liquid assets (A+B+C)**	**5.126.593**	**372.458**		**5.499.051**
E)	Current financial debt				
F)	Current portion of long-term financial debt				
	Other short term liabilities				

(EUR)

Description	Previous financial year	Variation	Current year adjustment	Current financial year
G) Current financial debt (E+F)				
H) Current net financial debt (G-D)	**-5.126.593**	**-372.458**		**-5.499.051**
I) Long-term financial debt				
J) Debt instruments				
K) Trade payables and other long-term payables				
L) Non-current financial debt (I+J+K)				
M) TOTAL FINANCIAL DEBT (H+L)	**-5.126.593**	**-372.458**		**-5.499.051**

Following tables show a reclassification of the Balance Sheet on the basis of liquidity use and sources.

(EUR)

Uses	Value	% on the uses
Immediate liquidity	5.499.051	25,25
Deferred liquidity	15.650.129	71,86
Inventory		
Current assets	21.149.180	97,11
Intangible fixed assets	**328.584**	**1,51**
Tangible fixed assets	300.194	1,38
Financial assets		
Fixed assets	**628.778**	**2,89**
TOTAL USES	**21.777.958**	**100,00**

(EUR)

Sources	Values	% on the sources
Current liabilities	7.623.991	35,01
Consolidated liabilities	1.745.551	8,02
Capital of third parties	**9.369.542**	**43,02**
Share capital	100.000	0,46
Accumulated funds and profits (losses)	8.939.224	41,05
Current year profit (loss)	3.369.192	15,47
Equity	**12.408.416**	**56,98**
TOTAL SOURCES	**21.777.958**	**100,00**

In compliance with the provisions of art. 2428 par. 2 of the Civil Code, we point out the main financial and non-financial indicators of results.

Structural indexes	Meaning	Previous financial year	Current financial year	Comment
Primary structure ratio Net worth --- Financial year fixed assets	The index measures the capacity of the Company's financial structure to cover long term investments with its own resources.	30,39	19,73	Shareholders' equity is sufficient to fully cover fixed assets.
Secondary structure ratio Net worth + Consolidated liabilities --- Financial year fixed assets	The index measures the capacity of the Company's financial structure to cover long term with long term sources.	35,88	22,51	Long-term sources and uses are in balance.

Back to content

Patrimonial and financial indexes	Meaning	Previous financial year	Current financial year	Comment
Leverage (financial dependence) Invested capital --- Net worth	The index measures the intensity of use of indebtedness to cover invested capital.	1,91	1,76	The company does not resort to borrowing outside the Group.
Flexibility of the uses Circulating assets --- Invested capital	It allows to better define the percentage mix of uses, which depends substantially on the kinds of activity of the Company and on the flexibility level of the business structure. The more flexible the structure of the uses is, the greater the capacity of the business to adapt itself to the changeable market conditions.	98,28	97,11	Invested Capital is almost equal to current assets, highlighting the flexibility of the structure.
Total debt ratio Third party financing --- Net worth	The index represents the equilibrium degree of the financial sources.	0,91	0,76	The Company resorts to financing only within the Group.

Managerial indexes	Meaning	Previous financial year	Current financial year	Comment
Personnel efficiency Net operating revenue --- Financial year cost of personnel	The index shows the personnel productivity, calculated as the ratio between the net operating revenue and the cost of personnel.	2,65	3,24	Index showing improvement
Days' payables outstanding Payables with Suppliers * 365 --- Financial year purchases	The index measures, in days, the commercial extension received from the suppliers.	25	22	Index showing improvement
Days' sales in receivable Receivables with Customers * 365 --- Net operating revenue	The index measures, in days, the commercial extension offered to customers.	83	92	

Liquidity indexes	Meaning	Previous financial year	Current financial year	Comment
Quick ratio Prompt liquidity + deferred liquidity --- Short term period payables	The index measures the degree of coverage of short term payables by assets presumably collectible in the short term.	2,54	2,27	There is a good relationship between the sources and uses of financial resources, with current assets covering current liabilities.

Back to content

Profitability indexes	Meaning	Previous financial year	Current financial year	Comment
Return on sales (R.O.S.) Financial year operating result --- - Net operating revenue	The index measures the percentage efficiency of current operations with respect to sales.	3,45	11,43	
Return on investment (R.O.I.) Financial year operating result --- - Financial year invested capital	The index offers a summary percentage measurement of the economics of current operations and the capacity of the Company to self-finance irrespective to the choices of the financial structure.	7,87	24,14	
Return on Equity (R.O.E.) Financial year operating result --- - Net worth	The index offers a summary percentage measurement of the global economics of company operation as a whole and on the capacity to finance the owner's equity.	4,94	27,15	

INFORMATION ABOUT THE ENVIRONMENT

At present the commitment about social and territory responsibility is an integral part of its principles and behaviours, which are oriented towards technology excellence, maintenance of high security levels, environmental protection and energy effectiveness as well as towards the training, the sensitization and involvement of the personnel as far as social responsibility matters are concerned.

Therefore, the Company's environmental strategy is based upon the following principles:

– optimize the use of renewable energy and natural resources;

– minimize negative environmental impacts and maximize positive ones;

– spread a correct approach to environmental culture;

– achieve continuous improvement in environmental performances;

– adopt purchasing policies in respect of environmental issues.

Particularly the following initiatives were undertaken during the year:

- Scrupulous separate waste collection to improve recycling: plastic, organic, aluminium, glass, toner.
- All paper utilized for printing is Eco compatible & recycled.
- The pens & notebooks are made of recycled material & therefore sustainable.
- Main drinking water consumption is from direct water supply, utilizing reusable bottles & mugs to minimize plastic waste.
- For Scope 1 & Scope 2 estimation of Carbon offset, Italy did not have any emissions as the electricity supply in all the office spaces are "Green" or from sustainable sources.

ENVIRONMENTAL LITIGATION

At the moment the Company is not involved in any civil or criminal litigation with third parties for damages caused to the environment or environmental crimes.

INFORMATION ABOUT THE PERSONNEL

SAFETY

The Company operates in its environment in accordance with the provisions of Decree-Law 81/08 for workers safety.

Activities in this area include:

- train employees and collaborators;
- recurrent medical examinations;
- organize and train safety intervention teams provided by law;
- permanent corporate monitoring from RSPP;
- preparation and distribution of documents regarding Decree-Law 81/08.

Particularly the following initiatives were undertaken during the year:

- update risk assessment documents;
- update and edit of procedures regarding safety and health at work;
- training course for n. 30 new employees.

INJURIES

During the year no injuries occurred to employees.

LITIGATION

Currently the Company is not involved in any litigation of any kind with employees or former employees.

With reference to the employed personnel we report following data:

- n. 79 men and n. 22 women are employed with a permanent contract;
- the average length of employment is 3/4 years;
- n.9 employees was hired during the year.

DESCRIPTION OF THE MAIN RISKS AND UNCERTAINTIES WHICH MAY HAVE AN IMPACT ON THE COMPANY

In the course of its business activities, the Company is exposed to risks and uncertainties arising from exogenous factors related to the overall macroeconomic framework or the specific environment the Company operates in, as well as risks related to strategic decisions and internal risk management.

The identification and mitigation of these risks were carried out on a regular basis through consistent monitoring and immediate reactions in face of risk events.

The Company can count on a central risk management, although it allows its supervisors to take care of identification, monitoring and mitigation of the risks themselves. The aim is to estimate the impact of each risk according to going concern premises, reduce risks' occurrence and/or moderate their effect in proportion to the determining factor (controllable by the Company or not).

On the topic of business risks, the main risks identified, monitored and managed by the company are as follows:

- risks dependent on exogenous variables;
- risk related to competitiveness;
- risks related to the demand / macro-economic cycles.

RISKS DEPENDENT ON EXOGENOUS VARIABLES

The Company is exposed to foreign exchange risk as it deals in multi currencies. However, the risk is hedged to a great extent as the expenses are incurred in the respective foreign currency.

RISK RELATED TO COMPETITIVENESS

The company operates in highly competitive industry, which is reflected in intense price competition of products and services.

RISK RELATED TO OVERALL ECONOMIC DEVELOPMENT

In the course of its business activities, the Company is exposed to risks and uncertainties arising from exogenous factors related to the overall macroeconomic framework and the consequent reduction in IT spending by the companies, in containing their costs, could impact the Company's business.

INFORMATION EX ART. 2428 C. 6 BIS

The company does not have investments in financial activities.

AIMS AND POLICIES ON FINANCIAL RISK MANAGEMENT

The Company aims to contain financial risks through a control system managed by the Executive Board and monitored by internal auditors.

COMPANY'S EXPOSURE TO RISKS

CREDIT RISK

The Company has a policy to extend credit terms, on an average 62 days, after carefully considering the credit worthiness of its clients based on reports obtained from Credit Rating Agencies.

Doubtful debts represent the 0% of the total amount of all receivables towards customers. The Company has a good portfolio of clients and carries on careful checks on the clients' credit worthiness. It is specified that, as per Company policy, the receivables considered in the doubtful/ bad debts are those which have remained unrealized beyond 9 months.

LIQUIDITY RISK

Policy of the Company is to manage accurately its spare funds, using tools able to schedule revenues and expenditures. The Company intends to maintain liquidity reserves in order to avoid liquidity risk.

RESEARCH AND DEVELOPMENT

The Company has not made significant investments in Research and Development during the year.

TRANSACTIONS WITH SUBSIDIARIES, ASSOCIATED AND PARENT COMPANIES AND OTHER GROUP COMPANIES

Throughout the period ended 31st March 2024 the Company held commercial relations with companies of the Group.

Contract terms have been negotiated according to market conditions and do not give rise to significant advantages to any of the parties involved. Intercompany transactions are made at arm's length value.

The amount of the intercompany trade relations is listed below:

(EUR)

Description	Controlling companies	Other related parties	Total
Revenue	3.395.998	3.165.357	6.561.355
Costs	23.493.578	1.596.158	25.089.737
Commercial receivables	2.854.021	532.720	3.386.471
Commercial debts	474.226	475.578	949.804

Description	Revenues for services	Costs for services	Receivables	Liabilities
Tata America International Corporation	0	0	1	0
Tata Consultancy Services Luxembourg S.A.	0	582	0	0
Tata Consultancy Services Asia Pacific Pte Ltd	0	31.963	1.055	1.264
Tata Consultancy Services Belgium N.V./S.A.	127.989	21.937	13.635	17.378
Tata Consultancy Services Deutschland GmbH	1.433.336	460.738	192.564	68.699
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Tata Consultancy Services Sverige AB	925	263.894		12.115
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Tata Consultancy Services Brazil Ltd.		142.193	5.431	10.562
Tata Consultancy Services Portugal, Unipessoal, LDA		1.863	1.899	
Tata Sons Limited		99.572		99.594
Total	**6.561.355**	**25.089.737**	**3.386.741**	**949.804**

The contracts were concluded and executed during the financial year at normal market conditions, without any special concessions for the counterparties. The values shown herein are accurately confirmed in the group's consolidated financial statements, to which reference should be made for further details and in-depth analysis.

INFORMATION CONCERNING THE ACTIVITY OF DIRECTION AND COORDINATION

Compliant with the dispositions of Art. 2497 et seq. of the Civil Code, we communicate that the Company is subject to the direction and coordination of the Company TATA CONSULTANCY SERVICES NETHERLANDS BV.

Compliant with art. 2497-bis, par. 4, Civil Code, in the notes to the financial statements we reported a summary of the essential data of the last financial statements of the Company that exerts the activity of direction and coordination.

Moreover, the Company fulfilled its obligation required under article 2497-bis, par.1 of the Civil Code, as it reported on acts and correspondence its subjection to the direction and coordination of the Company TATA CONSULTANCY SERVICES NETHERLANDS BV exercising management and coordination activities.

Pursuant to Article 2497-bis, Section 5, of the Italian Civil Code, the following tables show the company's relationships with the Company TATA CONSULTANCY SERVICES NETHERLANDS B.V .

TRADE RELATIONS AND OTHERS

(EUR)

Description	TCS Netherlands BV
Receivables	90.227
Payables	95.696
Costs for services	450.402
Revenues for services	668.115

Finally, we state that no decision was influenced by the activity or direction and coordination of the Company TATA CONSULTANCY SERVICES NETHERLANDS BV.

OWN SHARES AND INVESTMENT IN PARENT COMPANIES

Compliant with Article 2428 c. 3 p. 3 and 4 of the Civil Code the Company holds no own shares or investment in Parent companies.

FORESEEABLE DEVELOPMENTS BY THE END OF THE PERIOD

According to the available information the subsequent year result is expected have a growth of 5% compared to the current year.

ACTIVITIES EX DECREE LAW 231/01

The Company has adopted an Organization and Control Model pursuant to Legislative Decree no. 231/01, including a Code of Ethics, whose functioning is monitored by a Supervisory Board.

MILANO, 17th April 2025

For the Directors

CHAPALAPALLI SAPTHAGIRI

TATA CONSULTANCY SERVICES LUXEMBOURG S.A.
Société Anonyme

ANNUAL ACCOUNTS AND REPORT OF THE REVISEUR D'ENTREPRISES AGREE

MARCH 31, 2025

89 D, Rue Pafebruch

L-8308 Capellen

R.C.S. Luxembourg: B112.110

FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

CONTENTS **PAGE**

Management Report 32.2

Report of the Reviseur D'entreprises Agree 32.3

Annual Accounts

- Balance sheet 32.5
- Profit and loss account 32.9
- Notes to the annual accounts 32.10

Back to main content

MANAGEMENT REPORT FY 2024-25

TATA Consultancy Services Luxembourg S. A. (the "Company"), during the fiscal year ending on the March 31, 2025, has an decrease net margin by EUR 1.0 million compared to the previous year. The Company continues to work closely with Tata Consultancy Services Limited (hereinafter referred to as "TCS") relationship teams managing global TCS customers that have operations in Luxembourg. The long-term relationship with our customers, the quality of service and innovative offerings, has led to consolidating TCS's presence. The service contracts currently in place signify enhanced revenue growth going forward.

Finding and hiring local qualified resources remains an important challenge in growing our presence in the country. However, within the above limits, the Company regularly plans to position and showcase its services and solutions for acquiring new customers and to develop new areas of business with existing customers.

On the basis of the current visibility, the revenue for the year 2025-26 are expected to be at the same level as that of the revenue during the year 2024-25.

There are no significant events after the balance sheet date which has a bearing on the financial statements for the year 2024-25.

Currently, the Company has no significant credit risks. The Company does not have any concentrations of credit with a single customer or a geographical region which carries an unusually high credit risk and has no significant third-party interest risk. In FY 2024-25, the Company proved to be self-sufficient to meet its cash requirements and did not take recourse to Banks for financial operations.

The operations of the Company will continue as at the present, the current assets exceed current liabilities and net equity have improved. The Company will be provided with all the necessary mechanisms to ensure the continuity of operations, the realization of its assets and the settlement of its liabilities, in the normal course of its operations.

The Company operates in a competitive market scenario which is reflected in the competitive prices for services.

The Company does not hold its own shares and does not have any investment in the shares of its parent company (Tata Consultancy Services Netherlands B.V) and the Company does not have any branches. The Company did not incur research and development expenses during the financial year.

The total net turnover for the year was EUR 70.87 million compared to EUR 82.30 million for the previous year. The year ended with a net profit of EUR 5.95 million as compared to EUR 6.95 million for the previous year. The net profit is expected to grow going forward.

Mr. Sapthagiri Chapalapalli

Mr. Paul Arbab

May 28, 2025

REPORT OF THE REVISEUR D'ENTREPRISES AGREE

To the Board of Directors of
Tata Consultancy Services Luxembourg S.A.
89D, rue Pafebruch
L-8308 Capellen
Luxembourg

Report on the audit of the annual accounts

Opinion

We have audited the annual accounts of Tata Consultancy Services Luxembourg S.A. (the "Company"), which comprise the balance sheet as at 31 March 2025, and the profit and loss account for the year then ended, and notes to the annual accounts, including a summary of significant accounting policies.

In our opinion, the accompanying annual accounts give a true and fair view of the financial position of the Company as at 31 March 2025, and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts.

Basis for opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (the "Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the Commission de Surveillance du Secteur Financier ("CSSF"). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the « Responsibilities of "réviseur d'entreprises agréé" for the audit of the annual accounts » section of our report. We are also independent of the Company in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the annual accounts, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information stated in the annual report including the management report but does not include the annual accounts and our report of the "réviseur d'entreprises agréé" thereon.

Our opinion on the annual accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the annual accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors for the annual accounts

The Board of Directors is responsible for the preparation and fair presentation of the annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts, and for such internal control as the Board of Directors determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

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

Responsibilities of the "réviseur d'entreprises agréé" for the audit of the annual accounts

The objectives of our audit are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the "réviseur d'entreprises agréé" that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF 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 annual accounts.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

— Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

— Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

— Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

— Conclude on the appropriateness of the Board of Directors' 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 report of the "réviseur d'entreprises agréé" to the related disclosures in the annual accounts 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 report of the "réviseur d'entreprises agréé". 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 annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

The management report is consistent with the annual accounts and has been prepared in accordance with applicable legal requirements.

Luxembourg, 28 May 2025

KPMG Audit S.à r.l.
Cabinet de révision agréé

F. Leonardi

Balance Sheet

(EUR)

	Reference(s)		As at March 31, 2025		As at March 31, 2024	
ASSETS						
A. Subscribed capital unpaid	1101		**101**	**-**	102	-
I. Subscribed capital not called	1103		**103**	**-**	104	-
II. Subscribed capital called but unpaid	1105		**105**	**-**	106	-
B. Formation expenses	1107		**107**	**-**	108	-
C. Fixed assets	1109		**109**	**183.876,70**	110	179.361,41
I. Intangible assets	1111		**111**	**-**	112	-
1. Costs of development	1113		**113**	**-**	114	-
2. Concessions, patents, licences, trade marks and similar rights and assets, if they were	1115		**115**	**-**	116	-
a) acquired for valuable consideration and need not be shown under C.I.3	1117		**117**	**-**	118	-
b) created by the undertaking itself	1119		**119**	**-**	120	-
3. Goodwill, to the extent that it was acquired for valuable consideration	1121		**121**	**-**	122	-
4. Payments on account and intangible assets under development	1123		**123**	**-**	124	-
II. Tangible assets	1125	3	**125**	**92.281,44**	126	69.274,15
1. Land and buildings	1127		**127**		128	-
2. Plant and machinery	1129	3	**129**	**48.986,17**	130	29.964,86
3. Other fixtures and fittings, tools and equipment	1131	3	**131**	**21.441,28**	132	33.382,32
4. Payments on account and tangible assets in the course of construction	1133	3	**133**	**21.853,99**	134	5.926,97
III. Financial assets	1135		**135**	**91.595,26**	136	110.087,26
1. Shares in affiliated undertakings	1137		**137**	**-**	138	-
2. Loans to affiliated undertakings	1139		**139**	**-**	140	-
3. Participating interests	1141		**141**	**-**	142	-
4. Loans to undertakings with which the undertaking is linked by virtue of participating interests	1143		**143**	**-**	144	-
5. Investments held as fixed assets	1145		**145**	**-**	146	-
6. Other loans	1147		**147**	**91.595,26**	148	110.087,26
D. Current assets	1151		**151**	**29.378.053,76**	152	29.480.751,18
I. Stocks	1153		**153**	**-**	154	-
1. Raw materials and consumables	1155		**155**	**-**	156	-
2. Work in progress	1157		**157**	**-**	158	-
3. Finished goods and goods for resale	1159		**159**	**-**	160	-
4. Payments on account	1161		**161**	**-**	162	-

Back to content

Balance Sheet

(EUR)

	Reference(s)		As at March 31, 2025		As at March 31, 2024	
II. Debtors	1163		**163**	**19.388.365,62**	164	20.383.589,51
1. Trade debtors	1165	4	**165**	**15.210.647,31**	166	15.777.545,57
a) becoming due and payable within one year	1167	4	**167**	**15.210.647,31**	168	15.777.545,57
b) becoming due and payable after more than one year	1169		**169**	**-**	170	-
2. Amounts owed by affiliated undertakings	1171	4	**171**	**872.746,89**	172	1.304.102,14
a) becoming due and payable within one year	1173	4	**173**	**872.746,89**	174	1.304.102,14
b) becoming due and payable after more than one year	1175		**175**	**-**	176	-
3. Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	1177		**177**	**-**	178	-
a) becoming due and payable within one year	1179		**179**	**-**	180	-
b) becoming due and payable after more than one year	1181		**181**	**-**	182	-
4. Other debtors	1183	5	**183**	**3.304.971,42**	184	3.301.941,80
a) becoming due and payable within one year	1185	5	**185**	**3.304.971,42**	186	3.301.941,80
b) becoming due and payable after more than one year	1187		**187**	**-**	188	-
III. Investments	1189		**189**	**-**	190	-
1. Shares in affiliated undertakings	1191		**191**	**-**	192	-
2. Own shares	1209		**209**	**-**	210	-
3. Other investments	1195		**195**	**-**	196	-
IV. Cash at bank and in hand	1197		**197**	**9.989.688,14**	198	9.097.161,67
E. Prepayments	1199	6	**199**	**6.008.434,56**	200	2.489.321,62
TOTAL (ASSETS)			**201**	**35.570.365,02**	202	32.149.434,21

Back to content

Balance Sheet

(EUR)

	Reference(s)		As at March 31, 2025		As at March 31, 2024	
CAPITAL, RESERVES AND LIABILITIES						
A. Capital and reserves	1301	7, 8	**301**	**13.736.928,91**	302	13.787.376,45
I. Subscribed capital	1303	7.1, 8	**303**	**5.600.000,00**	304	5.600.000,00
II. Share premium account	1305		**305**	**-**	306	-
III. Revaluation reserve	1307		**307**	**-**	308	-
IV. Reserves	1309	7.2, 8	**309**	**1.563.775,00**	310	1.219.100,00
1. Legal reserve	1311	7.2.1, 8	**311**	**560.000,00**	312	560.000,00
2. Reserve for own shares	1313		**313**	**-**	314	-
3. Reserves provided for by the articles of association	1315		**315**	**-**	316	-
4. Other reserves, including the fair value reserve	1429	7.2.2, 8	**429**	**1.003.775,00**	430	659.100,00
a) other available reserves	1431		**431**	**-**	432	-
b) other non available reserves	1433	7.2.2, 8	**433**	**1.003.775,00**	434	659.100,00
V. Profit or loss brought forward	1319	8	**319**	**623.601,45**	320	19.608,18
VI. Profit or loss for the financial year	1321	8	**321**	**5.949.552,46**	322	6.948.668,27
VII. Interim dividends	1323		**323**	**-**	324	-
VIII. Capital investment subsidies	1325		**325**	**-**	326	-
B. Provisions	1331	9	**331**	**10.803,88**	332	34.790,37
1. Provisions for pensions and similar obligations	1333		**333**	**-**	334	-
2. Provisions for taxation	1335		**335**	**-**	336	-
3. Other provisions	1337	9	**337**	**10.803,88**	338	34.790,37
C. Creditors	1435		**435**	**14.913.112,10**	436	14.102.019,55
1. Debenture loans	1437		**437**	**-**	438	-
a) Convertible loans	1439		**439**	**-**	440	-
i) becoming due and payable within one year	1441		**441**	**-**	442	-
ii) becoming due and payable after more than one year	1443		**443**	**-**	444	-
b) Non convertible loans	1445		**445**	**-**	446	-
i) becoming due and payable within one year	1447		**447**	**-**	448	-
ii) becoming due and payable after more than one year	1449		**449**	**-**	450	-
2. Amounts owed to credit institutions	1355		**355**	**-**	356	-
a) becoming due and payable within one year	1357		**357**	**-**	358	-
b) becoming due and payable after more than one year	1359		**359**	**-**	360	-

Balance Sheet

(EUR)

	Reference(s)		As at March 31, 2025		As at March 31, 2024	
3. Payments received on account of orders in so far as they are not shown separately as deductions from stocks	1361		**361**	**-**	362	-
a) becoming due and payable within one year	1363		**363**	**-**	364	-
b) becoming due and payable after more than one year	1365		**365**	**-**	366	-
4. Trade creditors	1367	11	**367**	**890.373,25**	368	2.026.821,91
a) becoming due and payable within one year	1369	11	**369**	**890.373,25**	370	2.026.821,91
b) becoming due and payable after more than one year	1371		**371**	**-**	372	-
5. Bills of exchange payable	1373		**373**	**-**	374	-
a) becoming due and payable within one year	1375		**375**	**-**	376	-
b) becoming due and payable after more than one year	1377		**377**	**-**	378	-
6. Amounts owed to affiliated undertakings	1379	12	**379**	**6.779.500,50**	380	4.753.184,08
a) becoming due and payable within one year	1381	12	**381**	**6.779.500,50**	382	4.753.184,08
b) becoming due and payable after more than one year	1383		**383**	**-**	384	-
7. Amounts owed to undertakings with which the undertaking is linked by virtue of participating interests	1385		**385**	**-**	386	-
a) becoming due and payable within one year	1387		**387**	**-**	388	-
b) becoming due and payable after more than one year	1389		**389**	**-**	390	-
8. Other creditors	1451	13	**451**	**7.243.238,35**	452	7.322.013,56
a) Tax authorities	1393	13	**393**	**7.064.428,90**	394	6.942.246,45
b) Social security authorities	1395	13	**395**	**10.613,12**	396	48.556,99
c) Other creditors	1397	13	**397**	**168.196,33**	398	331.210,12
i) becoming due and payable within one year	1399	13	**399**	**168.196,33**	400	331.210,12
ii) becoming due and payable after more than one year	1401		**401**	**-**	402	-
D. Deferred income	1403	14	**403**	**6.909.520,13**	404	4.225.247,84
TOTAL (CAPITAL, RESERVES AND LIABILITIES)			**405**	**35.570.365,02**	406	32.149.434,21

Profit And Loss Account

(EUR)

		Reference(s)		Year ended March 31, 2025			Year ended March 31, 2024	
1.	**Net turnover**	1701	15	**701**	**70.872.695,67**	702	82.302.093,18
2.	**Variation in stocks of finished goods and in work in progress**	1703	-	**703**	**-**	704	-
3.	**Work performed by the undertaking for its own purposes and capitalised**	1705		**705**	**-**	706	-
4.	**Other operating income**	1713	16	**713**	**523.841,21**	714	633.732,61
5.	**Raw materials and consumables and other external expenses**	1671		**671**	**-53.090.407,60**	672	-61.708.946,66
	a) Raw materials and consumables	1601		**601**	**-**	602	-
	b) Other external expenses	1603	16	**603**	**-53.090.407,60**	604	-61.708.946,66
6.	**Staff costs**	1605	17	**605**	**-9.729.784,61**	606	-11.281.284,46
	a) Wages and salaries	1607		**607**	**-9.243.811,36**	608	-10.779.042,23
	b) Social security costs	1609		**609**	**-414.239,32**	610	-413.073,15
	i) relating to pensions	1653		**653**	**-164.883,09**	654	-147.794,85
	ii) other social security costs	1655		**655**	**-249.356,23**	656	-265.278,30
	c) Other staff costs	1613		**613**	**-71.733,93**	614	-89.169,08
7.	**Value adjustments**	1657		**657**	**-18.933,88**	658	-13.557,69
	a) in respect of formation expenses and of tangible and intangible fixed assets	1659		**659**	**-20.198,88**	660	-13.307,69
	b) in respect of current assets	1661		**661**	**1.265,00**	662	-250,00
8.	**Other operating expenses**	1621	18	**621**	**-428.311,77**	622	-512.996,19
9.	**Income from participating interests**	1715		**715**	**-**	716	-
	a) derived from affiliated undertakings	1717		**717**	**-**	718	-
	b) other income from participating interests	1719		**719**	**-**	720	-
10.	**Income from other investments and loans forming part of the fixed assets**	1721		**721**	**-**	722	-
	a) derived from affiliated undertakings	1723		**723**	**-**	724	-
	b) other income not included under a)	1725		**725**	**-**	726	-
11.	**Other interest receivable and similar income**	1727	19	**727**	**347.341,15**	728	566.917,03
	a) derived from affiliated undertakings	1729	19	**729**	**173.040,52**	730	141.337,10
	b) other interest and similar income	1731	19	**731**	**174.300,63**	732	425.579,93
12.	**Share of profit or loss of undertakings accounted for under the equity method**	1663		**663**	**-**	664	-
13.	**Value adjustments in respect of financial assets and of investments held as current assets**	1665		**665**	**-**	666	-
14.	**Interest payable and similar expenses**	1627	20	**627**	**-270.172,33**	628	-244.830,81
	a) concerning affiliated undertakings	1629	20	**629**	**-215.769,03**	630	-238.716,51
	b) other interest and similar expenses	1631	20	**631**	**-54.403,30**	632	-6.114,30
15.	**Tax on profit or loss**	1635	21	**635**	**-2.256.715,38**	636	-2.792.458,74
16.	**Profit or loss after taxation**	1667		**667**	**5.949.552,46**	668	6.948.668,27
17.	**Other taxes not shown under items 1 to 16**	1637	21	**637**	**-**	638	**-**
18.	**Profit or loss for the financial year**	1669	8	**669**	**5.949.552,46**	670	6.948.668,27

Back to content

1. ORGANISATION AND BUSINESS PURPOSE

TATA CONSULTANCY SERVICES LUXEMBOURG S.A. (the "**Company**") was incorporated on October 28, 2005 as a "Société Anonyme" under the laws of the Grand Duchy of Luxembourg for an unlimited period.

The Company is registered at 89 D, Rue Pafebruch, L-8308 Capellen and its commercial register number is R.C.S. Luxembourg B112.110.

The Company is a subsidiary of Tata Consultancy Services Netherlands B.V., a company organised under the Netherlands' laws under registered number 33237130 and whose registered address is Gustav Mahlerplein 85-91, 1082 MS Amsterdam, the Netherlands.

Tata Consultancy Services Netherlands B.V., a company organised under the Netherlands' laws is a subsidiary of TATA Consultancy Services Limited, a company incorporated under the laws of India under registered number L22210MH1995PLC084781 and whose registered address is Nirmal Building, 9th Floor, Nariman Point, Mumbai - 400 021, India.

The Company's object is the development, management, implementation and operating of information technology ("IT") and communication systems of credit institutions, professionals of the financial sector, undertakings for collective investment or pension funds established under Luxembourg or foreign laws. The Company may also develop and own IT and communication systems and make them available to its aforesaid clients.

The object further includes the processing and transfer of data stored in the IT systems.

The Company may also carry out any commercial, industrial, financial, movable and immovable operations, which are direct or indirect relation with its object, or which may deem useful in the accomplishment and development of its purposes.

The Company has the status of a professional of the financial sector, as such it may carry out any activities deemed useful for the accomplishment of its object remaining however within the limitations of articles 29(1), 29(2), 29(3) and 29(4) of the amended Luxembourg law of April 5, 1993 relating to the financial sector.

The Company's financial year starts on April 1 and ends on March 31 every year.

The consolidated accounts of TATA Consultancy Services Limited, which form the smallest and largest body of undertakings in which the Company is included, are available at the following address: Nirmal Building, 9th Floor, Nariman Point, Mumbai - 400 021, India.

2. PRESENTATION OF THE COMPARATIVE FINANCIAL DATA

The figures for the year ended March 31, 2024 relating to the other provisions have been reclassified to ensure comparability with the figures for the year ended March 31, 2025.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The Company maintains its books and records in Euro (EUR) and the annual accounts have been prepared in accordance with Luxembourg legal and regulatory requirements and the going concern principle under the historical cost convention.

Accounting policies and valuation rules are, besides the ones laid down by the amended Law of 19 December 2002, determined and applied by the board of directors of the Company (the "Board of Directors").

The preparation of annual accounts requires the use of certain critical accounting estimates. It also requires the Board of Directors to exercise its judgement in the process of applying the accounting policies. Changes in assumptions may have a significant impact on the annual accounts in the period in which the assumptions changed. The Board of Directors believes that the underlying assumptions are appropriate and that the annual accounts therefore present the financial position and results fairly.

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities in the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstance.

Significant accounting policies

2.1. Formation expenses

The formation expenses of the Company are directly charged to the profit and loss account of the year in which they are incurred.

Back to content

2.2. Tangible assets

The value of tangible fixed assets with limited useful economic lives is reduced by value adjustments calculated on a straight-line basis to write off the value of such assets systematically over their useful economic lives.

The depreciation rates applied are as follows:

- Plant and machinery: 10%, 20% or 25%
- Other fixtures and fittings, tools and equipment: 10%, 20% or 25%

2.3. Debtors

Debtors are valued at their nominal value. They are subject to value adjustments where their recovery is compromised. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

2.4. Creditors

Debts are recorded at their reimbursement value. Where the amount repayable on account is greater than the amount received, the difference is recorded in the profit and loss account when the debt is issued.

2.5. Foreign currency translation

These annual accounts are expressed in EUR.

The transactions made in a currency other than EUR are translated into EUR at the exchange rate prevailing at the transaction date.

Long-term assets expressed in currencies other than EUR are translated into EUR at the exchange rate effective at the time of the transaction. At the balance sheet date, these assets remain translated at historic exchange rates.

Cash at bank is translated at the exchange rate effective at the balance sheet date. Exchange losses and gains are recorded in the profit and loss account of the year.

All other assets and liabilities expressed in a currency other than EUR are translated separately respectively at the lower and at the higher of the value converted at the historical exchange rate or the value determined on the basis of the exchange rates prevailing at the balance sheet date. Solely the unrealized exchange losses are recorded in the profit and loss account. The exchange gains are recorded in the profit and loss account at the moment of their realisation.

Where there is an economic link between an asset and a liability, these are valued in total according to the method described above and the net unrealised losses are recorded in the profit and loss account whereas the net unrealised exchange gains are not recognised.

2.6. Revenues from operations

Revenues which are derived from management and operating of Information Technology are recognised over the term of related contract in the period when the services are provided.

Works in progress are classified as invoices to be issued under the caption "Trade debtors". Then invoices are issued in accordance with milestones set in the "Statement of work" agreed with each client.

2.7. Provisions

Provisions are intended to cover losses or debts the nature of which is clearly defined and which, at the date of the balance sheet are either likely to be incurred or certain to be incurred but uncertain as to their amount or as to the date on which they will arise.

Provisions may also be created to cover charges that have originated in the financial year under review or in previous financial year, the nature of which is clearly defined and which, at the date of the balance sheet, are either likely to be incurred or certain to be incurred but uncertain as to their amount or the date on which they will arise.

Provision for taxation

Provisions for taxation corresponding to the tax liability estimated by the Company for the financial years are recorded under the caption "Other creditors - Tax authorities". The advance tax payments are shown in the assets of the balance sheet under the "Other debtors" item.

2.8. Prepayments

This asset item includes expenditure incurred during the financial year but relating to a subsequent financial year.

2.9. Deferred income

This liability item includes income received during the financial year but relating to a subsequent financial year.

4. TANGIBLE ASSETS

The following movements have occurred in the course of the financial year:

(EUR)

	Plant and machinery	Other fixtures and fittings, tools and equipment	Payments on account and tangible assets in the course of construction	Total
Gross book value - opening balance	**584.577,62**	**597.281,98**	**5.926,97**	**1.187.786,57**
Additions for the year	**29.693,93**	**-**	**15.927,02**	**45.620,95**
Disposals for the year	**(51.349,94)**	**(2.414,80)**	**-**	**(53.764,74)**
Transfers for the year	**-**	**-**		
Gross book value - closing balance	**562.921,61**	**594.867,18**	**21.853,99**	**1.179.642,78**
Accumulated value adjustment - opening balance	**(554.612,76)**	**(563.899,66)**	**-**	**(1.118.512,42)**
Allocations for the year	**(10.672,62)**	**(9.526,24)**	**-**	**(20.198,86)**
Reversals for the year	**51.349,94**	**-**	**-**	**51.349,94**
Transfers for the year	**-**	**-**	**-**	**-**
Accumulated value adjustment - closing balance	**(513.935,44)**	**(573.425,90)**	**-**	**(1.087.361,34)**
Net book value - closing balance	**48.986,17**	**21.441,28**	**21.853,99**	**92.281,44**
Net book value - opening balance	**29.964,86**	**33.382,32**	**5.926,97**	**69.274,15**

5. TRADE DEBTORS AND AMOUNTS OWED BY AFFILIATED UNDERTAKINGS

Trade debtors are resulting from IT application support and application development business and amounts to EUR 15.210.647,31 (March 31, 2024: EUR 15.777.545,57).

Income on work in process not yet invoiced to clients amounts to EUR 637.705,23 (March 31, 2024: EUR 1.143.476,11).

Claims on affiliated undertakings amount to EUR 872.746,89 (March 31, 2024: EUR 1.304.102,14) and results from sales and services provided.

6. OTHER DEBTORS

Other debtors may be broken down as follows:

(EUR)

	Within one year	After more than one year	As at March 31, 2025	As at March 31, 2024
Staff allowance for travel and recoverable expenses	**161.378,42**	**-**	**161.378,42**	199.495,20
Advances for taxes	**3.143.593,00**	**-**	**3.143.593,00**	3.102.446,60
Total	**3.304.971,42**	**-**	**3.304.971,42**	3.301.941,80

7. PREPAYMENTS

This asset item includes expenditure incurred during the financial year but relating to the subsequent financial year for an amount of EUR 6.008.434,56 (March 31, 2024: EUR 2.489.321,62).

8. CAPITAL AND RESERVES

7.1 Subscribed capital

As at March 31, 2025, the issued capital of the Company amounts to EUR 5.600.000,00 consisting of 5.600 registered shares with par value of EUR 1.000,00 fully paid up.

7.2 Reserves

7.2.1. Legal reserve

In accordance with Luxembourg commercial law, the Company is required to transfer a minimum of 5% of its net profit for each financial year to a legal reserve. This requirement ceases to be necessary once the balance on the legal reserve reaches 10% of the issued share capital. The legal reserve is not available for distribution to the shareholders.

9. MOVEMENTS FOR THE YEAR ON CAPITAL, RESERVES AND PROFIT AND LOSS ITEMS

The movements for the year are as follows:

(EUR)

	Subscribed capital	Legal reserve	Other available reserves	Other non available reserves	Dividend	Result brought forward	Result for the financial year	Total
Balance as at March 31, 2024	5.600.000,00	560.000,00	-	659.100,00	-	19.608,18	6.948.668,27	13.787.376,45
Movements for the year:								
- Allocation of previous year's result	-	-	-	344.675,00	6.000.000,00	603.993,27	(6.948.668,27)	-
- Dividend distribution	-	-	-	-	(6.000.000,00)	-	-	(6.000.000,00)
- Result for the year	-	-	-	-	-	-	5.949.552,46	5.949.552,46
Balance as at March 31, 2025	**5.600.000,00**	**560.000,00**	**-**	**1.003.775,00**	**-**	**623.601,45**	**5.949.552,46**	**13.736.928,91**

The Company has distributed dividends for an amount of EUR 6.000.000,00. Dividends were distributed to the shareholders based on the proportion of their shareholding in the company and in accordance with Shareholder meeting held on June 19, 2024. The payment of dividends occurred in the same month after deduction the applicable taxes.

10. OTHER PROVISIONS

Other provisions may be broken down as follows:

(EUR)

	2025	2024
	EUR	EUR
Others*	**10.803,88**	34.790,37
	10.803,88	**34.790,37**

*Others are mainly composed of the staff's expense claims and the staff welfare long services awards.

The figures for the year ended March 31, 2024 relating to the provision for subcontracting expenses, emoluments, Brand Equity Contribution, intercompany expenses and professional fees have been reclassified to ensure comparability with the figures for the year ended March 31, 2025.

11. TRADE CREDITORS

Trade creditors are made up of suppliers payable and a customer with a credit balance.

12. AMOUNTS OWED TO AFFILIATED UNDERTAKINGS

Amounts owed to affiliated undertakings are made of debts on purchase and services for an amount of EUR 6.779.500,50 (March 31, 2024: EUR 4.410.285,02).

13. OTHER CREDITORS

The amounts due and payable for the accounts shown under "Other Creditors" are as follows:

(EUR)

	Within one year	After more than one year	As at March 31, 2025	As at March 31, 2024
Tax authorities	**7.064.428,90**	**-**	**7.064.428,90**	6.942.246,45
Social security authorities	**10.613,12**	**-**	**10.613,12**	48.556,99
Other creditors:				
- Amounts payable to staff	**168.196,33**	**-**	**168.196,33**	41.057,38
Total	**7.243.238,35**	**-**	**7.243.238,35**	7.031.860,82

14. DEFERRED INCOME

Deferred income includes income received during the financial year ended March 31, 2025 but relating to a subsequent financial year.

15. NET TURNOVER

Net turnover is broken down by category of activity and geographical markets as follows:

Categories of activity

(EUR)

	Year ended March 31, 2025	Year ended March 31, 2024
Telecom	**45.481.914,14**	49.425.795,34
Banking, Financial Services and Insurance	**22.189.820,92**	27.151.357,16
Manufacturing and Process	**3.188.608,71**	5.025.942,70
Retail & Distribution	**12.351,90**	698.997,98
Total	**70.872.695,67**	82.302.093,18

Geographical markets

(EUR)

	Year ended March 31, 2025	Year ended March 31, 2024
Luxembourg	**68.749.166,01**	80.442.439,08
Outside Europe	**1.181.754,40**	1.076.797,65
Rest of Europe	**941.775,26**	782.856,45
Total	**70.872.695,67**	82.302.093,18

16. OTHER OPERATING INCOME

As at year-end, the Company's other operating income may be analysed as follows:

(EUR)

	Year ended March 31, 2025	Year ended March 31, 2024
Subsidies for operating activities	**21.517,81**	22.213,10
Benefits in kind	**450.937,50**	561.131,60
Other miscellaneous income	**51.385,90**	50.387,91
Total	**523.841,21**	633.732,61

17. OTHER EXTERNAL EXPENSES

The other external expenses amount of EUR 53.090.407,60 (March 31, 2024: EUR 61.708.946,66) and mainly consists of sub-contract expenses of EUR 49.575.881,44 in current year (March 31, 2024: EUR 56.428.845,53) for projects development.

18. STAFF

The average number of persons employed during the financial year by the Company is as follows:

	As at March 31, 2025	As at March 31, 2024
Senior Management	**2**	2
Employees	**104**	130
Total	**106**	132

19. OTHER OPERATING EXPENSES

As at March 31, 2025, the Company's other operating expenses may be analysed as follows:

(EUR)

	Year ended March 31, 2025	Year ended March 31, 2024
Staff & Wages - Meal Allowance	**256.567,64**	310.736,89
Tata Brand Equity Contribution	**171.744,13**	202.259,30
	428.311,77	512.996,19

20. OTHER INTEREST RECEIVABLE AND SIMILAR INCOME

This item is composed of foreign currency exchange gains and interests on bank accounts.

21. INTEREST PAYABLE AND SIMILAR EXPENSES

This item is mainly composed of foreign currency exchange losses and interests on bank accounts.

22. TAXATION

The Company is subject to all the taxes relevant to commercial companies in Luxembourg.

In 2023, Luxembourg enacted legislation implementing the OECD Pillar Two rules, which are designed to ensure that large multinationals pay a minimum 15% rate of corporation tax. As a member of the Tata group, the Company is potentially in scope of the Pillar Two rules, which will first apply to the Company for its financial year beginning April 1, 2024. The Company has performed a preliminary assessment of its potential exposure under Pillar Two. On the basis of this assessment, the Company does not currently expect any additional tax liability to arise under Pillar Two.

23. OFF-BALANCE SHEET COMMITMENTS

The off-balance sheet commitments may be broken down as follows:

(EUR)

	Within one year	After more than one year	As at March 31, 2025	As at March 31, 2024
Fixed rental payments	**143.732,68**	**-**	**143.732,68**	287.072,65
Company cars	**47.641,29**	**49.721,45**	**97.362,74**	95.992,87
Total	**191.373,97**	**49.721,45**	**241.095,42**	383.065,52

24. EMOLUMENTS, ADVANCES AND LOANS GRANTED TO THE MEMBERS OF THE MANAGEMENT AND SUPERVISORY BODIES

The Company has not granted any emoluments in respect of the financial year to members of the management and supervisory bodies by reason of their responsibilities.

As at March 31, 2025, the Company has not granted advances or loans to members of its administration (March 31, 2024: none).

25. RELATED PARTIES

During the financial year, no significant transactions were concluded outside the normal market conditions with persons holding participations in the Company neither with entities in which the company holds participations, nor with members of the administrative, management or supervisory bodies of the Company.

26. AUDITOR'S FEES

The total fees expensed by the Company and due for the current financial year to the audit firm amounts to EUR 54.548,70 (March 31, 2024: EUR 33.022,95).

27. SUBSEQUENT EVENTS

No significant subsequent event has occurred since the balance sheet date.

Tata Consultancy Services Osterreich GmbH

FINANCIAL STATEMENTS

For the year ended
March 31, 2025

FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2025

CONTENT **PAGE**

Independent Auditor's Report	33.2
Balance sheet	33.4
Statement of Profit and Loss	33.5
Statement of Changes in Equity	33.6
Statement of Cash Flow	33.7
Notes to financial statements	33.8

Independent Auditor's Report

To the Board of Directors
Tata Consultancy Services Osterreich GmbH
Report on the special purpose Ind AS Financial Statements

Opinion

We have audited the accompanying Special purpose Ind AS financial statements of Tata Consultancy Services Osterreich GmbH ('the Company), which comprises the Balance Sheet as at 31st March 2025, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and the summary of the material accounting policies and other explanatory information (hereinafter referred to as "the special purpose Ind AS financial statements"). The special purpose Ind AS financial statements have been prepared by the management as described in Note 2 to the Special Purpose Ind AS financial statements.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Special purpose Ind AS financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2025, and it's profit (including other Comprehensive Income), Changes in Equity and its Cash Flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Special purpose Ind AS financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Special purpose Ind AS financial statements under the provisions of the Act and the Rules thereunder and fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the Special purpose Ind AS financial Statements

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Special purpose Ind AS financial statements that give a true and fair view of the state of affairs, profit / loss and (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (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 Special purpose Ind AS financial statements that give a true and fair view and are free from misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Special purpose Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Special purpose Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is 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 Special purpose Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

  Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

(To the extent applicable to a Company incorporated outside India)

1. As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

Restriction on Distribution and Use

This Special purpose Ind AS financial statements have been prepared for the limited purpose of consolidated financial statements, to comply with the Section 129(3) of the Companies Act 2013, of Tata Consultancy Services Limited for the year ended 31st March,2025 in accordance with Accounting Standard specified in section 133 of the Companies Act 2013. Our report is intended solely for the information and use of Board of Directors of the company and Tata Consultancy Services Limited for the preparation of consolidated this Special purpose Ind AS financial statements as aforesaid and for the use at their annual general meetings for the information of their members. It is not intended to be and should not be used by anyone other than specified parties.

For KBJ & ASSOCIATES
(Chartered Accountants)
(Firm Registration No. 114934W)

Date: 30th April 2025
Place: Mumbai

Kaushik B. Joshi
Proprietor
(Membership No.48889)

Balance Sheet

Amount in EUR

	Note	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
(a) Property, plant and equipment	8(a)	**3,152**	177,314
Capital work in progress		**6,907**	16,505
(b) Right-of-use Assets	7	**-**	4,407
(c) Income tax assets (net)		**-**	7,894
(d) Deferred tax assets (net)	15	**(324,559)**	55,188
(e) Other financial assets	6(d)	**-**	4,680
Total non-current assets		**(314,500)**	265,989
Current assets			
(a) Financial assets			
(i) Trade receivables			
Billed	6(a)	**3,887,741**	3,755,462
Unbilled	6(a)	**1,027,217**	1,278,049
(ii) Cash and cash equivalents	6(b)	**763,623**	695,196
(iii) Loans receivables	6(c)	**9,775**	39,344
(iv) Other financial assets	6(d)	**10,337**	11,742
(b) Income tax asset (net)		**-**	-
(c) Other assets	8(b)	**487,473**	592,281
Total current assets		**6,186,165**	6,372,074
TOTAL ASSETS		**5,871,665**	6,638,062
EQUITY AND LIABILITIES			
Equity			
(a) Share capital	6(j)	**35,000**	35,000
(b) Other equity	9	**1,836,289**	505,232
Total Equity		**1,871,289**	540,232
Liabilities			
Current liabilities			
(a) (i) Lease Liabilities		**-**	4,660
(ii) Trade payables	6(e)	**2,952,389**	4,577,323
(iii) Other Financial Liabilities	6(f)	**130,231**	249,991
(b) Unearned and deferred revenue	10	**226,808**	644,040
(c) Employee benefit obligations	12	**63,692**	37,038
(d) Other liabilities	8(c)	**590,339**	557,704
(e) Current Tax Liabilities		**36,918**	27,074
Total current liabilities		**4,000,376**	6,097,830
TOTAL EQUITY AND LIABILITIES	1-17	**5,871,665**	6,638,062

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

As per our report of even date attached

For **KBJ & Associates**
Chartered Accountants
Firm registration no.114934W

Kaushik B. Joshi
Proprietor
Membership number : 48889
Mumbai
Date: 30 April, 2025

For and on behalf of the Board of Directors of
Tata Consultancy Services Osterreich GmbH

Rabindran Vennimalai
Director
Amsterdam, Netherland

Sapthagiri Chapalapalli
Director
Frankfurt, Germany

Back to content

Statement of Profit and Loss

Amount in EUR

	Note	Year ended March 31, 2025	Year ended March 31, 2024
Revenue	10	**20,927,794**	11,849,838
I. Other income	11	**19,410**	31,490
II. **TOTAL INCOME**		**20,947,204**	11,881,328
III. **Expenses**			
IV. (a) Employee benefit expenses	12	**1,268,157**	1,019,049
(b) Depreciation expense		**190,969**	52,157
(c) Project Expenses		**16,295,802**	8,010,723
(d) Other expenses	13(a)	**1,468,459**	2,698,930
(e) Finance costs	14	**15**	108
TOTAL EXPENSES		**19,223,402**	11,780,967
PROFIT/(LOSS) BEFORE TAX		**1,723,802**	100,361
V. **Tax expenses**			
(a) Current tax	15	**12,998**	28,824
(b) Deferred tax	15	**379,747**	(3,973)
TOTAL TAX EXPENSES		**392,745**	24,851
PROFIT/(LOSS) FOR THE YEAR		**1,331,057**	75,510
VI. Share of loss of associate			
VII. **TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR**		**1,331,057**	75,510
VIII. **NOTES FORMING PART OF FINANCIAL STATEMENTS**	**1-17**		

As per our report of even date attached

For **KBJ & Associates**
Chartered Accountants
Firm registration no.114934W

Kaushik B. Joshi
Proprietor
Membership number : 48889

Mumbai
Date: 30 April, 2025

For and on behalf of the Board of Directors of
Tata Consultancy Services Osterreich GmbH

Rabindran Vennimalai
Director
Amsterdam, Netherland

Sapthagiri Chapalapalli
Director
Frankfurt, Germany

Back to content

Statement of Changes in Equity

A. EQUITY SHARE CAPITAL

Amount in EUR

Balance as at April 1, 2023	Change in equity share capital during the period	Balance as at March 31, 2024
35,000	-	35,000

Amount in EUR

Balance as at April 1, 2024	Change in equity share capital during the period	Balance as at March 31, 2025
35,000	**-**	**35,000**

B. OTHER EQUITY

Amount in EUR

	Reserves and surplus	
	Retained earnings	Total equity
Balance as at April 1, 2023	429,723	429,723
Profit for the year	75,510	75,510
Balance as at March 31, 2024	505,232	505,232
Profit for the year	**1,331,057**	**1,331,057**
Balance as at March 31, 2025	**1,836,289**	**1,836,289**
NOTES FORMING PART OF THE FINANCIAL STATEMENTS 1-17		

As per our report of even date attached

For **KBJ & Associates**
Chartered Accountants
Firm registration no.114934W

Kaushik B. Joshi
Proprietor
Membership number : 48889

Mumbai
Date: 30 April, 2025

For and on behalf of the Board of Directors of
Tata Consultancy Services Osterreich GmbH

Rabindran Vennimalai
Director
Amsterdam, Netherland

Sapthagiri Chapalapalli
Director
Frankfurt, Germany

Back to content

Statement of Cash Flows

Amount in EUR

	Year ended March 31, 2025	Year ended March 31, 2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/ (loss) for the year	**1,331,057**	75,510
Adjustments to reconcile profit and loss to net cash provided by operating activities		
Depreciation expense	**190,969**	52,157
Tax Expense	**392,745**	24,851
Finance Costs	**15**	108
Interest on bank overdrafts and loans	**2,527**	8,507
Loss on sale of asset	**-**	509
Unrealised exchange gain	**(1,433)**	839
Operating Profit/(Loss) before working capital changes	**1,915,880**	162,482
Net change in		
Trade receivables	**(132,279)**	1,321,393
Unbilled receivables	**250,832**	(1,254,052)
Other assets	**104,808**	104,883
Loans receivables	**29,569**	(1,011)
Other financial assets	**6,086**	594
Trade payables	**(1,624,934)**	(828,264)
Other financial liabilities	**(110,162)**	56,777
Unearned and deferred revenues	**(417,233)**	237,264
Employee benefit obligations	**26,653**	24,866
Other liabilities and provisions	**32,636**	(60,461)
Cash generated (used) from operations	**81,855**	(235,528)
Taxes paid (net of refund)	**4,740**	(8,833)
Net cash generated (used) in operating activities	**86,595**	(244,361)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for purchase of property and equipment	**(12,399)**	(218,421)
Net cash used in investing activities	**(12,399)**	(218,421)
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest Received	**(2,527)**	(8,507)
Repayment of lease liabilities	**(4,660)**	(9,243)
Repayment of lease Interest	**(15)**	(108)
Net cash used in financing activities	**(7,202)**	(17,858)
Net change in cash and cash equivalents	**66,994**	(480,641)
Cash and cash equivalents at the beginning of the year	**695,195**	1,176,675
Exchange difference on translation of foreign currency cash and cash equivalents	**1,433**	(839)
Cash and cash equivalents, as at the end of the year (Refer Note 6 (b))	**763,623**	695,195
NOTES FORMING PART OF THE FINANCIAL STATEMENTS 1-17		

As per our report of even date attached.

For **KBJ & Associates**
Chartered Accountants
Firm registration no.114934W

Kaushik B. Joshi
Proprietor
Membership number : 48889

Mumbai
Date: 30 April, 2025

For and on behalf of the Board of Directors of
Tata Consultancy Services Osterreich GmbH

Rabindran Vennimalai
Director
Amsterdam, Netherland

Sapthagiri Chapalapalli
Director
Frankfurt, Germany

Back to content

Notes forming part of the Financial Statements

1. Corporate information

Tata Consultancy Services Osterreich GmbH is into business of providing a wide range of information technology and consultancy services.

The Company is incorporated in Austria. The address is Orbi Tower, Thomas Klestil-Platz 13, 1030 Wien, Austria. Tata Consultancy Services Netherlands B.V, the holding Company owned 100% of the Company's equity share capital.

2. Statement of compliance

This special purpose financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time for sole purpose of inclusion for Tata Consultancy Services Limited (Intermediate Holding Company) under the requirement of Section 129(3) of the Companies Act, 2013 ('the Act').

3. Basis of preparation

These financial statements have been prepared on the historical cost basis, except for certain financial instruments, which are measured at fair values or amortised cost at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for 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. All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle. Based on the nature of services rendered to customer and time elapsed between deployment of resources and realisation in cash and cash equivalents of the consideration for such a services rendered, the Company has considered an operating cycle of 12 months.

The statement of cash flows have been prepared under indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value to be cash equivalents.

These financial statements have been presented in EURO which is the functional currency of the Company. The functional currency is the currency of the primary economic environment in which the Company operates.

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and restatement of foreign currency denominated monetary assets and liabilities are recognised in the statement of profit and loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

The significant accounting policies used in preparation of the standalone financial statements have been discussed in the respective notes.

4. Use of estimates and judgements

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The Company uses the following critical accounting estimates in preparation of its financial statements:

a. Revenue recognition

- The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to

Notes forming part of the Financial Statements

determine the deliverables and the ability of the customer to benefit independently from such deliverables.

- Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.
- The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.
- Revenue for fixed-price contracts are recognised using percentage-of-completion method. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.

b. Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

c. Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

d. Provision for income tax and deferred tax assets

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

e. Provisions and contingent liabilities

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Company uses significant judgements to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

Notes forming part of the Financial Statements

f. Employee benefits

All the employees of the Company have been seconded from the holding Company. The costs relating to the employee cost is reimbursed to the holding Company which is including the retirement cost as applicable to such seconded employees. Hence no separate actuarial valuation is required to be done by the Company.

g. Lease

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

5. Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

6. Financial assets, financial liabilities and equity instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and 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 measured on initial recognition of financial asset or financial liability.

The Company derecognises a financial asset only 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 asset to another entity. The Company derecognises a financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets amortised cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Notes forming part of the Financial Statements

The Company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in other comprehensive income.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit and loss are immediately recognised in statement of profit and loss.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received net of direct issue cost.

Impairment of financial assets (other than at fair value)

The Company assesses at each date of Balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, the Company recognises lifetime expected losses for all contract assets and/or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

a. Trade Receivables

Trade receivables (unsecured) consist of following:

Amount in EUR

Trade Receivable - Current	As at March 31, 2025	As at March 31, 2024
Considered Good	**3,887,741**	3,755,462
	3,887,741	3,755,462

Above balances of trade receivables includes balance with related parties (Refer Note 17)

Ageing for trade receivables - current outstanding as at March 31, 2025 is as follows:

Amount in EUR

Outstanding for following periods from due date of payment						
Particulars	**Not due**	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed trade receivables - considered good	**3,369,688**	**513,962**	**-**	**4,090**	**-**	**3,887,741**
	3,369,688	**513,962**	**-**	**4,090**	**-**	**3,887,741**
Less: Allowance for doubtful trade receivables - billed						**-**
						3,887,741
Trade Receivables - unbilled						**1,027,217**
						4,914,958

Notes forming part of the Financial Statements

Ageing for trade receivables current outstanding as at March 31, 2024 is as follows:

Amount in EUR

Outstanding for following periods from due date of payment						
Particulars	**Not due**	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed trade receivables - considered good	2,422,285	1,329,087	4,090	-	-	3,755,462
	2,422,285	1,329,087	4,090	-	-	3,755,462
Less: Allowance for doubtful trade receivables - billed						-
						3,755,462
Trade Receivables - unbilled						1,278,049
						5,033,511

Other financial assets

b. Cash and cash equivalents

Cash and cash equivalents consist of the following:

Amount in EUR

	As at March 31, 2025	**As at March 31, 2024**
Balances with banks In current accounts		
- In current accounts	**763,623**	695,196
	763,623	695,196

c. Loans receivables

Loans receivables (unsecured) consist of the following:

Loan receivables - current

Amount in EUR

	As at March 31, 2025	**As at March 31, 2024**
Considered Good		
Loans and advances to employees	**9,775**	39,344
	9,775	39,344

d. Other financial assets

Other financial assets consist of the following:

Other financial assets – Non- current

Amount in EUR

	As at March 31, 2025	**As at March 31, 2024**
Security deposits	**-**	4,680
	-	4,680

Notes forming part of the Financial Statements

Other financial assets - Current

Amount in EUR

	As at March 31, 2025	As at March 31, 2024
Others	**111**	1,516
Security deposits	**10,226**	10,226
	10,337	11,742

e. Trade payables

Trade payables consist of the following:

Amount in EUR

	As at March 31, 2025	As at March 31, 2024
Accrued expenses	**1,316,308**	1,323,592
Trade and other payables	**1,636,081**	3,253,731
	2,952,389	4,577,323

Above balances of trade payables includes balance with related parties (Refer Note 17)

Ageing for trade payable - current outstanding as at March 31, 2025 is as follows:

Amount in EUR

Outstanding for following periods from due date of payment						
Particulars	**Not due**	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Others	**1,653,592**	**17,512**	**-**	**-**	**-**	**1,671,104**
	1,653,592	**17,512**	**-**	**-**	**-**	**1,671,104**
Less: Allowance for doubtful trade payable						**-**
						1,671,104
Accrued expenses						**1,316,308**
						2,952,389

Ageing for trade payable - current outstanding as at March 31, 2024 is as follows:

Amount in EUR

Outstanding for following periods from due date of payment						
Particulars	**Not due**	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Others	3,002,906	250,825	-	-	-	3,253,731
	3,002,906	250,825	-	-	-	3,253,731
Less: Allowance for doubtful trade payable						-
						3,253,731
Accrued expenses						1,323,592
						4,577,323

Notes forming part of the Financial Statements

f. Other financial liabilities

Other financial liabilities consist of the following:

Other financial liabilities – Current

Amount in EUR

	As at March 31, 2025	As at March 31, 2024
Accrued Payroll	**122,123**	231,867
Others	**1,201**	1,619
Capital creditors	**6,907**	16,505
	130,231	249,991

g. Financial instruments by category

The carrying value of financial instruments by categories as of March 31, 2025 is as follows:

Amount in EUR

	Amortised cost	Amortised cost
Financial assets		
Cash and cash equivalents	**763,623**	**695,196**
Trade receivables	**3,887,741**	**3,755,462**
Unbilled receivables	**1,027,217**	**1,278,049**
Loans receivables	**9,775**	**39,344**
Other financial assets	**10,337**	**16,422**
Total	**5,698,692**	**5,784,473**
Financial liabilities		
Trade payables	**2,952,389**	**4,577,323**
Lease liabilities	**-**	**4,660**
Other financial liabilities	**130,231**	**249,991**
Total	**3,082,620**	**4,831,974**

The carrying value of financial instruments by categories as of March 31, 2024 is as follows:

Amount in EUR

	Amortised cost	Total carrying value
Financial assets		
Cash and cash equivalents	695,196	695,196
Trade receivables	3,755,462	3,755,462
Unbilled revenues	1,278,049	1,278,049
Loans receivables	39,344	39,344
Other financial assets	16,422	16,422
Total	5,784,473	5,784,473
Financial liabilities		
Trade payables	4,577,323	4,577,323
Lease liabilities	4,660	4,660
Other financial liabilities	249,991	249,991
Total	4,831,974	4,831,974

Notes forming part of the Financial Statements

Carrying amounts of cash and cash equivalents, trade receivables, unbilled receivables, loans receivables and trade payables as at March 31, 2025 and March 31, 2024 approximate the fair value. Difference between carrying amounts and fair values of bank deposits, earmarked balances with banks, other financial assets and other financial liabilities subsequently measured at amortised cost is not significant in each of the periods presented. Fair value measurement of lease liabilities is not required.

h. 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 consist 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 are no financial liabilities or assets measured at fair value at the end of each reporting period.

i. Financial risk management

The Company is exposed primarily to fluctuations in foreign currency exchange rates, credit, liquidity and interest rate risks, which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which covers risks associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors. The focus of the risk management committee is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the Company.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

- ***Foreign currency exchange rate risk***

  The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit and loss, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the Company.

  Considering the countries and economic environment in which the Company operates, its operations are subject to risk arising from fluctations in exchange rates in those countries.

  The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. Its hedges a part of these risks by using derivative financial instruments in line with its risk management policies.

  The foreign exchange rate sensitivity is calculated by aggregation of net foreign exchange rate exposure and a simultaneous parallel foreign exchange rates shift of all currencies by 10% against the functional currency of the Company.

  The following analysis has been worked out based on the net exposures of the Company as of the date of balance sheet which could affect the statements of profit and loss and equity.

Notes forming part of the Financial Statements

The following table sets forth information relating to unhedged foreign currency exposure as of March 31, 2025

Amount in EUR)

	USD	SEK	CHF	HUF	DKK	NOK
Net financial assets	**153,988**	**-**	**63,872**	**-**	**-**	**-**
Net financial liabilities	**447**	**5,865**	**3,046,283**	**244**	**5,314**	**-**

10% appreciation / depreciation of the functional currency of the Company with respect to various foreign currencies would result in increase / decrease in the Company's profit before taxes by approximately EUR 28,40,294 for the year ended March 31, 2025.

The following table sets forth information relating to unhedged foreign currency exposure as of March 31, 2024

Amount in EUR)

	USD	SEK	CHF	HUF	DKK	NOK
Net financial assets	21,773	695,196	25,110	-	-	-
Net financial liabilities	10,627	3,752	5,693	102	1,680	141

10% appreciation / depreciation of the functional currency of the Company with respect to various foreign currencies would result in increase / decrease in the Company's profit before taxes by approximately EUR 72,008 for the year ended March 31, 2024.

- ***Interest rate risk***

  The Company is not exposed to interest rate risk.

Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, unbilled receivables (PY unbilled revenue), investments, cash and cash equivalents, bank deposits and other financial assets. None of the other financial instruments of the Company result in material concentration of credit risk.

- ***Exposure to credit risk***

  The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was EUR 56,88,917 as of March 31, 2025 and EUR 57,45,128 March 31, 2024, respectively, being the total of the carrying amount of balances with banks, trade receivables, unbilled receivables and other financial assets excluding equity & loans.

- ***Trade Receivables and Contract Assets***

  The entity's exposure to credit risk with regards to trade receivables and contract assets is influenced mainly by the individual characteristics of each customer in relation to the industry practices and business environment in which they operate. The entity limits its exposure to credit risk from trade receivables by establishing a maximum payment period of 365 days for its customers after which they are in default (credit impaired). To manage this risk, the Company has a robust Credit Management process in place. The Company has adopted a policy of dealing only with creditworthy counterparties. The Company's exposure of the counterparties is continuously monitored and necessary changes to the credit terms are made. The carrying amounts of financial assets represent the maximum credit risk exposure. None of the customer balances have been written off and no customer balances have been credit impaired at the reporting date.

Notes forming part of the Financial Statements

The following customers form more than 10% of outstanding trade receivable and unbilled receivables (PY Unbilled revenue) as at March 31, 2025 and March 31, 2024 are as follows.

Amount in EUR

	As at March 31,2025		As at March 31, 2024	
	Total Trade receivables and Unbilled revenue	Percentage	Total Trade receivables and Unbilled revenue	Percentage
Customer A	**39,56,623**	**81%**	21,82,449	43%
Customer B	**3,49,942**	**7%**	8,65,205	17%
Customer C	**1,12,566**	**2%**	3,40,109	27%

Company's cash and cash equivalents, trade receivables, unbilled receivables (PY unbilled revenue), short-term loans and other financial assets are substantially held in Austria.

- ***Geographic concentration of credit risk***

  The Company is not exposed to the risk as the customer base of Company is concentrated in Austria.

Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company consistently generated sufficient cash flows from operations to meet its financial obligations as and when they fall due.

The tables below provide details regarding the contractual maturities of significant financial liabilities as of:

Amount in EUR

As at March, 31 2025	Due in 1st year	Due in 2nd year	Total
Non-derivative financial liabilities:			
Trade payables	**2,952,389**		**2,952,389**
Other financial liabilities	**130,231**		**130,231**
Total	**3,082,620**	**-**	**3,082,620**

Amount in EUR

As at March, 31 2024	Due in 1st year	Due in 2nd year	Total
Non-derivative financial liabilities:			
Trade payables	4,577,323	-	4,577,323
Lease Liability	4,660	4,660	9,320
Other financial liabilities	249,991	-	249,991
Total	4,831,974	4,660	4,836,634

Other risk

Financial assets of EUR 7,63,622 as at March 31,2025 (PY: EUR 6,95,196 as at March 31,2024) carried at amortised cost is in the form of cash and cash equivalents, where the Company has assessed the counterparty credit risk. Trade receivables of EUR 38,87,740 as at March 31, 2024 (PY:EUR 37,55,462 as at March 31, 2024) forms a significant part of the financial assets carried at amortised cost, which is valued considering provision for allowance using expected credit loss method. The Company has specifically evaluated the potential impact with respect to customers in Retail, Manufacturing and Energy verticals which could have an immediate impact and the rest which could have an impact with a lag. The Company closely monitors its customers who are going

Notes forming part of the Financial Statements

through financial stress and assesses actions such as change in payment terms, discounting of receivables with institutions on no-recourse basis, recognition of revenue on collection basis etc., depending on severity of each case. The same assessment is done in respect of unbilled receivables EUR 1,027,217 as at March 31, 2025 (EUR 1,278,049 as at March 31, 2024) while arriving at the level of provision that is required.

j. Equity instruments

Amount in EUR

	As at March 31, 2025	As at March 31, 2024
Authorised :		
Equity share capital	**35,000**	35,000
(Share Capital of EUR 35000, PY EUR 35000)		
	35,000	35,000
Issued, subscribed and		
Equity share capital	**35,000**	35,000
(Share Capital of EUR 35000, PY EUR 35000)		
	35,000	35,000

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. The Company is not subject to any externally imposed capital requirements.

i. Reconciliation

Amount in EUR

	As at March 31, 2025	As at March 31, 2024
Equity shares		
Opening balance	**35,000**	35,000
Closing balance	**35,000**	35,000

* The Company does not have number of equity shares.

ii. Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares which is an 100% investment by TCS Netherlands. Since TCS Netherlands is the only shareholder for the Company, TCS Netherlands carry a right to dividend and also in the event of liquidation, TCS Netherlands is eligible to receive the remaining assets of the Company.

iii. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Amount in EUR

	As at March 31, 2025	As at March 31, 2024
Equity Shares		
TCS Netherlands NV (Holding Company)	**35,000**	35,000
% Holding in class	**100%**	100%

Notes forming part of the Financial Statements

iv. Disclosure of shareholding promoters

Amount in EUR

Disclosure of shareholding of promoters as at March 31st 2025 is as follows:					
Shares Held by Promoters					
	As at March 31, 2025		As at March 31, 2024		% Change During the year
Promoter name	Number of Shares	%of Total Shares	Number of Shares	%of Total Shares	
TCS Netherlands NV	**35,000**	**100%**	35,000	100%	**0%**
Total	**35,000**	**100%**	35,000	100%	**0%**

Amount in EUR

Disclosure of shareholding of promoters as at March 31st 2024 is as follows:					
Shares Held by Promoters					
	As at March 31, 2024		As at March 31, 2023		% Change During the year
Promoter name	Number of Shares	%of Total Shares	Number of Shares	%of Total Shares	
TCS Netherlands NV	35,000	100%	35,000	100%	**0%**
Total	35,000	100%	35,000	100%	**0%**

7. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability

Notes forming part of the Financial Statements

due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

The details of the right-of-use asset held by the Company is as follows:

Amount in EUR

	Additions for the year ended March 31, 2025	Net carrying amount as at March 31, 2025
Leasehold building	-	-
Leased Motor Cars	-	-
Total	-	-

The details of the right-of-use asset held by the Company is as follows:

Amount in EUR

	Additions for the year ended March 31, 2024	Net carrying amount as at March 31, 2024
Leasehold building	-	-
Leased Motor Cars	-	-
Total	-	-

Depreciation on right-of-use asset is as follows:

Amount in EUR

	Year ended March 31, 2025	Year ended March 31, 2024
Leasehold building	-	-
Leased Motor Cars	**(4,407)**	(9,141)
Total	**(4,407)**	(9,141)

Interest on lease liabilities is EUR 15 for the year ended on March 31, 2025 and EUR 108 for the year ended on March 31, 2024.

Lease contracts entered by the Company majorly pertains for motor cars taken on lease to conduct its business in the ordinary course. The Company does not have any lease restrictions and commitment towards variable rent as per the contract.

8. Non-financial assets and non-financial liabilities

a. Property, plant and equipment

Property, plant and equipment are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use, less accumulated depreciation (other than freehold land) and impairment loss, if any.

Depreciation is provided for property, plant and equipment on a straight line basis so as to expense the cost less residual value over their estimated useful lives based on a technical evaluation. The estimated useful lives and

Notes forming part of the Financial Statements

residual value are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

The estimated useful lives are as mentioned below:

Type of asset	Useful lives
Computer equipment	4 years

Depreciation is not recorded on capital work-in-progress until construction and installation is complete and the asset is ready for its intended use.

Property, plant and equipment with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

Property, plant and equipment consist of the following:

Amount in EUR

	Computer equipment
Cost as at April 1, 2024	**229,485**
Additions	**12,399**
Disposals	
Cost as at March 31, 2025	**241,884**
Accumulated depreciation as at April 1, 2024	**(52,171)**
Depreciation for the year *	**(186,561)**
Accumulated depreciation as at March 31, 2025	**(238,732)**
Net Carrying amount as at March 31, 2025	**3,152**

* Includes EUR 1,33,722. 90 towards accelaerated depreaciation being 100% of remaining depreciation on certain Computer Equipments purchased for specific projects where the period of the project is less than 4 years . Same have been depriciated over the period of respective projects.

Property, plant and equipment consist of the following:

Amount in EUR

	Computer equipment
Cost as at April 1, 2023	12,284
Additions	218,421
Disposals	(1,220)
Cost as at March 31, 2024	229,485
Accumulated depreciation as at April 1, 2023	(9,867)
Depreciation for the year	(42,304)
Accumulated depreciation as at March 31, 2024	(52,171)
Net Carrying amount as at March 31, 2024	177,314

Notes forming part of the Financial Statements

b. Capital Work In Progress as at March 31, 2025

Capital Work in Progress	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
	6,907	**-**	**-**	**-**	**6,907**
	-	**-**	**-**	**-**	**-**
	6,907	**-**	**-**	**-**	**6,907**

Capital Work In Progress as at March 31, 2024

Capital Work in Progress	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
	16,505	-	-	-	16,505
	-	-	-	-	-
	16,505	-	-	-	16,505

c. Other assets

Other assets consist of the following:

Amount in EUR

Other assets – Current	As at March 31, 2025	As at March 31, 2024
Considered Good		
Prepaid expenses	**487,473**	592,281
	487,473	592,281

d. Other liabilities

Other liabilities consist of the following:

Amount in EUR

Other liabilities - Current	As at March 31, 2025	As at March 31, 2024
Indirect tax payable and other statutory liabilities	**590,338**	557,702
	590,338	557,702

9. OTHER EQUITY

Other equity consist of the following:

Amount in EUR

	As at March 31, 2025	As at March 31, 2024
Retained earnings		
Opening balance	**505,233**	429,723
Profit/(Loss) for the year	**1,331,057**	75,510
	1,836,290	505,233

Back to content

Notes forming part of the Financial Statements

10. Revenue recognition

The Company earns revenue primarily from providing information technology, consultancy services and business solutions for its customers. The Company offers a consulting-led, integrated portfolio of IT, business and engineering services and solutions.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the entity expects to receive in exchange for those products or services.

- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.
- In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract cost incurred determining the degree of completion of the performance obligation. The contract cost used in computing the revenues include cost of fulfilling warranty obligations.
- Revenue from the sale of distinct internally developed software and manufactured systems and third party software is recognised upfront at the point in time when the system / software is delivered to the customer. In cases where implementation and / or customisation services rendered significantly modifies or customises the software, these services and software are accounted for as a single performance obligation and revenue is recognised over time on a POC method.
- Revenue from the sale of distinct third party hardware is recognised at the point in time when control is transferred to the customer.
- The solutions offered by the Company may include supply of third-party equipment or software. In such cases, revenue for supply of such third party products are recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent of the customer. The Company recognises revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Revenue from subsidiaries is recognised based on transaction price which is at arm's length.

Contract fulfilment costs are generally expensed as incurred except for certain software licence costs which meet the criteria for capitalisation. Such costs are amortised over the contractual period or useful life of licence whichever is less. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

In accordance with Ind AS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Company disaggregates revenue from contracts with customers by industry verticals, geography and nature of services.

Notes forming part of the Financial Statements

Revenue disaggregation by nature of services is as follows:

Amount in EUR

	Year ended March 31, 2025	Year ended March 31, 2024
Consultancy services	**20,927,794**	11,849,838
Total	**20,927,794**	11,849,838

Revenue disaggregation by industry vertical is as follows:

Amount in EUR

Industry Vertical	Year ended March 31, 2025	Year ended March 31, 2024
Banking, Financial Services and Insurance	**4,660,166**	6,314,093
Manufacturing	**13,944,209**	2,856,512
Communication, Media and Technology	**299,719**	105,336
Energy & Utilities	**1,935,519**	2,431,159
Others	**88,182**	142,738
	20,927,794	11,849,838

Revenue disaggregation by geography is as follows:

Amount in EUR

Geography	Year ended March 31, 2025	Year ended March 31, 2024
Europe	**20,927,794**	11,849,838
	20,927,794	11,849,838

Geographical revenue is allocated based on the location of the customers.

Information about major customers:

UniCredit Services GmbH represents 10% or more of the Company's total revenue during the year ended March 31, 2025 and March 31, 2024.

While disclosing the aggregate amount of transaction price yet to be recognized as revenue towards unsatisfied or partially satisfied performance obligations, along with the broad time band for the expected time to recognize those revenues, the Company has applied the practical expedient in Ind AS 115. Accordingly, the Company has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognized corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts.

Unsatisfied (or partially satisfied) performance obligations are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc). The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is EUR 286,60,285 out of which 82.87% is expected to be recognized as revenue within the next year and the balance thereafter. No consideration from contracts with customers is excluded from the amount mentioned above.

Notes forming part of the Financial Statements

Changes in Contract assets are as follows :

Amount in EUR

	Year ended March 31, 2025	Year ended March 31, 2024
Balance at the beginning of the year	**1,268,447**	314,197
Revenue recognised during the year	**1,027,217**	1,268,447
Invoices raised during the year	**(1,268,447)**	(314,197)
Balance at the end of the year	**1,027,217**	1,268,447

Changes in Unearned and deferred revenue are as follows :

Amount in EUR

	Year ended March 31, 2025	Year ended March 31, 2024
Balance at the beginning of the year	**(644,040)**	(406,777)
Revenue recognised that was included in the unearned and deferred revenue at the beginning of the year	**644,040**	406,777
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	**(226,808)**	(644,041)
Balance at the end of the year	**(226,808)**	(644,040)

Reconciliation of revenue recognized with the Contracted price is as follows :

Amount in EUR

	Year ended March 31, 2025	Year ended March 31, 2024
Contracted price	**20,927,794**	11,849,838
Revenue recognised	**20,927,794**	11,849,838

11. Other Income

Other Income consist of the following:

EUR

	Year ended March 31, 2025	Year ended March 31, 2024
Net foreign exchange gains/(loss)	**(3,918)**	(492)
Other income	**20,801**	23,474
Interest income	**2,527**	8,507
	19,410	31,490

12. Employee benefits

Defined contribution plans

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits.

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the period in which the

Notes forming part of the Financial Statements

employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Compensated absences

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as undiscounted liability at the balance sheet date. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date.

Employee benefit expenses consist of the following:

Amount in EUR

	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, incentives and allowances	**1,136,944**	914,273
Contributions to Retirement funds	**102,108**	85,362
Staff welfare expenses	**29,104**	19,414
	1,268,157	1,019,049

Employee benefit obligations consist of the following:

Amount in EUR

Employee benefit obligations – Current	Year ended March 31, 2025	Year ended March 31, 2024
Other employee benefit obligations	**63,692**	37,038
	63,692	37,038

13. Cost recognition

Costs and expenses are recognised when incurred and have been classified according to their nature.

The costs of the Company are broadly categorised in employee benefit expenses, cost of equipment and software licenses, depreciation and amortisation expense and other expenses. Other expenses mainly include fees to external consultants, facility expenses, travel expenses, communication expenses, bad debts and advances written off, allowance for doubtful trade receivable and advances (net) and other expenses. Other expenses is an aggregation of costs which are individually not material such as commission and brokerage, recruitment and training, entertainment, etc.

a. Other expenses

Other expenses consist of the following:

Amount in EUR

	Year ended March 31, 2025	Year ended March 31, 2024
Fees to external consultants (including subcontractor cost)*	**896,614**	2,315,390
Project expenses	**16,295,802**	8,010,723
Facility expenses	**66,986**	64,331
Travel expenses	**27,498**	25,558
Communication expenses	**1,846**	1,584
Other expenses	**475,515**	292,067
	17,764,261	10,709,653

* Including cost of personnel on deputation from TCS.

Notes forming part of the Financial Statements

14. FINANCE COSTS

Finance costs consist of the following:

Amount in EUR

	Year ended March 31, 2025	Year ended March 31, 2024
Interest on lease liabilities	**15**	108
	15	108

15. Income Taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current income taxes

The current income tax expense for the entity has been computed based on the tax laws applicable in the jurisdiction in which it operates.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction provided the Company has a legally enforceable right to set off the recognised amounts and intends to settle the asset and liability on a net basis.

Deferred income taxes

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the 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 or loss at the time of the transaction.

Deferred income tax asset are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

The Company recognises interest levied and penalties related to income tax assessments in income tax expenses.

The Income-tax expenses consist of the following:

Amount in EUR

	Year ended March 31, 2025	Year ended March 31, 2024
Current tax		
Current tax expense for current year	**16,328**	-
Current tax benefit pertaining to prior years	**(3,330)**	28,824
	12,998	28,824
Deferred tax		
Deferred tax (benefit)/ expense for current year	**379,747**	(3,973)
Deferred tax (benefit)/ expense pertaining to prior years	**-**	-
	379,747	(3,973)
Total income tax expense recognised in current year	**392,745**	24,851

Notes forming part of the Financial Statements

The reconciliation of estimated income-tax expenses at statutory income tax rate to the income tax expenses reported in the statement of profit and loss is as follows:

Amount in EUR

	Year ended March 31, 2025	Year ended March 31, 2024
Profit/(Loss) before taxes	**1,723,802**	100,361
Enacted Income tax rate in Osterreich	**23.00%**	0
Expected Income tax expense	**396,475**	23,083
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Deferred tax adjustment of PY accounted in CY	**(3,730)**	1,768
Tax pertaining to prior years	**-**	-
	392,745	24,851

The tax rates under TCS Osterreich Income Tax Act, for the year ended March 31, 2025 and March 31, 2024 is 23% and 23% respectively.

Significant components of net deferred tax assets and deferred tax liabilities for the year ended March 31, 2024 are as follows:

As at March 31, 2025

Amount in EUR

Particulars	Opening balance	Recognised in profit or loss	Recognised in retained earning	Closing balance
Deferred tax assets/ (liabilities) in relation to				
Accumulated Losses	**55,188**	**(379,747)**	**-**	**(324,559)**
Total deferred tax assets/ (liabilities)	**55,188**	**(379,747)**	**-**	**(324,559)**

Gross deferred tax assets and liabilities are as follows:

Amount in EUR

As at March 31, 2024	Assets	Liabilities	Net
Deferred tax assets/ (liabilities) in relation to			
Others	**76,934**	**(401,492)**	**(324,559)**
Total deferred tax assets/ (liabilities)	**76,934**	**(401,492)**	**(324,559)**

As at March 31, 2024

Amount in EUR

Particulars	Opening balance	Recognised in profit or loss	Recognised in retained earning	Closing balance
Deferred tax assets/ (liabilities) in relation to				
Accumulated Losses	51,216	3,972	-	55,188
Total deferred tax assets/ (liabilities)	51,216	3,972	-	55,188

Gross deferred tax assets and liabilities are as follows:

Notes forming part of the Financial Statements

Amount in EUR

As at March 31, 2024	Assets	Liabilities	Net
Deferred tax assets/ (liabilities) in relation to			
Others	126,533	(71,344)	55,188
Total deferred tax assets/ (liabilities)	126,533	(71,344)	55,188

16. SEGMENT INFORMATION

The Company publishes the standalone financial statements of the Company along with the consolidated financial statements. In accordance with Ind AS 108, Operating Segments, the Company has disclosed the segment information in the consolidated financial statements.

17. RELATED PARTY TRANSACTIONS

Tata Consultancy Services Osterreich GmbH's principal related parties consist of its holding Company Tata Consultancy Services Netherlands BV, intermediate holding Company Tata Consultancy Services Limited and ultimate holding Company Tata Sons Private Limited. Company routinely enters into transactions with its related parties in the ordinary course of business.

Transactions with related parties are as follows:

Amount in EUR

	Year ended March 31, 2025			
	Tata Sons Private Limited	Tata Consultancy Services (TCS) limited	Subsidiaries of TCS	Total
Revenue	-	-	812,019	812,019
Purchases of goods and services (including reimbursement)	-	12,323,863	3,978,122	16,301,985
Cost Recovery	-	484,219	246,993	731,212
Brand equity contribution	50,289	-	-	50,289
Total	50,289	12,808,082	5,037,134	17,895,505

Amount in EUR

	Year ended March 31, 2024			
	Tata Sons Private Limited	Tata Consultancy Services (TCS) limited	Subsidiaries of TCS	Total
Revenue	-	-	862,079	862,079
Purchases of goods and services (including reimbursement)	-	5,713,908	2,298,715	8,012,623
Brand equity contribution	-			-
Cost Recovery	-	113,885	120,128	234,013
Brand equity contribution	27,469	-	-	27,469
Total	27,469	5,827,793	3,280,922	9,136,184

Notes forming part of the Financial Statements

Balance Receivable from related parties are as follows:

Amount in EUR

	Year ended March 31, 2025			
	Tata Sons Private Limited	Tata Consultancy Services (TCS) limited	Subsidiaries of TCS	Total
Trade receivables and unbilled receivables (net)		**44,929**	**279,165**	**324,094**
Loans Receivable, other financial assets and other assets	**-**	**1,142,248**	**625,226**	**1,767,475**
Total	**-**	**1,187,177**	**904,391**	**2,091,568**

Amount in EUR

	Year ended March 31, 2024			
	Tata Sons Private Limited	Tata Consultancy Services (TCS) limited	Subsidiaries of TCS	Total
Trade receivables and unbilled receivables (net)	-	6,01,673	3,42,354	9,44,026
Loans Receivable, other financial assets and other assets	-	-	-	-
Total	-	6,01,673	3,42,354	9,44,026

Balance Payable to related parties are as follows:

Amount in EUR

	Year ended March 31, 2025			
	Tata Sons Private Limited	Tata Consultancy Services (TCS) limited	Subsidiaries of TCS	Total
Trade payables, unearned and deferred revenue and Other liabilities	**-**	**5,84,558**	**9,79,082**	**15,63,640**
Commitments	**-**	**111**	**754**	**865**
Total	**-**	**5,84,669**	**9,79,836**	**15,64,505**

Notes forming part of the Financial Statements

Amount in EUR

	Year ended March 31, 2024			
	Tata Sons Private Limited	Tata Consultancy Services (TCS) limited	Subsidiaries of TCS	Total
Trade payables, unearned and deferred revenue and Other liabilities	-	1,971,532	920,672	2,892,204
Commitments	-	1,516	(104)	1,412
Total	-	1,973,048	920,568	2,893,617

As per our report of even date attached

For **KBJ & Associates**
Chartered Accountants
Firm registration no.114934W

Kaushik B. Joshi
Proprietor
Membership number : 48889

Mumbai
Date:30 April, 2025

For and on behalf of the Board of Directors of
Tata Consultancy Services Osterreich GmbH

Rabindran Vennimalai
Director
Amsterdam, Netherland

Sapthagiri Chapalapalli
Director
Frankfurt, Germany

TATA CONSULTANCY SERVICES FRANCE

Public Limited Company

Annual Report and Financial Statements

For the year ended
March 31, 2025

The English language text below is a translation provided for information purposes only. The original French text shall prevail in the event of any discrepancies between the English translation and the French original.

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

CONTENTS **PAGE**

Statutory Auditor's Report	34.2
Balance Sheet	34.5
Statement of Profit and Loss	34.6
Note forming part of the financial statements	34.7

Back to main content

Auditors' report on the financial statements

This is a translation into English of the statutory auditor's report on the financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.

This statutory auditor's report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

TATA CONSULTANCY SERVICES FRANCE S.A.

1, Terrasse Bellini - 92919 LA DEFENSE CEDEX

Statutory Auditors' report on the financial statements

For the year ended March 31, 2025

To the annual general meeting of Tata Consultancy Services France S.A.,

Opinion

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying financial statements of Tata Consultancy Services France S.A. for the year ended March 31, 2025.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at March 31, 2025 and of the results of its operations for the year then ended in accordance with French accounting principles.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (code de commerce) and the French Code of Ethics (code de déontologie) for statutory auditors rules applicable to us, for the period from April 1, 2024 to the date of our report.

Justification of Assessments

In accordance with the requirements of Articles L.821-53 and R.821-180 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the following matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Your company performs an impairment test on goodwill as described in notes « V. Principes comptables – Méthodes d'évaluation » and « V.1 Immobilisations incorporelles » to the financial statements. Our work consisted in assessing the reasonableness of data and assumptions on which estimates are based and reviewing the calculations made by the Company.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French laws and regulations.

Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to the Shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the other documents with respect to the financial position and the financial statements provided to the Shareholders.

We attest the fair presentation and the consistency with the financial statements of the information relating to payment terms, required under Article D.441-6 of the French Commercial Code (Code de commerce).

In accordance with French law, we report to you that the non-financial statement provided for in article L.225-102-1 of the French Commercial Code (Code de commerce) is not included in the management report and that the Company has not designated an independent third party to perform such procedures.

Report on Corporate governance

We attest that the Board of Directors' report on corporate governance sets out the information required by Article L.225-37-4 of the French Commercial Code.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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 it is expected to liquidate the Company or to cease operations.

The financial statements were approved by the Board of Directors.

Statutory Auditor's Responsibilities for the Audit of the Financial Statements

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards 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 financial statements.

As specified in Article L.821-55 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his 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.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements.

- Assesses 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. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Paris la Défense, 30 April 2025
KPMG S.A.
French original signed by Guillaume Salommez

Balance Sheet

Financial Statement (Thousands of Euro)

(EURO in Thousand)

ASSETS	As at March 31, 2025			As at March 31, 2024
CAPITAL SUBSCRIBED & UNCALLED				
FIXED ASSETS				
Intangible assets	**57,756**	**(1,113)**	**56,643**	56,648
Tangible assets	**12,124**	**(7,450)**	**4,674**	4,133
Financial assets	**2,052**		**2,052**	1,913
TOTAL I	**71,932**	**(8,563)**	**63,370**	62,695
CURRENT ASSETS				
Trade receivables	**133,124**	**(10)**	**133,114**	139,115
Other receivables	**7,117**	**(124)**	**6,994**	8,076
Investments in securities	**24,999**		**24,999**	15,739
Liquid assets	**812**		**812**	2,100
TOTAL II	**166,052**	**(134)**	**165,918**	165,031
PREPAID EXPENSES				
Deferred charges	**17,073**		**17,073**	21,941
Conversion adjustment - assets	**32**		**32**	23
TOTAL ASSETS	**255,089**	**(8,696)**	**246,393**	249,689

LIABILITIES	As at March 31, 2025	As at March 31, 2024
EQUITY		
Registered capital	**446**	446
Merger, issue and contribution premiums	**2,822**	2,822
Reserves	**10,692**	10,692
Carry forward	**(11,453)**	(16,981)
Profit or loss for the FY	**5,717**	5,528
TOTAL I	**8,223**	2,506
PROVISIONS FOR RISKS AND EXPENSES TOTAL II	**979**	1,571
DEBTS		
Loans and debts with credit institutions	**1**	27
Loans and financial debts	**20,450**	434
Trade accounts and notes payables	**141,692**	170,942
Social security and tax liabilities	**35,158**	32,965
Liabilities on fixed assets and related		
Other payables	**18,644**	19,248
TOTAL III	**215,945**	223,616
PREPAID EXPENSES		
Unrecognised revenues	**21,213**	21,948
Conversion adjustment - liabilities	**33**	48
ACCRUED LIABILITIES	**246,393**	249,689

Back to content

Statement of Profit and Loss

(EURO in Thousand)

	Year ended March 31, 2025	Year ended March 31, 2024
	(12 months)	(12 months)
PROFIT AND LOSS ACCOUNT		
Revenues excl. of tax	**380,740**	331,360
Other operating income	**15,292**	12,941
TOTAL OPERATING INCOME	**396,032**	344,301
Other operating expenses	**254,741**	218,053
Direct and indirect taxes	**3,959**	3,897
Personnel cost	**126,644**	115,524
Depreciation allowances & provisions	**2,052**	1,702
Other expenses	**1,437**	1,480
TOTAL OPERATING EXPENSES	**388,833**	340,656
1. OPERATING RESULT	**7,199**	3,645
Income from subsidiaries		
Other financial income	**757**	533
Reversals of provisions and depreciation	**23**	61
TOTAL FINANCIAL INCOME	**779**	594
Allowances for provisions and depreciation	**32**	23
Interests and assimilated expenses	**371**	61
TOTAL FINANCIAL EXPENSES	**403**	83
2. FINANCIAL RESULT	**377**	511
3. PRE-TAX OPERATING RESULT	**7,576**	4,155
Extraordinary income		
Extraordinary expenses	**458**	1
4. EXTRAORDINARY RESULT	**(458)**	(1)
Tax on profits	**799**	(1,757)
Employee participation in expansion	**602**	384
5. NET RESULT	**5,717**	5,528

Back to content

Notes forming part of the Financial Statements

I. Nature of the activity and accounting standards

TATA CONSULTANCY SERVICES FRANCE SA is an IT services company launched in 1995. The company offers a wide range of specialized services related to IT systems set up, ranging from consulting to expert advice in advance technologies.

The balance sheet total before appropriation of earnings for the financial year is 246,393,106 euro and the statement of income for the year, presented in list form, recorded a profit of 5,717,297 euro on a turnover of 380,740,290 euro.

The FY was 12 months long, from 01/04/2024 to 31/03/2025, just like the previous FY that ended on 31/03/2024.

The notes and the tables below are an integral part of the annual accounts.

The accounts for the bygone FY were drawn up and presented in compliance with accounting rules and principles stipulated by articles 121-1 to 121-5 and the subsequent ones of the Plan comptable général.

General accounting conventions have been applied in line with the principle of prudence and with the basic accounting concepts of going concern, consistency of accounting methods from one financial year to another, independence of financial years and pursuant to the general rules for drawing up and presenting annual accounts.

The basis for evaluating the items recorded in the accounts is the historical-cost method.

The accounting conventions applied comply with the provisions of the Commercial Code, more specifically, of the accounting decree of 29/11/83 as well as the regulation by ANC 2014-03 and the regulation by ANC 2018-07 prescribed by the Plan Comptable Général, applicable on the closure of the financial year.

The company's accounts for the current FY have been finalised according to the principle of going concern with financial support from Tata Consultancy Services Netherlands BV.

II. Characteristic facts of the period

Events from previous years affecting this one.

- Since the tax audit for FYs 2017 and 2018 was completed in the last financial year, TCS France approached the tax authorities in order to receive the competitiveness and employment tax credits for the years 2017 and 2018 which had not yet been paid, amounting to 2,07 million Euro. As a result, part of the tax credits was then received amounting to 1.3 million Euro).
- The emergence of an armed conflict between Russia and Ukraine in early 2022 impacted economic and business activities worldwide. However, this situation did not have any major impact on our business during this fiscal year.

III. Noteworthy events that took place during the FY

The company has reported revenues of 380,740 million Euro for the FY 2024-25, which represents an increase of 14.9% compared to the last FY, over comparable scope.

The result of the year was a profit of 5.7 million Euro after considering 772 thousand euros of profit-sharing due to employees (including social contributions) and 802 thousand euros of corporate taxes. As on 31 March 2024, the result of TCS France recorded a profit of 5.5 million Euro.

The company confirmed its return to profitability this financial year, with increased revenues, controlled gross margins from key customers, improved utilization rates and a continued focus on operational efficiencies.

Finally, the company is continuously working on identifying expenses incurred during this fiscal year which qualify for research tax credit, as was done for the previous years. As the requests for the return of these tax credits under previous tax periods have been audited by the administration, TCS France S.A. chose to post these amounts once they have been cashed.

IV. Noteworthy events following book closing

Apart from the above-mentioned points, the company has not identified any other significant event that could have an impact on the next financial year.

On March 27, 2025, TCS France S.A. was informed of a notice of verification of its account for the financial years 2020-2021 to 2023-2024. The first meeting was held on April 17, 2025.

Notes forming part of the Financial Statements

V. Accounting principles – Methods of evaluation

General rules for drawing up and presenting accounts

Methods of evaluation and calculation used for the accounts of the financial year that ended on 31 March 2025 are identical to those used for the previous financial year that ended on 31 March 2024.

Method of evaluation chosen for certain items in the income statement

Research and development spend

The company's spend on research and development is meant to develop its know-how and define its new technical positioning, especially in line with the potential customers' expectations. The corresponding expenses are recorded under the charges for the financial year in which they were incurred, depending upon their nature.

Tangible and intangible assets

Gross value of tangible and intangible assets corresponds to their initial value obtained after adding the extra expenses needed for readying them for use.

Depreciation is calculated over the normal lifetime of the assets which are generally as follows:

• Software	Linear	1 year
• Licences	Linear	1 year
• Leasehold facilities	Linear	3 to 7 years
• Transport equipment	Linear	4 years
• Office equipment	Linear	4 years
• IT equipment	Linear	3 to 4 years
• Furniture	Linear	5 to 7 years

Intangible assets - Goodwill

Goodwill is assessed once a year based on the updated projections of future cashflow (c.f. § Financial assets hereafter).

Goodwill represents the cost of activities acquired as stated upon the date of acquisition of the business minus the buyer's participation.

Goodwill is not amortised as it is for an unlimited duration.

Goodwill is subject to a depreciation test annually or when the events or circumstances indicate a possible loss of value. If the recoverable amount is estimated to be lower than the book value, the book value is reduced to the recoverable value. A loss in value is recorded in the profit and loss account.

Financial assets

The security deposits are entered in the assets of the balance sheet for the amount corresponding to their payments.

Client receivables and recognition of revenues

Sequential performance contracts (T & M):

Services provided and not billed on the date of closing, in case of T&M contracts are considered as "due for billing".

Fixed price contracts:

Only that percentage of the fixed price contracts that has been delivered is taken into consideration.

According to this method, the revenue tagged to each contract is pro-rata to the time spent by associates as on the date of accounts closing.

Notes forming part of the Financial Statements

When the amount of predictable costs for completion of an engagement could potentially record a loss, a provision for this risk is made based on the best available estimate of the losses at the date of accounts closing.

Account receivables:

Receivables are considered at their nominal value. A depreciation allowance is made on a case by case basis when the inventory value is lower than the book value, depending upon the risks of non-recovery.

Conversion of Account receivables and payables into foreign currency:

Receivables and debts in foreign currency are converted and considered in Euros based on the last known exchange rate on the date of the transaction. Assets and debts shall be revalued at the exchange rate on the date of closure of the FY.

When the application of the conversion rate at the date of FY closing impacts the amounts previously considered, the difference in the conversion rate is reported in a transitory account and adjusted later on, based on the:

- asset side of the income statement for the differences corresponding to unforeseeable losses (due to foreign exchange adjustment)
- liability side of the income statement for the differences corresponding to unforeseeable gains (due to foreign exchange adjustment)

Unrealised losses call for the earmarking of a provision commensurate with the risk.

In compliance with ANC no 2015-05, foreign exchange margins on payables and receivables fall under operating result and not under financial result.

Provision for Risks & Contingencies

At the closing of accounts, provisions have to be made for risks and charges that have been identified but not factored, and are likely to result as a consequence of the events that have occurred over the financial year. These provisions are estimated on a case by case basis, depending upon the information available.

Credit risk

Financial instruments that pose a credit risk to the company include mainly cash and cash equivalents, investments in securities and client receivables.

The company's cash and cash equivalents are mainly expressed in Euro and are in the safekeeping of two major French banks.

Transactions on bank accounts in foreign currency shall be entered against their equivalent value on the date of transaction. The balance in foreign currency is updated as per the prevalent exchange rate and recorded in the financial result.

Assumptions and estimations made by the Management

For drawing up the financial statement, TCS FRANCE S.A management needs to give estimates and make assumptions that are likely to have an impact on the values of assets, liabilities, revenues and charges as well as on the information given in the appendices.

These assumptions are determined based on the "going concern" principle and depend upon the information available on the date of drawing up the accounts and upon corresponding historical data as well as upon other factors deemed relevant in the circumstances.

Upon each book closure, the assumptions and estimations can be reviewed if the circumstances on which they were based have changed or new information is available to the management. The items in the future financial statements could vary from the present estimations on account of the changes in assumed values.

Notes forming part of the Financial Statements

Vi. Notes on the income statement

1. Intangible assets

(EURO in Thousand)

	Gross Values				Depreciation operated				Net Values
	31/03/2024	Increase	Decrease	31/03/2025	31/03/2024	Allowance	Provision	31/03/2025	31/03/2025
Merger losses TCS France	37,456			**37,456**					**37,456**
Other intangible assets	20,278			**20,278**	(1,096)			**(1,096)**	**19,182**
Licence – software	22			**22**	(12)	**(5)**		**(17)**	**5**
Total	57,756			**57,756**	(1,107)	**(5)**		**(1,113)**	**56,643**

The increase relates to the acquisition of computer software.

The item "other intangible assets" is composed of the following:

(EURO in Thousand)

	Gross Values				Depreciation operated				Net Values
	31/03/2024	Increase	Decrease	31/03/2025	31/03/2024	Allowance	Provision	31/03/2025	31/03/2025
Euractiv	801			**801**					**801**
Cybertech	50			**50**					**50**
Cartem conseil	3,065			**3,065**					**3,065**
PL7 Conseil	44			**44**					**44**
Masterline SI	2,959			**2,959**					**2,959**
Nucleus	250			**250**	(250)			**(250)**	**0**
Bright	546			**546**	(546)			**(546)**	**0**
Colego	237			**237**					**237**
Itras	5,313			**5,313**	(300)			**(300)**	**5,013**
E-Factory	560			**560**					**560**
Advoo	368			**368**					**368**
CGPI	486			**486**					**486**
Aralys	5,598			**5,598**					**5,598**
Total	20,278			**20,278**	(1,095)			**(1,096)**	**19,182**

Goodwill, just like participating interests, listed in paragraph V.3 was tested for impairment during the financial year that ended.

The Company considers goodwill and merger losses (56.6 million Euro) as one single asset contributing to the activity of TCS FRANCE SA whose assets have been evaluated as part of the depreciation test.

Notes forming part of the Financial Statements

The recoverable value of this asset subject to test is equivalent to its value in use. It is calculated based on the updated projections of future cashflows, based on the following hypotheses:

- Budgetary data for 2025-2026 and revenue projections for FYs 2026-2027 to 2029-2030 have been approved by the Management.

  These assumptions are laid down, based on the visibility that the management has of the various sectors and growth prospects. These projections have been made at the end of the first quarter of 2025 in connection with the drawing up of a business plan for 2025-2026 and for the four subsequent FYs. They take into account the assumption of business as usual:

- Final values are calculated over 5 years by taking into account a perpetual growth rate of 1.5%.

- The discount rate considered as on 31 March 2025 is 9.27%.

The recoverable value of the tested asset calculated based on the assumptions above seems higher than the net accounting value of the asset tested. Therefore, no depreciation has been observed as on 31 March 2025 on the asset tested following the implementation of this depreciation test.

Key influencing factors

The recoverable value of TCS FRANCE S.A. is based on the assumption that the revenue targets will be reached and cost-cutting plan will give expected results. The company has estimated revenue projections based on the existing orders, materialisation of the expected contracts and the market's development potential. Estimated reduction in sales costs, general operational expenses and administrative expenses is based upon the cost optimisation initiatives such as continuous focus on resource utilisation.

The company has carried out an analysis of the sensitivity of values to changes in the key assumptions and it has revealed that:

- A variation of +1 point of the discount rate and / or of -1 point of the perpetual growth rate would not result in a recoverable value of the tested assets to be lower than their accounting value.

- An annual variation of -5% of revenue targets and /or +4% of operational expenses over the period 2026-2030 would not result in a recoverable value of the tested assets to be lower than their accounting value. Beyond this variation, the accounting value of the assets tested could be challenged.

V.2 Tangible assets

(EURO in Thousand)

	Gross Values				
	31/03/2023	Increase Capital injection	Item-wise	Decrease	31/03/2024
Set up / arrangement	2,957	**273**			**3,230**
Office equipment and hardware	5,335	**416**		**(4)**	**5,747**
Furniture	1,579	**241**			**1,820**
Current capital assets	539	**1,327**		**(539)**	**1,327**
Total	10,410	**2,257**	**0**	**(543)**	**12,124**

Notes forming part of the Financial Statements

(EURO in Thousand)

	Depreciation operated				
	31/03/2024	Allowances	Item-wise	Provision	31/03/2025
Set up / arrangement	(1,039)	**(372)**			**(1,411)**
Office equipment and hardware	(3,871)	**(626)**		**3**	**(4,494)**
Furniture	(1,367)	**(177)**			**(1,545)**
Current capital assets					
Total	(6,277)	**(1,176)**	**0**	**3**	**(7,450)**

(EURO in Thousand)

	Net accounting values		
	Gross Values	Amortisation Provision	Net Values
Set up / arrangement	**3,230**	**(1,411)**	**1,819**
Office equipment and hardware	**5,747**	**(4,494)**	**1,253**
Furniture	**1,820**	**(1,545)**	**275**
Current capital assets	**1,327**		**1,327**
Total	**12,124**	**(7,450)**	**4,674**

V.3. Financial assets

(EURO in Thousand)

	March 31, 2025			March 31, 2024		
	Gross value	Provision	Net value	Gross value	Provision	Net value
Loans, deposits and sureties	**2,052**		**2,052**	1,913		1,913
Total	**2,052**		**2,052**	1,913		1,913

V.4 . Customer receivables

Payment term of receivables is less than one year.

(EURO in Thousand)

	March 31, 2025	March 31, 2024
Customer receivables	**90,433**	99,415
Group clients	**6,574**	4,094
Doutbful and contentious clients	**10**	11
Invoices to be made outside the group	**36,107**	35,606
Intercompany bills	**0**	0
Depreciation of customer receivables	**(10)**	(11)
Total	**133,114**	139,115

Notes forming part of the Financial Statements

V. 5. Other receivables

Receivables are due in less than one year.

(EURO in Thousand)

	March 31, 2025	March 31, 2024
Current account balance minus provisions / charges		
Tax receivables	**778**	2,069
VAT	**3,175**	2,217
Personal receivables (advance)	**192**	213
Vendor debtor	**2,350**	2,823
Others	**622**	755
Depreciation of other receivables	**(124)**	(2)
Total	**6,994**	8,076

V.6. Accrued liabilities and income

(EURO in Thousand)

	March 31, 2025	March 31, 2024
Accrued income		
Clients - yet to be billed	**36,107**	35,606
Suppliers - credit notes	**2,199**	2,049
Other receivables		
Total	**38,307**	37,655

(EURO in Thousand)

	March 31, 2025	March 31, 2024
Accrued charges		
Vendors - bills not received	**37,400**	41,202
Clients - credit notes to be issued	**6,681**	6,110
Tax and social security debts	**16,918**	14,327
Other payables	**127**	113
Total	**61,126**	61,752

V.7. Income and charges to be carried over to the next financial year

(EURO in Thousand)

	March 31, 2025	March 31, 2024
Prepaid expenses[1]	**17,073**	21,941
Unearned revenue[2]	**(21,213)**	(21,948)

[1] Prepaid expenses are reported in the asset line item Accruals and prepaid expenses account. They correspond mostly to the % of the project executed.
[2] Unearned revenue corresponds to the excessive billing recorded as compared to the revenue figures, given the status of the project in fixed price contracts.

Notes forming part of the Financial Statements

V.8. Equity capital

The break-up of the equity capital is as follows:

(EURO in Thousand)

	March 31, 2024	Transactions on the capital	Income appropriation	Distribution of dividends	Operating result	March 31, 2025
Registered capital	446					446
Issue and merger premiums	2,822					2,822
Legal reserves	37					37
Other reserves	10,655					10,655
Carry forward	(16,981)		**5,528**			(11,453)
Operating result for the FY	5,528		**(5,528)**		5,717	5,717
Total	(2,506)		**0**		5,717	8,223

Registered capital

	Number of securities	Face value	Total in Euro
31 March 2025	**14,867,651**	**0.03**	**446,029.53**

Shares entitled to double voting rights

A shareholder who can prove that s/he has personally held those shares for at least two years, enjoys double voting rights.

As of 31 March 2025, there are no securities with double voting rights.

Own shares of Group

None.

Stock options

No stock options have been floated since 30 September 2010.

Subscription warrants for founders' shares

There have been none since 30 September 2010.

Free shares

No free shares have been allotted since 27 October 2007.

Holding

TCS FRANCE S.A. previously known as ALTI S.A. is held wholly by Tata Consultancy Services Netherlands since 28 June 2013.

Notes forming part of the Financial Statements

V.9. Provisions for risks and charges

(EURO in Thousand)

	Time period	March 31, 2024	Capital injection	Allowance	Used provision	Unused provision	March 31, 2025
Provisions for risks							
Labour cases	1 to 5 years	1,052		**722**	**(854)**		**920**
URSSAF inspection	1 to 5 years	272			**(272)**		**0**
Foreseeable loss	1 year	224		**27**		**(224)**	**27**
Exchange rate related losses	1 year	23		**32**		**(23)**	**32**
Total		1,571		**781**	**(1,126)**	**(247)**	**979**

Labour cases

The company has identified and classified the risks (high, medium, low) related to disputes with its employees. Based on its lawyers' opinions, the company has evaluated the extent of its liability involved.

Disputes are of 2 types:

1. Employees disagreeing with their being laid-off
2. Employees demanding additional remuneration (for being on call, etc.)

To factor for the disputes in front of the "Prud'hommes" between TCS FRANCE S.A and its current or former employees, the company has set aside a provision for risk when there is a probability of an outflow of funds, based on the best risk evaluation along with the legal counsels. A provision of 920 K Euro has been earmarked as on 31 March 2025.

URSSAF inspection

The remaining payments for the two URSSAF inspections that began in 2012 and 2021, respectively, were due in FY 2024-2025. The provisions were therefore reversed.

V.10. Financial loans and debts

The various loans and financial debts (€450 K) consist of the security deposits received:

- for a sub-lease agreement for €270 K,
- by the expatriates for the accommodation they rent for €180 K.

On September 26, 2024, TCS FRANCE S.A. secured a loan from TCS Technology Solutions GmbH for an amount of 20 million Euro, bearing interest at a rate of 3.5% per annum and ending on March 31, 2026. This loan is scheduled to be repaid in quarterly installments of 5 million Euro starting from June 2025. Interest is payable quarterly in

Notes forming part of the Financial Statements

arrears.

V.11. Accounts payables

Payment term of accounts payables is less than a year.

(EURO in Thousand)

	March 31, 2025	March 31, 2024
Accounts payables	**6,413**	2,540
Group vendors	**97,879(*)**	127,200(*)
Invoices yet to be received from outside the group	**26,371**	28,111
Invoices yet to be received from the group	**11,029**	13,092
Total	**141,692**	170,942

(*) paid in arrears 45,188 k€ (77,392 k€ as on 31 March 2024)

V.12. Other payables

Payment term for these payables is less than one year.

(EURO in Thousand)

	March 31, 2025	March 31, 2024
Expense bills	**142**	144
Provision for volume discounts & credit notes to be issued	**6,681**	6,110
Other debts	**447**	
Client receivables	**11,365**	12,988
Client receivables Group	**8**	6
Total	**18,644**	19,248

V.13. Liquidities and investment securities

The company took out 4 fixed-term deposit contracts on March 31, 2025, the characteristics of which are:

Contracts in foreign currency	Contracts in euros	Date of deposit	Date of expiry	Annual interest
€6,500,000	**6,500,000**	**31 March 2025**	**07 April 2025**	**1.61%**
€2,500,000	**2,500,000**	**25 March 2025**	**01 April 2025**	**1.61%**
€1,700,000	**1,700,000**	**26 March 2025**	**02 April 2025**	**1.62%**
€2,000,000	**2,000,000**	**27 March 2025**	**03 April 2025**	**1.62%**
€500,000	**500,000**	**28 March 2025**	**04 April 2025**	**1.62%**
€3,000,000	**3,000,000**	**31 March 2025**	**08 April 2025**	**1.61%**
$200,000	**184,590**	**28 March 2025**	**04 April 2025**	**3.55%**
$250,000	**230,737**	**26 March 2025**	**03 April 2025**	**3.52%**
Total	**16,615,327**			

Notes forming part of the Financial Statements

The item cash and cash equivalents refers to bank accounts and cash.

VI. Notes on the income statement

VI.1. Revenues

Revenues as on 31 March 2024 stand at 331,360 K€ against 317,244 K€ on 31 March 2023.

The break-up of the revenues is as follows:

(EURO in Thousand)

Activity	Revenues (%)
Energy and resources	**23%**
BFSI	**21%**
Healthcare	**16%**
Industry	**14%**
Others	**26%**
Revenues	**100%**

VI. 2. Other income and expenses

(EURO in Thousand)

	March 31, 2025	March 31, 2024
Trademark fee	**(913)**	(981)
Credit losses		(26)
Translation gains and losses on purchases and sales	**(79)**	(19)
Other income	**1,504**	989
Total	**512**	(38)

"Other income" for the year is mainly composed of revenues from subleasing part of the La Défense office space.

VI.3 Headcount

The company headcount as on 31 March 2025 is 1.142 compared to 1.088 on 31 March 2024.

Executives		Non-executives		Consultants		Average headcount As on March 31, 2025	Average headcount As on March 31, 2024
Men	Women	Men	Women	Men	Women		
807	292	33	8	1	1	**1,142**	1,088

Notes forming part of the Financial Statements

VI.4 Financial income and charges

The break-up of the financial results is as follows:

(EURO in Thousand)

	March 31, 2025	March 31, 2024
Revenues from receivables	**757**	533
Financing commission	**(2)**	
Interest to related parties	**(334)**	
Exchange rate related gain/losses	**(35)**	(61)
Allowance for exchange rate related losses Provision for impairment losses, current account and risk Net effect of merger operations Miscellaneous	**(9)**	39
Total	**377**	511

VI.5 Extraordinary income and charges

The break-up of the extraordinary results is as follows:

(EURO in Thousand)

	March 31, 2025	March 31, 2024
Penalties	**(452)**	
Transfer – Disposal of fixed assets	**(1)**	(1)
Donations	**(5)**	
Total	**(458)**	(1)

The penalties relate to losses of IT equipment amounting to €403,000 and penalties for late payment of VAT amounting to €49,000.

VI.6 Corporate taxes and employee profit sharing

Impact of tax provisions on the result is as follows:

(EURO in Thousand)

	March 31, 2025	March 31, 2024
Corporate tax	**802**	434
Research tax credit		(2,192)
Tax credit for donations	**(3)**	
Employee profit-sharing	**601**	384
Total	**(1,400)**	1,374

The above profit-sharing amount does not take into account social contributions (20%).

As on 31 March 2025, after considering the result for the FY 2024-2025 i.e. (7,209 K€), and the limitation on the use of losses for the FY, the amount of losses carried forward stands at 69,870 K€.

Notes forming part of the Financial Statements

Tax break-up between operating and extraordinary results

(EURO in Thousand)

	Pre-tax	Tax	Post-tax
Operating result	**7,576**	**(917)**	**6,658**
Extraordinary result	**(458)**	**115**	**(343)**
Employee profit- sharing	**(601)**		**(601)**
Tax credit	**3**		**3**
Tax readjustment			
Total	**6,519**	**(802)**	**5,717**

Projected tax rebate / excess tax:

(EURO in Thousand)

	Base	Post-tax effect	
		Surcharge	Rebate
Conversion adjustments as on 31 March 2025:	**32**	**8**	
Provision for foreign currency adjustment	**32**		**8**
Provision for foreseeable losses	**27**		**7**
Organic	**589**		**147**
Building-related	**350**		**87**
Employee profit-sharing and social contributions	**722**		**180**
Carry-forward losses	**69,870**		**17,467**
Total		**8**	**17,897**

Tax slab considered: 25%.

VI.7 List of subsidiaries and interests

None.

V.I.8 Directors' remuneration

Salaries paid out for the year 2024/-2025 by TCS FRANCE SA are as follows:

(EURO in Thousand)

	Gross annual remuneration paid out
Rammohan Gourneni	534 K€
Jean Pernet	8 K€ (included in the overhead expenses)

No advance payments, credits or allotment of free shares were extended to the members of the Management Committee.

Notes forming part of the Financial Statements

V1.9 Other information

Commitments and other contractual obligations

(EURO in Thousand)

	Total	< 1 year	1 to 5 years	> 5 years
Financing lease commitments	**None**			
Operational lease commitments	**13,790**	**3,454**	**10,336**	
Other long-term commitments	**None**			
Total	**13,790**	**3,454**	**10,336**	

Commitments related to retirement benefits

There is no special contractual commitment within TCS FRANCE SA. The employees of the Group are covered by the provisions of the "SYNTEC Collective Convention" in terms of retirement gratuity.

On this basis, the commitment amount is 7,608 K Euro including social security contributions as on 31 March 2025 against 6,724 KEuro as on 31 March 2024. No provision has been made for this amount in the company accounts that have just been closed.

The cost of the services defined is determined using the actuarial valuation method based on projected unit credit.

The calculations were based on the following assumptions:

- Discount rate: 3.35%
- Annual salary increase rate: 2.38%
- Mortality table: TH/TF 00-02
- Turnover rate:

Age	Turnover rate
16-44 years	15.38%
45-49 years	5.77%
50-59 years	2%
60 years and above	0%

Auditors' fees

The auditor' fee are split as follows:

(EURO in Thousand)

	2024-2025	2023-2024
Auditors	**103 K€**	103 K€

Auditor' fee as it appears in the income statement for the FY is 103,287 Euros that is made up of the following:

- Fee charged for auditing the accounts: 103.287 Euros
- fee charged for advice and services that are part of the advisory obligations arising from the legal auditing of the accounts, as defined by the professional rules and standards mentioned in II of article L.822-11: 0 Euro

VII. Identity of the holding company

TCS FRANCE SA is a 100% subsidiary of TATA CONSULTANCY SERVICES Netherlands BV. All financial information about the company is included in the consolidated financial statements of the ultimate holding company, Tata Consultancy Services Limited.

Tata Consultancy Services Switzerland Ltd, Zurich

Report of the Statutory Auditor to the General Meeting on the Financial Statements 2024/2025

FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2025

CONTENTS **PAGE**

Independent Auditors' Report	35.2
Balance Sheet	35.4
Statements of Income and Available Earnings	35.5
Notes forming part of the Financial Statements	35.6

Back to main content

INDEPENDENT AUDITORS' REPORT

REPORT OF THE STATUTORY AUDITOR TO THE GENERAL MEETING OF TATA CONSULTANCY SERVICES SWITZERLAND LTD, ZURICH

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Tata Consultancy Services Switzerland Ltd (the Company), which comprise the balance sheet as at 31 March 2025, and the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements comply with Swiss law and the Company's articles of incorporation.

Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the provisions of Swiss law, together with the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Board of Directors' Responsibilities for the Financial Statements

The Board of Directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 Swiss law and SA-CH 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 financial statements.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the Board of Directors.

Based on our audit in accordance with Art. 728a para. 1 item 2 CO, we confirm that the proposal of the Board of Directors complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

KPMG AG

Anna Pohle
Licensed Audit Expert
Auditor in Charge

Joelle Lufi
Licensed Audit Expert

Zurich, 25 April 2025

Enclosures:

- Financial statements (balance sheet, income statement and notes)
- Proposed appropriation of available earnings

BALANCE SHEETS

(SWISS FRANCS)

	Note	As at March 31, 2025	As at March 31, 2024
ASSETS			
Current assets			
Cash and banks		**7,234,205**	8,459,683
Time deposits		**20,968,491**	9,354,851
Trade receivables			
Due from third party	3.1	**109,481,708**	112,583,381
Due from affiliated companies		**8,746,303**	8,026,713
Due from shareholders		**762,310**	521,119
Other receivables			
Due from third parties	3.2	**1,089,295**	228,017
Due from affiliated companies		**4,262,095**	5,040,528
Unbilled Revenue		**22,594,271**	27,299,678
Prepaid expenses			
Due from third parties		**13,331,414**	12,770,310
Due from affiliated companies		**1,864,309**	1,012,400
Total current assets		**190,334,402**	185,296,681
NON-CURRENT ASSETS			
Deposits and guarantees	3.3	**2,720,452**	2,694,480
Fixed assets, net	3.4	**197,412**	269,573
Intangible assets, net	3.5	**6,003**	56,534
Total non-current assets		**2,923,867**	3,020,587
TOTAL ASSETS		**193,258,269**	188,317,268
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Trade payables			
Due to third parties		**2,807,607**	1,603,808
Due to affiliated companies		**16,595,175**	7,146,334
Due to shareholders		**1,834,256**	1,578,275
Accounts payable - others	3.6	**14,766,998**	20,472,474
Deferred revenue		**11,248,839**	12,309,793
Accrued expenses			
Due to third parties	3.7	**20,170,700**	19,182,890
Due to affiliated companies		**19,134,169**	22,242,259
Tax provision		**4,069,971**	5,064,262
Total current liabilities		**90,627,716**	89,600,094
Shareholders' equity			
Share capital		**1,500,000**	1,500,000
Legal retained earnings		**1,030,000**	1,030,000
Available earnings			
Profit Brought Forward		**76,187,174**	73,267,536
Profit For the current Year		**23,913,379**	22,919,638
Total shareholders' equity		**102,630,553**	98,717,174
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**193,258,269**	188,317,268

Back to content

STATEMENTS OF INCOME AND AVAILABLE EARNINGS

(SWISS FRANCS)

	Note	Year ended March 31, 2025	Year ended March 31, 2024
REVENUE FROM SALES OF SERVICES		**489,969,795**	496,236,374
COST FROM SALES OF SERVICES		**(353,602,587)**	(360,338,887)
GROSS PROFIT		**136,367,208**	135,897,487
Operating expenses			
Salaries		**(98,304,816)**	(101,802,549)
Travel expenses		**(1,717,326)**	(1,515,653)
Marketing and advertising expenses		**(603,455)**	(541,043)
Rent expenses		**(1,256,988)**	(1,122,318)
Office expenses		**(1,434,322)**	(1,099,877)
Insurance		**(9,084)**	(18,850)
Administrative expenses & others		**(842,268)**	(818,983)
Depreciation		**(168,820)**	(204,607)
Total operating expenses		**(104,337,078)**	(107,123,880)
Operating Profit		**32,030,130**	28,773,607
Interest expenses and bank charges		**(85,931)**	(71,698)
Interest income		**396,252**	632,006
Exchange loss		**(7,025,369)**	(7,432,558)
Exchange gains		**3,874,184**	5,623,241
Release tax accruals		**(28,514)**	439,207
Other income, net		**4**	19,335
TOTAL NON-OPERATING (EXPENSES) / INCOME		**(2,869,374)**	(790,467)
Profit for the year before taxes		**29,160,756**	27,983,140
Direct taxes		**(5,247,377)**	(5,063,502)
Profit for the year		**23,913,379**	22,919,638

Notes forming part of the Financial Statements

1. General information

Tata Consultancy Services Switzerland Ltd ("the Company") was incorporated on January 15, 1985. The Company was established as a limited company in Switzerland and is domiciled in Oerlikon, ZH. Its main activities consist of providing software products and computer services in Switzerland.

The Company is a wholly-owned subsidiary of Tata Consultancy Services Netherlands B.V. in the Netherlands ("the Group"). The Group is ultimately owned by Tata Consultancy Services Ltd, Mumbai, India.

The share capital is divided into 150,000 registered shares of CHF 10 par value.

The average number of full-time employees during 2025 and 2024 did not exceed 250.

As the Company is a wholly-owned step down subsidiary of Tata Consultancy Services Ltd in Mumbai, India that prepares consolidated financial statements in accordance with IFRS, the Company is exempt from additional disclosure requirements for larger companies in accordance with Art. 961d para 1 CO and also exempt to prepare consolidated accounts in accordance with Art 963a para. 1 CO.

2. Key accounting and valuation principles

Principles of financial reporting

The annual accounts for the Company have been prepared in accordance with the regulations of Swiss financial reporting law. The main accounting and valuation principles used, which are not already specified by the Code of Obligations, are described as follows.

Estimates and assumptions made by management

Financial reporting under the Code of Obligations requires certain estimates and assumptions to be made by management. These are made continuously and are based on past experience and other factors (e.g. anticipations of future results, which seem appropriate under the circumstances). The results subsequently achieved may deviate from these estimates.

Actual items in the annual accounts, which are based on the estimates and assumptions made by management, are as follows:

- trade receivables
- unbilled revenue
- accrued expenses

Foreign currency items

The functional currency is Swiss Francs (CHF). Transactions in foreign currencies are converted into the functional currency (CHF) at the exchange rate on the day the transaction takes place.

- Monetary assets and liabilities in foreign currencies are converted into the functional currency (CHF) at the exchange rate on the balance sheet date. Any profits or losses resulting from the exchange are recorded in the profit and loss account.
- Non-monetary assets and liabilities at historical costs are converted at the foreign exchange rate at the time of the transaction. Any foreign exchange profits are deferred in the balance sheet as not having an effect on net income. Foreign exchange losses, on the other hand, are recorded in the profit and loss account.

Derivatives

Derivative financial instruments are used to hedge foreign currency positions and interest rate risks. The financial derivatives that are open at the balance sheet date are measured at fair value at the balance sheet date and reported in the income statement under Non¬operating (expenses) / Income. The positive and negative derivative financial instruments are recognised in Other receivables and Other payables respectively.

Notes forming part of the Financial Statements

Related parties

Related parties include subsidiary companies, members of the board of directors and the shareholders of the Company. Transactions with related parties must take place under proper market conditions (dealing at an arm's length).

Financial Assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. In determining the allowance for expected credit losses, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. Doubtful receivables are written off after a certain period of time.

Tangible fixed assets

The straight-line depreciation method is used for tangible fixed assets according to their expected useful life. Useful lives are established as follows and are revised each year:

- Leasehold improvements — according to rent contract
- Furniture and fixtures — 5 years
- Computer — 4 years
- Office equipment — 4 to 5 years

If there is any evidence of an over-valuation, the accounting values are checked and adjusted where necessary.

Revenue recognition

Revenue from contracts priced on a time and material basis are recognised when services are rendered and related costs are incurred.

Revenue from turnkey contracts, which are generally time bound fixed price contracts, are recognised over the life of the contract using the percentage of completion method, with contract costs determining the degree of completion. Foreseeable losses on such contracts are recognised when probable.

Revenue from sale of software licenses are recognised upon delivery.

Revenue from maintenance contracts are recognised on pro-rata basis over the period of the contract.

In respect of Business Process Services, revenue on time and material and unit priced contracts is recognised as the related services are rendered, whereas revenue from fixed price contracts is recognised using the percentage of completion method with contract cost determining the degree of completion.

When recognized revenue is not billed then it is accounted as unbilled revenue in balance sheet.

Revenue is reported net of discounts.

3. Information relating to items on the balance sheet and statement of income

3.1 Trade receivables – due from third parties

(In CHF)

	As at March 31, 2025	As at March 31, 2024
Receivables from third parties	**109,958,397**	113,078,084
Less allowance for doubtful accounts	**(476,689)**	(494,702)
Total	**109,481,708**	112,583,381

Notes forming part of the Financial Statements

3.2 Other receivables – due from third parties

(In CHF)

	As at March 31, 2025	As at March 31, 2024
Recoverable from employees	**189,550**	72,099
Recoverable Other	**899,745**	155,918
Total	**1,089,295**	228,017

3.3 Deposits and guarantees

Deposits for flats and offices on postal and bank accounts amount to CHF 2,720,452 as of March 31, 2025 (2024: CHF 2,694,480).

3.4 Fixed assets

(In CHF)

	As at March 31, 2025	As at March 31, 2024
Computer	**768,302**	725,547
Furniture and fixtures	**627,283**	627,283
Office equipment	**295,735**	295,735
Leasehold improvements	**1,876,747**	1,876,747
Less depreciation and value adjustments	**(3,370,656)**	(3,255,739)
Total	**197,412**	269,573

3.5 Intangible assets

(In CHF)

	As at March 31, 2025	As at March 31, 2024
Software licences	**266,143**	262,772
Less depreciation and value adjustments	**(260,140)**	(206,238)
Total	**6,003**	56,534

3.6 Other payables

(In CHF)

	As at March 31, 2025	As at March 31, 2024
Liabilities due to tax authorities	**4,059,057**	10,343,539
Liabilities due to VAT authorities	**9,386,102**	8,937,509
Liabilities due to institutions and staff	**1,266,645**	1,191,426
Unrealized forward contract liability (Mark to Market)	**55,195**	-
Total	**14,766,999**	20,472,474

Notes forming part of the Financial Statements

3.7 Accrued expenses – due to third parties

(In CHF)

	As at March 31, 2025	As at March 31, 2024
Provision for staff and social obligations	**6,177,852**	7,157,527
Provision for vendors	**13,992,848**	12,025,362
Total	**20,170,700**	19,182,890

3.8 Rent and other commitments

As of March 31, 2025 the Company has rent commitments for its offices in Zurich, Nyon and Basel for CHF 1,701,050 (2024: CHF 2,406,420).

3.9 Leasing

As of March 31, 2025, the Company has outstanding liabilities for leasing contracts in the amount of CHF 163,896 (2024: CHF 138,615).

3.10 Other Dues

CHF 792,996 CHF (2024: CHF 716,444) are liabilities towards pension funds

PROPOSED APPROPRIATION OF AVAILABLE EARNINGS AS PER MARCH 31, 2025

The Board of Directors proposes to the General Shareholder Meeting the dividend distribution as follows:

(In CHF)

Profit Brought Forward	**76,187,174**
Profit of the Year	**23,913,379**
Available earnings at the disposal of the General Meeting	**100,100,553**
Dividend	**(22,000,000)**
Carry forward the balance of	**78,100,553**

TATA CONSULTANCY SERVICES DE ESPAÑA, S.A.U.

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED
MARCH 31, 2025

FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

CONTENT	PAGE
Management Report	36.2
Independent Auditor's Report	36.4
Balance Sheet	36.6
Profit and Loss Account	36.7
Statement of Changes in Equity	36.7
Cash Flow Statement of Changes in Equity	36.8
Notes to the Financial Statements	36.9

Back to main content

MANAGEMENT REPORT

EVOLUTION OF BUSINESS DURING THE YEAR

The revenue from operations during the financial year 2024-2025 was 67,583,686 euros, which is an increase of 13% against the previous year, due to higher demand of services from clients. The main activity contributing to this turnover continued to be information technology (IT) and IT enabled services.

Related to employee benefit expenses of 45,041,323 euros represent 66% of sales, as it is the main direct cost of the activities. The employee costs have increased by 8% compared mainly because of the increase in activity.

Operative income for the year 2024-2025 has been profits of 4,449,079 euros due to improved margins and the increase in sales.

Financial income showed a loss of 405,513 euros due to the fluctuations of the exchange rate Euro/USD, which has not been favorable to the Company in this financial year.

The company's investments in fixed assets during the year have been mainly in computer and hardware for improvement of the facilities.

The main clients of the Company are multinational companies and the companies in the field of transportation, life sciences & healthcare and financial services.

The main business risks that the Company faces arises from the general economic situation and specifically the services business in information technology, where the principal players are the multinational companies.

The Company is using its Secure Borderless Work Space TM (SBWSTM) model, which allows its employees to work from home, with support from minimal associates working from office, to ensure business support to all its customers. The Company is then able to seamlessly adapt and extend this model to prospect for new business, sell, contract and execute programs with strong cybersecurity framework, project management practices and systems needed to ensure that work allocation, monitoring and reporting.

PAYMENT TERMS TO SUPPLIERS

The average term for payments to suppliers has been 23 days, which is lower than the previous year, having improved the management of payments to avoid overdue over and above the contracted payment terms. The Company will keep strengthening their processes going forward having in account that payables to the group companies constitute a major component of the total payables.

POSITION OF THE COMPANY

The equity of the Company was 17,618,610 euros. Share capital is represented by 60.200 shares with a face value of Euro 1, fully subscribed and paid. At the end of the year all the share capital belongs to the Group's company TCS Netherlands, B.V. and indirectly, all the share capital is owned by the company TATA CONSULTANCY SERVICES LIMITED.

BUSINESS FORECAST

The evolution of exchange rates in recent times, jointly with the difficulties in hiring personnel, is generating pressure on wages that may affect margins in the future, although their effect is not expected to be significant in the long term.

OBJECTIVES AND MANAGEMENT OF FINANCIAL RISKS

Management of risk is controlled by the company according to the policies approved by the Directors:

- **Market risk**
  There are no financial investments made by the company. Hence there are no market risks in respect of financial investments.
- **Credit risk**
  The Company has a concentrated credit risk in few clients outside the group, being mainly multinational companies. The Company has policies to assess that the revenue is generated from the clients having a clean track record of payments. The Company has policies to limit the amount of credit risk with any customer.

  Impairment for credit risk from clients' insolvencies implies an elevated level of judgment by the Management and review of individual balances based on the credit quality of the clients, current trends and historical analysis of the insolvencies at an aggregated level with no forecasts of material impairments for credit risk.

- **Liquidity risk**
  The company has a prudent management of the liquidity risk, based in holding adequate cash in order to meet its payment commitments.

  No financial instruments are carried at fair value. Financial instruments carried at amortised cost as of 31 March 2025 are 21,215,979 euros and were 21,836,623 euros as of 31 March 2024.

  Financial assets of 5,204,659 carried at amortised cost are in the form of cash and cash equivalents, bank deposits and earmarked balances with banks where the Company has assessed the counterparty credit risk. Trade receivables of 15,917,859 euros forms a significant part of the financial assets carried at amortised cost, which is valued considering provision for allowance for doubtful debts. The Company closely monitors its customers who are going through financial stress and assesses suitable actions on case-to-case basis. Similar assessment is done in respect of unbilled receivables while arriving at the level of provision that is required.

- **Foreign currency exchange risk**
  The Company has considered the effect of changes, if any, in both counterparty credit risk and own credit risk while assessing hedge effectiveness and measuring hedge ineffectiveness. The Company continues to believe that there is no impact on effectiveness of its hedges.

- **Interest rate risk**
  Financial assets subject to interest are only Cash in banks as liabilities do not accrue interest, then the interest rate risk is not significant. A change in interest rate of 1% represents approximately 50,000 euros for the income before taxes.

- **Price risk**
  There are no financial investments made by the company. Hence there are no price risks in respect of financial investments.

ENVIRONMENT

There are no significant assets dedicated to protection and improvement of the environment, neither any major expenses of this nature have been incurred during the year. Equally, it is estimated that no material contingency related to protection and improvement of environment exists.

OWN SHARES

The Company does not own any shares of the company, neither any transaction on its own shares has been carried out during the year.

ACTIVITIES OF RESEARCH AND DEVELOPMENT

The company did not incur any research and development expenses in the current year.

STATEMENT OF NON-FINANCIAL INFORMATON

The company has used the exemption for preparing of the Statement of Non-Financial Information established in article 262.5 of the Law of Capital Companies, considering that the group's ultimate parent company, TATA CONSULTANCY SERVICES LIMITED, includes in its consolidated report the Company and its subsidiary, which has been prepared in accordance with GRI standards. This consolidated report will be deposited in the relevant Indian Register and is available on the group's website.

The present management report included from pages 1 to 4 above has been issued by the Board of Directors in Madrid, on 08 MAY 2025.

Sapthagiri Chapalapalli	**Vennimalai Rabindran**	**Rajeev Kumar Das**
President	Director	Director

Independent Auditor's Report

To the Sole Shareholder of
Tata Consultancy Services De España, S.A.U.

Opinion

We have audited the financial statements of TATA CONSULTANCY SERVICES DE ESPAÑA, S.A.U., (the Company), which comprise the balance sheet as of 31 March 2024, the statement of income, the statement of changes in equity, the statement of cash-flows and the notes to the financial statements for the year then ended.

In our opinion, the accompanying financial statements express, in all material matters, a true and fair view of the equity and financial position of the Company as of 31 March 2024, and of its financial performance and its cash-flows for the year then ended in accordance with the applicable accounting framework, which is identified in note 2 and, specifically, with the principles and accounting criteria included in it.

Basis for Opinion

We conducted our audit in accordance with the regulation of the audit activity currently in force in Spain. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the Company in accordance with the ethical requirements, included those of independence, which are applicable to our audit of the financial statements in Spain as obliged by the regulation of the audit activity in Spain. In this way, we have not rendered services different to the audit of the financial statements neither other situations nor circumstances have happened that, according to those established in the mentioned regulation, have affected to the necessary independence in a way that it has been compromised.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Most relevant audit matters

The most relevant audit matters are those matters that, in our professional judgment, were considered as most significant risks of material misstatement in our audit of the financial statements for the current period. These risks have been addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and do not provide a separate opinion on those risks.

We have determined that the issues described below are the most relevant audit matters which we have to disclose in our report.

Progress of revenue in services rendered

As explained in the attached notes to the financial statements 4 h) and 9, the Company estimates the value of the works performed at the end of the fiscal year but unbilled on that date and records the corresponding amount of assets as trade debtors for services rendered.

On our side, the procedures applied in our audit have consisted ofan analysis of the criteria employed in the calculations of the amount of "Unbilled revenue", checking through selective samples of the data used in those calculations, checking their arithmetic integrity and comparison with the accounting balance.

Other information: Management report

Other information comprises exclusively the management report for the financial year ended on 31 March 2024, whose preparation is a responsibility of the Directors of the Company and is not a part of the financial statements.

Our audit opinion on the financial statements does not cover the management report. Our responsibility on the management report, in accordance with the compulsory legal regulation of the audit activity, consists in:

a) Check only that the statemen of non-financial information, has been provided in the form established by the applicable regulation and, otherwise, to report on it

b) Assessing and disclosing the concordance of the rest of information included in the management report with the financial statements, from the knowledge about the Company obtained when performing the audit of the mentioned financial statements and also to assess and disclose whether the content and disclosures of this part of the management report are in conformity with the applicable regulation. If, based on the work that we have performed, we conclude that there exist material misstatements, we are obliged to inform of it.

Based on our work performed, as described above, we have checked that the information mentioned in the paragraph a) above is disclosed ad established in the applicable regulation and the resto of the information that is contained in the management report is in accordance with the information of the financial statements for the year ended on 31 March 2024 and its content and disclosures are in conformity with the applicable regulation.

Responsibilities of the Directors of the Company for the Financial Statements

The Directors are responsible for the preparation and fair presentation of the attached financial statements in order to present the true and fair view of the equity and financial position and the financial performance of the Company in conformity with the legal framework of financial information applicable to the Company in Spain, which is identified in note 2, and for such internal control as the Directors determine necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

When preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 ISAs 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 financial statements.

As part of an audit in accordance with the legal regulation of the audit activity in Spain, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

  Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

  Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

  Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

  Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors of the company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

From the risks communicated to the Directors, we determine those risks that were of most significance in the audit of the financial statements of the current period and are therefore considered the most significant risks.

We describe these risks in our auditor's report unless law or regulation precludes public disclosure about the risks.

BNFIX AUDIT AUDITORES, S.L.P.
Registered in ROAC No. S0294

José María Hinojal Sánchez
Partner – Auditor of accounts
ROAC number 16660

2024

Balance Sheet

(EUR)

	Note	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non current assets		**3,037,954**	2,668,766
Fixed assets		**1,419,407**	713,260
Property, plant and equipment	(5)	**1,419,407**	713,260
Non current, investments in group's companies		**5,500**	5,500
Equity instruments	(8)	**5,500**	5,500
Short term investments		**418,481**	---
Other financial assets	(7)	**418,481**	---
Deferred tax assets	(14)	**1,194,566**	1,950,006
Current assets		**21,832,556**	22,286,894
Trade receivables and other debtors		**16,047,216**	16,931,780
Trade receivables	(9)	**11,493,587**	12,509,638
Trade receivables, group's companies	(10)	**4,113,484**	4,183,506
Other debtors		**310,788**	238,398
Current tax assets	(14)	**129,357**	238
Short term investments		**93,461**	93,461
Other financial assets	(7)	**93,461**	93,461
Accruals		**487,220**	450,033
Prepaid expenses	(11)	**487,220**	450,033
Cash and equivalents		**5,204,659**	4,811,620
Cash and bank balances	(12)	**5,204,659**	4,811,620
TOTAL ASSETS		**24,870,510**	24,955,660
EQUITY AND LIABILITIES			
NET EQUITY		**17,618,610**	14,521,682
Shareholders' funds	(13)	**17,618,610**	14,521,682
Share capital		**60,200**	60,200
Reserves		**489,335**	354,501
Prior years' earnings		**13,972,147**	13,208,085
Income for the year		**3,096,928**	898,896
NON CURRENT LIABILITIES		**---**	44,486
Deferred tax liabilities		**---**	44,486
CURRENT LIABILITIES		**7,251,900**	10,389,492
Short term liabilities		**---**	13,555
Other financial liabilities		**---**	13,555
Trade payables and other creditors		**6,023,262**	9,424,578
Suppliers		**41,083**	246,908
Suppliers, group's companies	(10)	**3,180,931**	4,456,068
Other creditors		**987,068**	585,581
Employees (salaries pending)		**485,650**	995,272
Other debts with public entities	(14)	**1,328,530**	3,140,749
Short term accruals		**1,228,638**	951,359
TOTAL EQUITY AND LIABILITIES		**24,870,510**	24,955,660

Back to content

Statement of Profit and Loss

(EUR)

	Note	Year ended March 31, 2025	Year ended March 31, 2024
OPERATIONS			
Net revenue from operations		**67,583,686**	59,588,209
Services rendered	(15)	**67,583,686**	59,588,209
Procurements		**(14,713,327)**	(14,549,693)
Works performed by other companies	(16)	**(14,713,327)**	(14,549,693)
Other operative turnover		**370,624**	---
Ingresos accesorios y otros de gestión corriente		**370,624**	
Employee benefit expenses	(17)	**(45,041,323)**	(41,676,798)
Salaries and others		**(34,280,531)**	(31,612,710)
Social charges		**(10,760,792)**	(10,064,088)
Other operative expenses		**(3,292,150)**	(3,618,576)
External services	(18)	**(3,292,150)**	(3,618,576)
Depreciation and amortizacion of fixed assets	(5)	**(458,431)**	(354,030)
Impairment and income from sales of fixed assets		**---**	(911)
Income from sales	(5)		(911)
Other income		**---**	---
OPERATIVE INCOME		**4,449,079**	(611,799)
Financial turnover From securities and other financial instruments	(7)	**35,302**	---
Exchange differences	(7)	**(405,513)**	(404,130)
FINANCIAL INCOME		**(370,211)**	(404,130)
INCOME BEFORE TAXES		**4,078,868**	(1,015,929)
Corporate tax	(14)	**(981,940)**	1,914,825
INCOME FOR THE YEAR FROM OPERATIONS		**3,096,928**	898,896
INCOME FOR THE YEAR		**3,096,928**	898,896

Statement of changes in Equity

(EUR)

	Note	Year ended March 31, 2025	Year ended March 31, 2024
STATEMENT OF INCOME RECOGNISED			
Income for the year		**3,096,928**	898,896
Other income		**---**	7,663
Total income directly recongnised in equity		**---**	---
Total transfer to the profit and loss account		**---**	---
Total income recognised		**3,096,928**	898,896

Statement of total changes in equity	Share capital	Reserves	Income from previous years	Income for the year	TOTAL
Final balance as at 31/03/2023	60,200	136,632	8,192,317	5,233,637	13,622,786
Adjusted balances, initial as at 01/04/2023	60,200	136,632	8,192,317	5,233,637	13,622,786
Total income recognised	---	---	---	898,896	898,896
Other variations in equity	---	---	5,233,637	(5,233,637)	---
Final balance as at 31/03/2024	**60,200**	**136,632**	**13,425,954**	**898,896**	**14,521,682**
Adjusted balances, initial as at 01/04/2024	**60,200**	**136,632**	**13,425,954**	**898,896**	**14,521,682**
Total income recognised	**---**	**---**	**---**	**3,096,928**	**3,096,928**
Other variations in equity	**---**	**352,703**	**546,193**	**(898,896)**	**---**
Final Balance as at 31/03/2025	**60,200**	**489,335**	**13,972,147**	**3,096,928**	**17,618,610**

Back to content

Cash flow statement

(EUR)

	Note	Year ended March 31, 2025	Year ended March 31, 2024
CASH FLOWS FROM OPERATING ACTIVITIES		**2,395,166**	260,873
Income before taxes		**4,078,868**	(1,015,929)
Adjustments on the income for:		**831,630**	759,071
Depreciation and amortizacion of fixed assets	(5)	**458,431**	354,030
Impairment and income from sales of fixed assets		**---**	911
Financial turnover	(7)	**(32,314)**	---
Exchange differences	(7)	**405,513**	404,130
Working capital changes		**(2,154,010)**	(94,608)
Trade receivables and other debtors		**1,007,214**	2,442,551
Other current assets		**(37,187)**	(33,810)
Trade payables and other creditors		**(3,401,316)**	(2,511,542)
Other short term liabilities		**277,279**	8,193
Other cash flows from operating activities		**(361,322)**	612,339
Collections of interests	(7)	**32,314**	---
Collections (Payments) for income tax	(14)	**(393,636)**	612,339
CASH FLOWS FROM INVESTING ACTIVITIES		**(1,583,059)**	(191,905)
Payments for investments		**(1,583,059)**	(192,943)
Fixed assets	(5)	**(1,164,578)**	(192,943)
Other financial assets		**(418,481)**	---
Collections from disinvestments		**---**	1,038
Fixed assets	(5)	**---**	1,038
CASH FLOWS FROM FINANCING ACTIVITIES		**(13,555)**	13,555
Collections and payments for financial liabilities instruments		**(13,555)**	13,555
Issuing Other debts		**---**	13,555
Payback and amortization Other debts		**(13,555)**	---
Effect from exchange differences	(7)	**(405,513)**	(404,130)
NET INCREASE IN CASH AND CASH EQUIVALENTS		**393,039**	(321,607)
Cash and cash equivalents at beginning of the year		**4,811,620**	5,133,227
Cash and cash equivalents at the end of the year	(12)	**5,204,659**	4,811,620

Notes forming part of the Financial Statements

1. GENERAL INFORMATION ABOUT THE COMPANY AND NATURE OF ITS ACTIVITY

a) Incorporation and company's name

On 30 May 2003, TATA CONSULTANCY SERVICES DE ESPAÑA, S.A.U. was incorporated, whose social address is situated at Santa Leonor 65, F building, 28037 in Madrid.

b) Social purpose

According to the bylaws the social purpose is, advisory and consultancy services, implementation and maintenance services related to information systems and information technologies.

The Company's activity is focused on rendering Information Technology and IT enabled Services.

c) Group companies

The company is integrated in the TCS group as disclosed in note 13, the group's company TATA CONSULTANCY SERVICES NETHERLANDS, B.V., whose social address situated at Symphony Towers 20th floor, Gustav Malherplein 85-91, Amsterdam (The Netherlands) is the direct parent company and the sole shareholder. The last parent company is the company TATA CONSULTANCY SERVICES LIMITED, with social address at 9th Floor, Nirmal Building, Nariman Point, Mumbai 400 021 (India).

d) Consolidated financial statements

The directors of the last parent company issue the consolidated financial statements as of 31 March 2025, which will be presented before the authority of India.

The company and its subsidiary TATA CONSULTANCY SERVICES PORTUGAL, UNIPESSOAL LIMITADA form a group of companies as established in the article 42 of the Spanish Commercial Code. The Directors issue consolidated financial statements for the Group that will be presented before the House of Companies in Madrid.

2. BASIS OF PRESENTATION

a) True and fair view

The financial statements have been prepared from the accounting records of the Company according to the current commercial law and the rules established in the General Accounting Plan, in order to present the true and fair view of the equity and financial position as of 31 March 2025 and the results of its operations, changes in net equity and cash flows for the year then ended.

The financial statements as of 31 March 2025 have not been submitted to the approval of the sole shareholder; nevertheless, the Directors hope that they will be approved without changes.

b) Functional and presentation currency

The financial statements are presented in euros, rounded to the nearest unit, which is the functional and presentation currency for the Company.

c) Comparative figures

The financial statements present, for comparative purposes, with each entry of the balance sheet, the statement of profit and loss, the statement of changes in equity, the cash flow statement and the notes, in addition to the figures for the year ended on 31 March 2025 (that are pending to be approved by the Sole Shareholder), those for the prior year which were included in the financial statements for the year ended on 31 March 2024 which have been approved by the sole shareholder.

d) Significant valuation issues and use of estimates and relevant judgements in applying the accounting policies

Preparing the financial statements require applying relevant accounting estimates and making judgments, forecasts and hypotheses in the process of applying the accounting policies of the Company. In this process, the aspects that imply a major level of judgment, complexity or where hypotheses and forecasts are significant for preparing the financial statements are mainly:

Notes forming part of the Financial Statements

- The recognition of turnover and expense by reference to the stage of completion. This method is based on the estimations of the stage of completion of the projects. Based on the method to establish the completion of the projects, the forecasts include the cost incurred in executing the projects.
- The recoverability of deferred tax assets that depend on the future evolution of income and the obtaining of positive tax bases to offset tax losses from previous years.

e) Addition of entries

Some entries of the balance sheet, the statement of profit and loss, the statement of changes in equity, the cash flow statement and the notes are disclosed or added in order to enable easy comprehension, although when material, the information has been disaggregated in the notes.

3. DISTRIBUTION OF INCOME

The Directors will propose to the sole shareholder the next distribution of income:

(EUR)

	Year ended March 31, 2025	Year ended March 31, 2024
Basis of distribution		
Income for the year	**3,096,928**	898,896
	3,096,928	898,896
Distribution		
Prior's years earnings	**3,096,928**	898,896
	3,096,928	898,896

4. VALUATION AND RECORDING STANDARDS

a) Intangible assets

Assets included as intangible are software that is initially valued at cost. Costs of maintenance are expensed when incurred. As of 31 March 2025, and 2024, all of them are fully amortised.

b) Tangible assets

Assets included as tangible assets are recorded at cost of acquisition. Tangible assets are presented in the balance sheet at cost less accumulated amortisation.

Depreciation is calculated on a straight-basis method, during their estimated useful lives, in such a way that at the end of it, the net value is zero. Percentages of amortisation annually applied are:

Furniture and fixtures	20,0%
Computers	25,0%

The company reviews the residual value, useful life and method of amortisation of property, plant and equipment at the end of each year. Modifications in established criteria are recognised as change of estimations.

After the initial recognition of the asset, only those costs that increases the capacity, productivity or enhances the useful life are capitalised, writing-off those elements substituted. The daily maintenance costs are expensed when incurred.

The company evaluates periodically the possible existence of impairment in the value of tangible assets.

c) Operating leases

The company has the right of use for some assets under lease contracts. Given that those contracts do not transfer to the Company substantially all the risk and benefits inherent to the property of the goods, those leases are classified as operating leases.

Amounts paid for operating leases are recognised as expense on a straight-line basis during the term of the lease.

Notes forming part of the Financial Statements

d) Financial instruments

i. ***Classifications and separation of financial instruments***

Financial instruments are classified initially as a financial asset or a financial liability, as appropriate, according to the arrangement and definition of financial asset or financial liability.

In order to be valued, financial instruments are classified as financial assets or liabilities at fair value through profit or loss, financial assets at amortised cost and financial assets at cost. The classification in those categories is made initially according to the instrument and the Management intention.

Financial instruments are recognised when the company is obliged by a contract or arrangement.

Transactions of purchase or sale of financial assets documented in contracts in which reciprocal obligations must be carried out in an established time and cannot be settled by difference are recognised at the date of contract or settlement.

ii. ***Non-compensation principle***

A financial asset and a financial liability are compensated only when the company has the right to compensate the recognised amounts and has the intention to settle the net amount or cancel the asset and the liability simultaneously.

iii. ***Financial assets at amortised cost***

Financial assets at amortised cost are trade and non-trade credits with fixed collections or fixable that are not traded in an active market and different from other financial assets. These assets are initially recognised at fair value, including transactions costs and are valued after initial measurement at amortised cost using the effective interest rate method. Nevertheless, financial assets that does not have an interest rate or from which the maturity is less than a year and the effects are not material, are valued at face value.

iv. ***Rental Deposits***

Rental Deposits given are initially valued as financial instruments. After the initial valuation, given that the effect is not material, these are valued at face value.

v. ***Interests***

Interests are recognised using the effective interest rate method, which is the rate that equals the book value of the financial instrument with the cash flows estimated in the life of the instrument, from their contract conditions and with no loss for future credit risk.

vi. ***Derecognition of financial assets***

The company derecognises a financial asset or a part of it, when it gets expired or when the rights on the cash flows of the financial asset are transferred, being necessary that risks, and rewards of ownership are substantially transferred.

When the financial asset is derecognised, the difference between the amount received net of transactions costs and the book value of the financial asset is the resultant profit or loss which arises upon de-recognition of the financial asset is included in the income for the year.

The company applies the average price in order to evaluate and derecognise the cost of equity instruments or debt that are included in a portfolio and have the same rights.

vii. ***Impairment of financial assets***

A financial asset or a group of financial assets is impaired and a loss for impairment arises, if there is objective evidence of the impairment as a consequence of the events that have occurred after the initial recognition of the asset and which affects the estimated future cash flows from the asset or group of financial assets, that can be reliably estimated.

Notes forming part of the Financial Statements

For financial assets at amortised cost, it is considered that there exists impairment when an event that causes reduction or delay in the future estimated cash flows, motivated by an insolvency of the debtor.

The amount of the impairment is the difference between the account value of the financial asset and the current value of the cash flows estimated, excluding future losses for credit risk, using the effective interest rate. For those financial assets with variable interest rate, the interest rate on the date of valuation is used according to the arrangement.

Losses for impairment are recognised in the income statement and it is reversible in future years if the decrease can be objectively related to a future event. Nevertheless, the reversal of the loss has a limit in the amortised cost of the asset with no loss for impairment.

viii. ***Financial liabilities at amortised cost.***

Financial liabilities at amortised cost, including trade creditors and other payable, are initially recognised at fair value, less, in case costs of transaction which are directly attributable to issuing them. After initial recognition, financial liabilities at amortised cost are valued using the effective interest rate method. Nevertheless, financial liabilities that do not have an established interest rate and the maturity is less than a year and the effect is not material are valued at face value.

ix. ***Derecognition of financial liabilities***

The Company derecognizes a financial liability or a part of it when it has accomplished the obligation included in the liability or it is legally freed from the responsibility included in the liability, from a trial or agreement with the creditor.

e) Cash and equivalents

Cash and equivalents include cash in hand and disposable bank deposits in credit entities. Other investments of great liquidity are also included if they are easily converted in fixed amounts of cash and the risk of change value is not material. For these reasons, investments with a maturity of less than three months from acquisition are included.

f) Accruals

Turnover and expense invoiced that have not been carried out at the end of the year is recorded as a current liability or asset as short-term accruals.

g) Turnover and expenses

Turnover and expenses are accrued independent of the time / moment of cash flows from them. Nevertheless, the company only recognises profits realisable at the end of the year, but risks and losses are recognised when known.

h) Revenue from services rendered

- The Company's contracts with customers could include commitments to transfer multiple products and services to a customer. The Company assesses the commitment related to the product/services in a contract and identifies distinct performance obligation in the contract. which involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- Judgement is also required to determine the transaction price for the contract and to ascribe the transaction price to each distinct performance obligation. The transaction price can be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price unless it is a payment for a distinct product or service form the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and it is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.
- The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period. The Company considers indicator such as how customer consumes benefits as services

Notes forming part of the Financial Statements

are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

- Revenues for fixed-price contracts is recognised using percentage-of-completion method. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of the completion of the performance obligation.

i) Employee benefit expenses

The company recognises the cost of the cash bonuses to employees when there is an obligation, legal or constructive, because of past events and can be reliably estimated.

Employee termination benefits are recognised when there is a formal plan and there is a valid expectation in the affected staff that the termination is going to be carried out, as the plan has been started, or the main characteristics have been informed.

j) Corporate tax

Expense or turnover for corporate tax includes current and deferred income tax.

Current income tax is the amount to be paid or collected for the corporate tax from the taxable base for the year. Assets or liabilities for the current income tax are valued for the amounts that are expected to be paid or recovered from the tax authority, using the current law and tax rates or those approved and pending to be published at the end of the year.

Income tax, current or deferred is recognised in the statement of profit and loss unless it arises from a transaction or event that is recognised in the same year or in other years and is recognised directly in net equity or a business combination.

Deductible temporary differences are recognised if it is likely with high probability that there will exist positive taxable bases in the future, enough for their compensation.

Deferred tax assets are valued according to the tax rates that will be applied in the years when it is expected to compensate those assets with the law and rates currently applicable.

k) Classification of current and non-current assets and liabilities

Assets are classified in the balance sheet as current when it is expected to be recovered or is intended to be sold or consumed in the normal operating cycle, are kept mainly to trade, is expected to be sold in twelve month after the end of the year or is cash or cash equivalents, except in those cases when they cannot be exchanged or used to settle a liability, at least in the next twelve months after the end of the year, when they are classified as non-current.

Liabilities are classified in the balance sheet as current when it is expected to be settled in the normal operating cycle, are kept mainly to trade, and must be settled in the next twelve months or the company does not have the right to delay the cancellation of the liability during the next twelve months after the end of the year, presented as non-current in any other case.

Financial liabilities are classified in the balance sheet as current when it must be settled in the next twelve months after the end of the year although the initial maturity is for a period higher to twelve months and there exists an agreement for refinancing or restructuring payments in a term completed after the end of the year and before the annual accounts are issued. In any other circumstance, they are classified as non-current liabilities.

l) Transaction with related parties

Transactions carried out with related parties are recognised at fair value of the consideration to be given or received. The main transactions carried out during the year with related parties have been recorded with the criteria given below:

- Services rendered have been valuated at cost of the work carried out plus a market margin.
- Cash balances for credits generate interests according to preferential market rates.

Notes forming part of the Financial Statements

m) Foreign currency transactions

Those transactions in foreign currency are converted to the functional currency by applying the current exchange rates between the functional and the foreign currency at the date when the transactions are carried out. Nevertheless, the Company uses monthly exchange rates for those transactions carried out in that term.

Monetary assets and liabilities denominated in foreign currency have been converted to euros by applying the exchange rate at the end of the year and non-monetary assets valued at historic cost are converted applying the exchange rate when the transaction was carried out. Finally, conversion to euros of the non-monetary assets that are valued at fair value has been carried out by applying the exchange rate at the date when the valuation of the asset was made.

5. TANGIBLE ASSETS

a) Composition and movement as of 31 March 2025 in accounts included as tangible assets have been as follows:

(EUR)

	Balance as at March 31, 2024	Additions (Expense)	Disposals	Transfers	Balance as at March 31, 2025
Cost value					
Computers	**1,424,660**	**589,067**	**(35,175)**	**1,700**	**1,980,252**
Office equipment	**109,706**	**237**		**56,133**	**166,076**
Furniture and fixtures	**1,430,733**	**123,012**		**46,103**	**1,599,848**
Tangible assets in progress	**103,899**	**452,478**	**(116)**	**(103,936)**	**452,325**
	3,068,998	**1,164,794**	**(35,291)**	**---**	**4,198,501**
Cumulated amortisation					
Computers	**(1,001,249)**	**(356,295)**	**35,075**	**---**	**(1,322,469)**
Office equipment	**(72,942)**	**(40,466)**	**---**	**---**	**(113,408)**
Furniture and fixtures	**(1,281,547)**	**(61,670)**	**---**	**---**	**(1,343,217)**
	(2,355,738)	**(458,431)**	**35,075**	**---**	**(2,779,094)**
Net value					
Computers	**423,411**				**657,783**
Office equipment	**36,764**				**52,668**
Furniture and fixtures	**149,186**				**256,631**
Tangible assets in progress	**103,899**				**452,325**
	713,260				**1,419,407**

Notes forming part of the Financial Statements

b) Composition and movement as of 31 March 2024 in accounts included as tangible assets have been as follows:

(EUR)

	Balance as at March 31, 2023	Additions (Expense)	Disposals	Transfers	Balance as at March 31, 2024
Cost value					
Computers	1,253,560	153,867	(3,254)	20,487	1,424,660
Office equipment	96,039	8,610	---	5,057	109,706
Furniture and fixtures	1,422,246	8,487	---	---	1,430,733
Tangible assets in progress	107,464	21,979	---	(25,544)	103,899
	2,879,309	192,943	(3,254)	---	3,068,998
Cumulated amortisation					
Computers	(800,388)	(202,166)	1,305	---	(1,001,249)
Office equipment	(46,431)	(26,511)	---	---	(72,942)
Furniture and fixtures	(1,156,194)	(125,353)	---	---	(1,281,547)
	(2,003,013)	(354,030)	1,305	---	(2,355,738)
Net value					
Computers	453,172				423,411
Office equipment	49,608				36,764
Furniture and fixtures	266,052				149,186
Tangible assets in progress	107,464				103,899
	876,296				713,260

c) There are no significant tangible assets fully amortised.

d) The Company has contracted insurance policies in order to cover the risk for the goods in tangible assets. The coverage of those policies is considered enough.

6. OPERATING LEASES

a) The Company has taken on lease from third parties office buildings and vehicles. The total leases expenses incurred during the year as of 31 March 2025 have amounted to 380.790 euros and in the prior year as of 31 March 2024 were 576,014 euros.

b) The main lease contract included in the a) above is for lease for the facilities that the Company occupies in Santa Leonor, 65, F Building in Madrid, where is also the social address, which has incurred rents and expenses for an amount of 326,734 euros in this year and 522,999 euros in the prior year. This contract has been extended up to June 2032 adding new premises. The company has made rental deposits for 511,942 euros and were 93,461 euros in the prior year.

c) Amount of lease commitments at the end of the year is as follows:

(EUR)

	As at March 31, 2025	As at March 31, 2024
Amounts to pay		
Less than 1 year	**751,876**	99,746
Between 1 and 5 years	**2,884,216**	61,783
More than 5 years	**1,608,439**	---
	5,244,531	161,529

Notes forming part of the Financial Statements

d) The Company does not foresee any large-scale contraction in demand which could result in significant down-sizing of its employee base rendering the physical infrastructure redundant. The leases that the Company has entered with lessors towards properties used as delivery centres / sales offices are long term in nature and no changes in terms of those leases are expected.

7. FINANCIAL INSTRUMENTS

a) The classification of financial assets by categories and classes, without cash and equivalents nor equity instruments in group's companies is as follows:

(EUR)

	Non current assets		Current assets		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Financials assets at amortised cost						
Trade receivables and other debtors	---	---	**15,917,859**	16,931,542	**15,917,859**	16,931,542
Deposits	**418,481**	---	**93,461**	93,461	**511,942**	93,461
	418,481	---	**16,011,320**	17,025,003	**16,429,801**	17,025,003

b) The classification of financial liabilities by categories and classes is as follows:

(EUR)

	Balance As at March 31, 2025	Balance As at March 31, 2024
Short term financial liabilities		
Financial liabilites at amortised cost		
Trade payables and other creditors	**4,694,732**	6,283,829
	4,694,732	6,283,829

c) Nature and level of risk from financial instruments

Management of risk is controlled by the company according to the policies approved by the Directors:

i. ***Market risk***

There are no financial investments made by the company. Hence there are no market risks in respect of financial investments.

ii. ***Credit risk***

The Company has a concentrated credit risk in few clients outside the group, being mainly multinational companies. The Company has policies to assess that the revenue is generated from the clients having a clean track record of payments. The Company has policies to limit the amount of credit risk with any customer.

Impairment for credit risk from clients' insolvencies implies an elevated level of judgment by the Management and review of individual balances based on the credit quality of the clients, current trends and historical analysis of the insolvencies at an aggregated level. No impairments for credit risk are forecasted.

iii. ***Liquidity risk***

The company has a prudent management of the liquidity risk, based in holding adequate cash in order to meet its payment commitments.

No financial instruments are carried at fair value. Financial instruments carried at amortised cost as of 31 March 2025 are 21,215,979 euros and were 21,836,623 euros as of 31 March 2024.

Financial assets of 5,204,659 euros, carried at amortised cost are in the form of cash and cash equivalents, bank deposits and earmarked balances with banks where the Company has assessed the counterparty credit risk. Trade receivables of 15,917,859 euros forms a significant part of the financial assets carried at amortised

Notes forming part of the Financial Statements

cost, which is valued considering provision for allowance for doubtful debts. The Company closely monitors its customers who are going through financial stress and assesses suitable actions on case-to-case basis. Similar assessment is done in respect of unbilled receivables while arriving at the level of provision that is required.

iv. ***Foreign currency exchange risk***

The Company has considered the effect of changes, if any, in both counterparty credit risk and own credit risk while assessing hedge effectiveness and measuring hedge ineffectiveness. The Company believes that there is no impact on effectiveness of its hedges.

v. ***Interest rate risk***

Financial assets subject to interest are only Cash in banks, in the amount of 3,535,302 euros, as liabilities do not accrue interest, then the interest rate risk is not significant. A change in interest rate of 1% represents approximately 50,000 euro before taxes.

vi. ***Price risk***

There are no financial investments made by the company. Hence there are no price risks in respect of financial investments.

8. EQUITY INSTRUMENTS FROM GROUP'S COMPANIES

a) The balance of equity instruments in group companies are shares of TATA CONSULTANCY SERVICES PORTUGAL UNIPESSOAL LIMITADA, owning the 100% of its share capital.

b) The social address of that company is Avenida José Gomes Ferreira 15, 7º-U, Miraflores - Algés (Portugal) and its activities are in consultancy of information technologies.

c) The financial information of it is as follows:

(EUR)

	As at March 31, 2025	As at March 31, 2024
Net equity		
Share capital	**5,500**	5,500
Reserves	**6,017,568**	3,863,292
Income for the year	**1,979,361**	2,154,276
	8,002,429	**6,023,068**

d) That company is not listed in stock exchange and during the years as of 31 March 2025 and 2024 has not paid dividends.

9. TRADE RECEIVABLES

a) Detail of the balance is as follows:

(EUR)

	As at March 31, 2025	As at March 31, 2024
Clients		
For services rendered	**13,361,205**	14,700,163
Unbilled revenue	**2,245,866**	1,992,981
	15,607,071	**16,693,144**

Notes forming part of the Financial Statements

b) No movement of credit risk impairment has arisen during the year nor in the prior year.

10. BALANCES AND TRANSACTIONS WITH GROUP'S COMPANIES

a) Detail of debtor balances and revenues for services rendered to group's companies is as follows:

(EUR)

	Assets		Turnover for services	
	31/03/2025	31/03/2024	31/03/2025	31/03/2024
Debtors				
Tata America International Corporation	**637**	637	**---**	---
Tata Consultancy Services (Portugal) Unipessoal, Limitada	**19,402**	144,191	**159,060**	95,845
Tata Consultancy Services Belgium, N.V./S.A.	**285,143**	400,914	**1,605,549**	2,005,711
Tata Consultancy Services De Mexico S.A., De C.V.	**718**	24,057	**(511)**	---
Tata Consultancy Services Deutschland, GmbH	**357,460**	512,868	**3,054,367**	1,703,790
Tata Consultancy Services France S.A.	**114,282**	76,376	**753,048**	464,403
Tata Consultancy Services Ireland Limited	**893**	(1,392)	**102,600**	15,280
Tata Consultancy Services Italia SRL	**---**	---	**---**	---
Tata Consultancy Services Japan, Ltd.	**---**	---	**---**	74,078
Tata Consultancy Services Luxembourg S.A.	**---**	---	**---**	81,820
Tata Consultancy Services Netherlands BV	**257,903**	306,928	**1,745,666**	1,046,767
Tata Consultancy Services Osterreich GmbH	**894**	448	**---**	22,668
Tata Consultancy Services Sverige AB	**1,376,780**	1,560,313	**8,657,891**	7,491,850
Tata Consultancy Services Switzerland, Ltd.	**200,400**	282,765	**1,833,131**	1,823,956
TCS Uruguay S.A.	**24,843**	6,197	**---**	---
Tata Consultancy Services, Limited	**2,066,145**	1,348,071	**3,387,147**	1,741,032
Tata Sons Private Limited	**---**	223,175	**---**	---
	4,705,499	4,885,550	**21,297,947**	16,567,200

b) The detail of credit balances and expenses for services rendered by group's companies

(EUR)

	Liabilities		Services received	
	31/03/2025	31/03/2024	31/03/2025	31/03/2024
Creditors				
Tata America International Corporation	**---**	---	**---**	(653)
Tata Consultancy Services (Portugal) Unipessoal, Lda.	**7,077**	3,170	**(10,282)**	(11,256)
Tata Consultancy Services Belgium	**85,223**	58,286	**15,961**	24,643
Tata Consultancy Services De Mexico S.A., De C.V.	**56,164**	132,532	**379,290**	550,487
Tata Consultancy Services Deutschland GmbH	**41,571**	89,459	**(339,515)**	(884,126)
Tata Consultancy Services France	**119,113**	47,713	**145,080**	66,888
Tata Consultancy Services Ireland Limited	**---**	---	**6**	---
Tata Consultancy Services Italia s.r.l.	**5,461**	1,031	**5,770**	1,028
Tata Consultancy Services Japan, Ltd.	**---**	---	**---**	---
Tata Consultancy Services Luxembourg S.A.	**---**	---	**---**	(30)
Tata Consultancy Services Netherlands BV	**97,218**	58,328	**119,223**	55,612
Tata Consultancy Services Osterreich GmbH	**---**	---	**(1,194)**	(1,401)
Tata Consultancy Services Sverige AB	**67,723**	28,947	**24,765**	31,368
Tata Consultancy Services Switzerland Ltd.	**122,622**	13,979	**26,911**	15,787
TCS Uruguay, S.A.	**20,487**	74,288	**373,710**	228,885
TCS Colombia S.A.	**---**		**10,604**	
Tata Consultancy Services Limited	**2,546,990**	3,471,698	**15,038,962**	14,120,756
Tata Sons Limited	**115,089**	---	**115,334**	---
	3,284,740	3,979,431	**15,904,625**	14,197,988

Back to content

Notes forming part of the Financial Statements

11. PREPAID EXPENSES

a) Detail of the balance and movement is as follows:

(EUR)

	As at March 31, 2025	As at March 31, 2024
Project expenses		
Balance at the beginning of the year	**450,033**	416,223
Transfer to income for the year	**(450,033)**	(416,223)
Services TCS Limited	**450,299**	450,033
Other prepaid expenses	**36,921**	---
	487,220	450,033

12. CASH AND BANK BALANCES.

Detail of the balance by categories is as follows:

(EUR)

	As at March 31, 2025	As at March 31, 2024
Cash in credit entities		
Current accounts, Euro	**5,201,098**	4,808,063
Current accounts, USD	**3,561**	3,557
	5,204,659	4,811,620

13. SHAREHOLDERS' FUNDS

a) Share capital is represented by 60.200 shares with a face value of 1 euro each, fully subscribed and paid being the sole shareholder being the group's company TATA CONSULTANCY SERVICES NETHERLANDS, B.V.

b) Indirectly, all the share capital belongs to the company TATA CONSULTANCY SERVICES LIMITED in both years.

c) Detail of reserves is as follows:

(EUR)

	As at March 31, 2025	As at March 31, 2024
Reserves		
Legal Reserve	**12,040**	12,040
Other reserves	**477,295**	342,461
	489,335	354,501

The legal reserve has been created according to the Law of Capitalists Companies, establishing that in any case, an amount equal to 10 per cent of the profit in the year will be dedicated to it until it is, at least, 20 per cent of the share capital. This reserve is not distributable to the shareholders, and it can only be used to compensate losses in case other reserves are not available for the same.

The capitalization reserve has been calculated in accordance with the provisions of the Corporate Income Tax regulations for the increase in equity equivalent to the reduction of the tax base for the year. This reservation is unavailable within five years.

Notes forming part of the Financial Statements

d) The balance of income from previous years are profits pending to be distributed according to the sole shareholder's decisions.

14. PUBLIC ENTITIES AND TAX POSITION.

a) Detail of balances is as follows:

(EUR)

	Non Current		Current	
	31/03/2025	31/03/2024	31/03/2025	31/03/2024
Assets				
Deferred tax assets	**1,194,566**	1,950,006	**---**	---
Current tax assets	**---**	---	**129,357**	238
	1,194,566	1,950,006	**129,357**	238
Liabilities				
Deferred tax liabilities	**---**	44,486	**---**	---
Withholdings on personal tax	**---**	---	**387,665**	418,813
Added Value Tax	**---**	---	**893,564**	1,631,488
Social Security Entities	**---**	---	**47,301**	1,090,448
	---	44,486	**1,328,530**	3,140,749

b) The company has generated negative taxable bases that can be compensated with positive taxable bases in future years. Thea tax rate used in calculating the applicable for future company's operations is 25%. The tax credit from the negative tax bases amounts 1,640,837 euros and it was 1,890,837 euros at the end of the prior year. Based on forecasts for future income, the directors consider that there is a high probability for the company to be able for compensating then with positive tax bases in future years an amount of 1,194,566 euros.

c) Detail of negative bases pending to be compensated in the corporate tax is as follows:

(EUR)

End of the original year	
31/03/2013	162,453
31/03/2014	2,289,977
31/03/2015	2,493,129
31/03/2016	585,585
31/03/2024	1,032,202
	6,563,346

d) Detail and movements for deferred tax assets are as follows:

(EUR)

	As at March 31, 2024	Addition	Reduction	As at March 31, 2025
Deferred tax assets				
Tax credit from negative bases	1,890,837	---	(860,886)	**1,029,951**
Temporary differences	59,169	105,446	---	**164,615**
	1,950,006	105,446	(860,886)	**1,194,566**

Notes forming part of the Financial Statements

e) Movements for the prior year are as follows:

(EUR)

	As at March 31, 2023	Addition	Reduction	As at March 31, 2024
Deferred tax assets				
Tax credit from negative bases	---	1,890,837	---	**1,890,837**
Temporary differences	25,957	33,212	---	**59,169**
	25,957	1,924,049	---	**1,950,006**

f) The reconciliation between the net amount of revenues and expenses for the year and the taxable base is as follows:

(EUR)

	For the year ended March 31, 2025	For the year ended March 31, 2024
Balance of revenues and expenses for the year	**3,096,928**	898,896
Corporate tax	**981,940**	(1,914,825)
Permanent differences	**---**	---
Capitalisation reserve	**---**	---
Temporary differences		
Depreciation non-deductible and others	**(29,437)**	(29,437)
Compensation of negative bases	**(1,000,000)**	---
Taxable base	**3,049,431**	(1,045,366)
Tax amount	**762,358**	---
Witholdings and payments in advance	**(633,001)**	238
Net receivable (payable)	**129.357**	238

g) The reconciliation between the income before tax and the tax expense for income tax is as follows:

(EUR)

	For the year ended March 31, 2025	For the year ended March 31, 2024
Income before taxes for the year	**4,078,868**	(1,015,929)
Income for corporate tax recognised in the statement of profit and loss		
Amount at tax general rate	**(1,019,717)**	253,982
Recognition of deferred tax asset	**---**	1,668,048
Other differences	**37,777**	(7,205)
	(981,940)	1,914,825

h) The Company has open to be reviewed tax assessment for the years given below:

Tax issue	
Corporate tax	2013 to 2024
Value Added Tax	2020 to 2024
Witholdings on personal tax	2020 to 2024
Local tax	2020 to 2024

Consequently, among others, of different possible interpretations of the current tax law, additional tax liabilities could arise as a result of a tax audit. Nevertheless, the directors of the company consider that in that case those liabilities would not affect materially to the financial statements.

Back to content

Notes forming part of the Financial Statements

15. SERVICES RENDERED

a) Detail of the amount by geographical areas is as follows:

(EUR)

	For the year ended March 31, 2025	For the year ended March 31, 2024
Area		
Europe	**65,242,187**	58,210,401
United Kingdom	**1,086,694**	818,298
Americas	**1,254,805**	485,431
Asia Pacific	**---**	74,078
	67,583,686	59,588,208

16. WORKS PERFORMED BY OTHER COMPANIES

a) The entire amount comes from works in consultancy subcontracted to other companies. Approximately, 98% of the balance in the year ended as of 31 March 2025 and 90% in the prior year is from acquisition of services from group's companies.

b) Detail of expense by geographical markets is as follows:

(EUR)

	For the year ended March 31, 2025	For the year ended March 31, 2024
Area		
Spain	**219,054**	1,412,258
Rest of Europe	**337,710**	701,487
America	**763,603**	778,720
Asia Pacific	**13,392,960**	11,657,228
	14,713,327	14,549,693

17. PERSONNEL

a) The average staff during the years by categories is as follows:

(EUR)

	For the year ended March 31, 2025			For the year ended March 31, 2024		
	Women	Men	Total	Women	Men	Total
Categories						
Managers	**1**	**---**	**1**	1	---	1
Technicians	**131**	**615**	**746**	124	608	732
Administrative	**12**	**12**	**24**	12	11	23
	144	**627**	**771**	137	619	756

Notes forming part of the Financial Statements

b) Staff at the end of the year is as follows:

(EUR)

	For the year ended March 31, 2024			For the year ended March 31, 2023		
	Women	Men	Total	Women	Men	Total
Categories						
Managers	**1**	**---**	**1**	1	---	1
Technicians	**122**	**575**	**697**	126	624	750
Administrative	**12**	**12**	**24**	12	11	23
	135	**587**	**722**	139	635	774

c) Staff includes 6 handicapped persons, with a level higher than 33%, hired as technicians in both financial years.

d) Detail of the balance of social charges in both years is as follows:

(EUR)

	As at March 31, 2025	As at March 31, 2024
Social charges		
Social Security charged to the Company	**10,196,438**	9,375,892
Other social charges	**564,354**	688,196
	10,760,792	10,064,088

18. EXTERNAL SERVICES

a) Detail of the balances by concepts is as follows:

(EUR)

	As at March 31, 2025	As at March 31, 2024
External services		
Leases and mantenaince of facilities	**784,079**	912,321
External consultants	**441,811**	495,596
Travel expenses	**443,701**	499,316
Communications	**411,769**	278,737
Other expenses	**1,210,790**	1,432,606
	3,292,150	3,618,576

19. BALANCES AND TRANSACTIONS IN FOREIGN CURRENCIES

Detail of balances and transactions performed in foreign currency different from euros is as follows:

	US Dollar		SEK Krona		Other currencies	
	31/03/2025	31/03/2024	31/03/2025	31/03/2024	31/03/2025	31/03/2024
Balance sheet						
Trade receivables and other debtors	**519,317**	181,685	**708,455**	825,519	**270,195**	349,314
Trade payables and other creditors	**192,665**	190,854	**265,842**	327,954	**27,186**	149,220
Cash and equivalents	**3,557**	3,530	**---**	---	**---**	---
Statement of profit and loss	**---**	---	**---**	---	**---**	---
Services rendered	**1,382,189**	2,436,687	**7,470,342**	8,709,196	**2,996,843**	2,533,733
Services received	**504,507**	590,694	**---**	932	**75,074**	(58,990)

Notes forming part of the Financial Statements

20. INFORMATION ON DEFERRED PAYMENTS TO SUPPLIERS. THIRD ADDITIONAL DISPOSITION "COMMITMENT TO INFORM" LAW 15/2010, 5 JULY

a) The detailed information to be presented related to payments delayed is as follows:

(EUR)

	As at March 31, 2025		As at March 31, 2024	
Average period of payments to suppliers	**23**	**days**	29	days
Ratio of paid transactions	**23**	**days**	29	days
Ratio of payable transactions	**13**	**days**	31	days
Amount of payments carried out	**76,483,236**	**100%**	59,576,729	100%
Amount of payments in legal term	**62,011,607**	**81%**	46,484,602	78%
Amount of payments pending	**2,199,364**		4,279,078	
Total number of invoices	**5,175**	**100%**	4,690	100%
Number of invoices paid in the legal term	**3,408**	**66%**	3,010	64%

b) The excess in the average period of payments over the legal limit is explained because the payments are to those suppliers that are Group's Companies and therefore, the payment to them is carried out depending of the availability of cash in the Company. Therefore, average period of payments to third parties is approximately 40 days.

21. OTHER COMMITMENTS AND CONTINGENCIES

The company does not have bank guarantees neither the directors know other material contingencies different to those from the leases.

22. INFORMATION RELATED TO THE DIRECTORS AND OTHER RELATED PARTIES

a) Ia) In both years, the directors, all men, have not received any remuneration for their functions in the company. Additionally, at the end of both years there were no balances pending with directors, neither the company has commitments for pensions or life insurances with old or current directors of the company.

b) Accomplishing the article 229 of the Spanish Law of Capitalistic Companies, the Directors state that they do not have any situation of conflict of interests with the activities carried out by the Company and also, they do not own significant stakes in other companies with the same, similar or complementary activity to the social purpose neither execute functions in other companies different from those belonging to the TCS group.

c) The top executive has received as salaries during the year ended on 31 March 2025 an amount of 227,085 euros and was 217,000 euros for the year ended on 31 March 2024.

23. ENVIRONMENTAL INFORMATION

At the end of the year, there are no significant assets dedicated to protection and improvement of the environment and no significant expenses of this nature have been incurred during the year. It is also estimated that no material contingency related to protection and improvement of environment exists, and hence it is not considered necessary to record any provisions in respect of risks and expenses for environmental reasons.

Notes forming part of the Financial Statements

24. REMUNERATION TO THE AUDITORS

Fees of professional services accrued for BNFIX have been:

(EUR)

	March 31, 2025	March 31, 2024
Fees		
Audit	**9,500**	7,350
Tax advising	**9,060**	8,121
	18,560	15,471

25. SUBSEQUENT EVENTS

After the end of the year, no facts or circumstances have arisen that could affect materially to these financial statements.

The present financial statements included from pages 1 to 24 above have been issued by the Board of Directors in Madrid, on May 8th 2025.

Sapthagiri Chapalapalli
President

Prithwis Chandra Ray
Director

Rabindran Vennimalai
Director

TATA CONSULTANCY SERVICES (PORTUGAL), UNIPESSOAL, LDA.

FINANCIAL STATEMENTS

For the year ended
March 31, 2025

FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2025

CONTENTS **PAGE**

Management Report	37.2
Statutory Audit Report	37.4
Balance Sheet	37.6
Statements of Profit and Loss	37.7
Statements of Changes in Quotaholders' Equity	37.8
Statements of Cash Flows	37.9
Notes forming part of the Financial Statements	37.10

Back to main content

MANAGEMENT REPORT

Introduction

In accordance with what is stated in the by-laws and in accordance with the applicable requirements of the Commercial Companies Code, the Management of TATA CONSULTANCY SERVICES PORTUGAL, UNIP.LDA submits the MANAGEMENT REPORT for the year 2024 for consideration in the General Meeting of the Company.

Company Performance

The company's activity improved satisfactorily in 2024 and despite the challenges, the company presents positive net results, representing 11% of turnover.

The results obtained by the company in the current financial year were within the estimates made, as better described in chapter <Analysis of Economic and Financial position of the Company>.

We project the continuation of the company's growth on a sustainable basis, despite of taking into account the constant uncertainty of the markets's evolution.

Economic and financial Company position analyses

The comparative situation of the various company indicators is shown in the following table:

(EUR)

	2021	2022	2023	2024
Sales	6,662,320	12,035,084	16,124,479	**17,681,293**
Income before tax	1,224,665	2,789,814	2,788,691	**2,557,954**
Net income	1,118,631	2,162,749	2,072,661	**1,935,068**
Current assets	4,607,876	7,811,135	10,711,922	**12,111,068**
Non-current Assets	54,645	115,668	565,840	**395,085**
TOTAL ASSETS	4,662,522	7,926,803	11,277,763	**12,506,152**
TOTAL EQUITY	1,659,584	3,822,333	5,894,944	**7,830,062**
TOTAL LIABILITIES	3,002,938	4,104,469	5,382,769	**4,676,091**
TOTAL LIABILITY AND EQUITY	4,662,522	7,926,803	11,277,763	**12,506,152**
Number of employees	11	11	43	**46**
Employee Expenses	919,331	1,015,268	1,841,128	**2,954,630**

The 2024 fiscal year was influenced by an increase in turnover volume, from 16,124,479 € in 2023 to 17,681,293 € in the year to which this report concerns, representing an increase of 9%.

The net turnover increase led to the improvement in the operating and current results, with an decrease of 230,737 € while compared with the previous year.

In 2024, the company proved to be self-sufficient to meet its cash requirements and did not take recourse to Banks for financial operations.

The financial position of the company is presented in the following table:

Indicators

Indicator	2021	2022	2023	2024
Financial autonomy	35.59%	48.22%	52.27%	**62.61%**
Solvency	55.27%	93.17%	109.52%	**167.45%**

The operations of the company will continue as at the present, the current assets exceed current liabilities, net equity has improved. The company will be provided with all the necessary mechanisms to ensure the continuity of operations, the realization of its assets and the settlement of its liabilities, in the normal course of its operations.

Back to content

Human resources

Regarding the employees, in 2024, the company increased the number of jobs existing in the previous year, through the hiring of local workers.

Market Conditions

As in the previous year, the price levels practiced by the Company in 2024 were maintained this year by the consideration to maintain the services quality, which will enable sustained growth for the coming years. The market for our services has been characterized as quite competitive. Despite the increase in competition, which is highly competitive in terms of prices, the quality of TATA CONSULTANCY SERVICES PORTUGAL, UNIP. LDA. services, together with the seriousness with which the company operates, has allowed us to continue to improve the trust and preference of our current customers.

Communication and Image

In the perspective of the increase in sales volume, during the year 2024 and, in order to increase the market share, TATA CONSULTANCY SERVICES PORTUGAL, UNIP.LDA has benefited from an international corporate image.

Investments

Direct investment in 2024 was 116,361 € in IT equipment.

Relevant subsequent events

The year 2024 ended with strong signs of an economic recovery which is expected to continue in 2025 and is expected to slow down in subsequent years.

Prices are likely to rise, as in the previous year, which entails some uncertainty for all activities, and a general increase in prices is expected in all sectors of the economy.

However, taking into account the present scenario, we expect would not have any impact on the continuity of the Company. Hence the assumption of the continuity of operations as a going concern used in the preparation of these financial statements remains appropriate.

Events occurring after the balance sheet date on conditions that existed at the balance sheet date have been are considered in the preparation of the financial statements.

Business Forecast

Management believes that the results obtained at all levels by the company reinforce its stability both in economic and financial terms and in terms of the current market share.

The Company's activity in the first months of the next fiscal year is expected to remain identical compared to the activity in 2024.

Management believes that the company has adequate facilities to manage with the desirable evolution in turnover.

Proposal for profit appropriation

Management proposes that the net profit for 2024, in the amount of 1,935,068.04 €, should be transferred to the Retained Earnings account.

Final note

To the Companies and Entities that honored us with their preference, we thank the trust, shown, which was an important incentive and compensation for the efforts assumed by those who work in this Company.

To all the employees who contributed to the company's performance, with its professionalism and dedication, the Management expresses its gratitude.

Amadora, 30th of April 2025

The management

STATUTORY AUDIT REPORT

(Translation of a report originally Issued In Portuguese. In the event of discrepancies, the Portuguese language version prevails)

Report on the audit of the financial statements

Opinion

We have audited the financial statements of **TATA Consultancy Services (Portugal), Unipessoal, Lda.** (the Entity), which comprise the balance sheet as at 31 March 2025 (which shows total assets of Euro 12,506,152 and total shareholders' equity of Euro 7,830,062 including a net profit of Euro 1,935,068), the statement of income, the statement of changes in equity and the statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly in all material respects, the financial position of **TATA Consultancy Services (Portugal), Unipessoal, Lda.** as at 31 March 2025, and its financial performance and its cash flows for the year then ended, in accordance with generally accepted accounting principles in Portugal.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and other technical and ethical standards and recommendations issued by the Institute of Statutory Auditors. Our responsibilities under those standards are described in the "Auditor's responsibilities for the audit of the financial statements" section below. In accordance with the law we are independent of the Entity and we have fulfilled our other ethical responsibilities in accordance with the ethics code of the Institute of Statutory Auditors.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management for the financial statements

Management is responsible for:

- the preparation of the financial statements, which present fairly the financial position, the financial performance and the cash flow of the Entity in accordance with the with generally accepted accounting principles in Portugal.
- the preparation of the Management' Report in accordance with the applicable law and regulations;
- the creation and maintenance of an appropriate system of internal control to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- the adoption of appropriate accounting policies and criteria;
- the assessment of the Entity's ability to continue as a going concern, disclosing, as applicable, events or conditions that may cast significant doubt on the Entity's ability to continue its activities.

Auditor's responsibilities for the audit of the financial statements

Our responsibility is to obtain reasonable assurance about whether the 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 ISAs 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 financial statements.

As part of an audit In accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- communicate with those charged with governance, including the supervisory board, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant / deficiencies in internal control that we identify during our audit;

Our responsibility also includes verifying that the information included in the Management' report is consistent with the financial statements.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Management's report

In compliance with paragraph 3 e) of article No. 451 of the Portuguese Company Law, it is our understanding that the Management's report has been prepared in accordance with applicable requirements of the law and regulation, that the information included in the Management' report is consistent with the audited financial statements and, taking into account the knowledge and assessment about the Entity, no material misstatements were identified.

Lisbon, 30th April 2025

RSM & Associados – Sroc, Lda

Represented by Joaquim Patrício da Silva (ROC no. 320)

TATA CONSULTANCY SERVICES (PORTUGAL), UNIPESSOAL, LDA.
BALANCE SHEET AS OF MARCH 31, 2025 AND 2024

(Translated from the Portuguese original – Note 25)

(EUR)

	Note	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets:			
Tangible fixed assets	6	**385,179**	558,386
Tangible fixed assets in progress		**2,810**	359
Other financial assets		**7,095**	7,095
		395,085	565,840
Current assets:			
Trade receivables	8	**5,935,413**	3,822,992
State and other public entities	15	**1,492,975**	1,198,312
Other receivables	8	**1,095,516**	782,712
Deferrals	10	**527,439**	287,369
Cash and bank deposits	4	**3,059,725**	4,620,538
		12,111,068	10,711,923
TOTAL ASSETS		**12,506,152**	11,277,763
QUOTAHOLDERS' EQUITY AND LIABILITIES			
Quotaholders' equity:			
Quota capital	11	**5,500**	5,500
Legal reserves	11	**17,574**	17,574
Retained earnings/(losses)	11	**5,871,920**	3,799,260
		5,894,994	3,822,333
Net profit/(loss) for the year		**1,935,068**	2,072,661
Total quotaholders' equity		**7,830,062**	5,894,994
Liabilities			
Non-current liabilities			
Provisions		**121,910**	68,132
Other payables	13	**-**	-
		121,910	68,132
Current liabilities			
Suppliers	14	**1,366,815**	2,328,073
State and other public entities	15	**103,600**	266,327
Other payables	13	**2,489,396**	2,272,800
Deferrals	10	**594,369**	447,437
		4,554,180	5,314,636
Total liabilities		**4,676,091**	5,382,769
TOTAL QUOTAHOLDERS' EQUITY AND LIABILITIES		**12,506,152**	11,277,763

The accompanying notes form an integral part of the balance sheet as of March 31, 2025.

THE CERTIFIED ACCOUNTANT MANAGEMENT

TATA CONSULTANCY SERVICES (PORTUGAL), UNIPESSOAL, LDA.
STATEMENTS OF PROFIT AND LOSS BY NATURE FOR THE YEARS ENDED MARCH 31, 2025 AND 2024

(Translated from the Portuguese original – Note 25)

(EUR)

EARNINGS AND LOSSES	Note	Year ended March 31, 2025	Year ended March 31, 2024
Services rendered	17	**17,681,293**	16,124,479
Supplies and services	18	**(11,898,173)**	(11,209,473)
Payroll expenses	19	**(2,954,630)**	(1,841,128)
Provisions	20	**(53,778)**	(68,129)
Other operating income	21	**98,791**	41,826
Other operating expenses	22	**(25,982)**	(10,283)
Net profit/(loss) before depreciation, financial expenses and taxes		**2,847,521**	3,037,291
Amortization and depreciation	6	**(289,568)**	(248,601)
Operating profit (before financial expenses and income taxes)		**2,557,954**	2,788,691
NET PROFIT/(LOSS) BEFORE INCOME TAX		**2,557,954**	2,788,691
Corporate income tax for the year	7	**(622,886)**	(716,030)
NET PROFIT/(LOSS) FOR THE YEAR		**1,935,068**	2,072,661

The accompanying notes form an integral part of the statement of profit and loss by nature for the year ended March 31, 2025.

THE CERTIFIED ACCOUNTANT MANAGEMENT

TATA CONSULTANCY SERVICES (PORTUGAL), UNIPESSOAL, LDA.
STATEMENTS OF CHANGES IN QUOTAHOLDERS' EQUITY FOR THE YEARS ENDED MARCH 31, 2025 AND 2024

(Translated from the Portuguese original – Note 25)

(EUR)

	Note	Quota capital	Legal reserve	Other reserves	Retained earnings/ (losses)	Net profit/ (loss) for the year	Total
Balance as of March 31, 2023		5,500	17,574	-	1,636,510	2,162,749	3,822,334
Net profit for the year		-	-	-	-	2,072,661	2,072,661
Transfer from Other reserves to retained earnings/(losses)		-	-	-	-	-	-
Appropriation of 2023 results:		-	-	-	-	-	-
Transfer to retained earnings/(losses)	11	-	-	-	2,162,749	(2,162,749)	-
Balance as of March 31, 2024		5,500	17,574	-	3,799,260	2,072,661	5,894,994
Net profit for the year		**-**	**-**	**-**	**-**	**1,935,068**	**1,935,068**
Transfer from Other reserves to retained earnings/(losses)		**-**	**-**	**-**	**-**	**-**	**-**
Appropriation of 2024 results:		**-**	**-**	**-**	**-**	**-**	**-**
Transfer to retained earnings/(losses)	11	**-**	**-**	**-**	**2,072,661**	**(2,072,661)**	**-**
Balance as of March 31, 2025		**5,500**	**17,574**	**-**	**5,871,920**	**1,935,068**	**7,830,062**

The accompanying notes form an integral part of the statement of changes in quotaholders' equity for the year ended March 31, 2025.

THE CERTIFIED ACCOUNTANT MANAGEMENT

TATA CONSULTANCY SERVICES (PORTUGAL), UNIPESSOAL, LDA.
STATEMENT OF CASH FLOWS FOR THE YEARS ENDED MARCH 31, 2025 AND 2024

(Translated from the Portuguese original – Note 25)

(EUR)

	Note	Year ended March 31, 2025	Year ended March 31, 2024
OPERATING ACTIVITIES:			
Received from clients		**17,715,939**	17,874,043
Paid to suppliers		**(15,668,424)**	(12,376,435)
Paid to employees		**(1,667,239)**	(1,090,513)
Net cash from operations		**380,276**	4,407,095
Income tax (paid) / received		**(806,603)**	(1,062,217)
Other (payments) / receipts relating to operating activities		**(991,362)**	(750,664)
Net cash provided by operating activities [1]		**(1,417,689)**	2,594,214
INVESTING ACTIVITIES:			
Receipts relating to:			
Financial investments		**-**	618
		-	618
Payments relating to:			
Tangible fixed assets		**(143,124)**	(698,786)
Other financial assets		**-**	-
		(143,124)	(698,786)
Net cash used by investing activities [2]		**(143,124)**	(698,168)
Variation in cash and cash equivalents ([3] = [1] + [2]		**(1,560,813)**	1,896,046
Cash and cash equivalents at the beginning of the year	4	**4,620,538**	2,724,492
Cash and cash equivalents at the end of the year	4	**3,059,725**	4,620,538

The accompanying notes form an integral part of the statement of cash flows for the year ended March 31, 2025.

THE CERTIFIED ACCOUNTANT MANAGEMENT

Notes forming part of the Financial Statements As of March 31, 2025

1. INTRODUCTORY NOTE

TATA Consultancy Services (Portugal), Unipessoal, Lda. ("The Company"), has its head office in Amadora, was founded on July 4, 2005 and its corporate object consists of IT consultancy services.

The Company is included in TATA Group (whose mother company has its head office in India), which includes several companies with head office in Europe and America, with which it has transactions related to the development of its operations (Note 16), so that its activity and results are influenced by decisions taken at group level.

These financial statements were approved by Management on April 30, 2025.

2. ACCOUNTING REFERENCE FOR THE PREPARATION OF THE FINANCIAL STATEMENTS

The accompanying financial statements have been prepared in compliance with the requirements in force in Portugal in accordance with Decree-Law 158/2009, of 13 July and the conceptual structure, modified by Decree-Law 98/2015, of 2 June, interpretation standards and accounting and financial reporting standards ("NCRF"), contained in Notices 8254/2015, 8258/2015 and 8256/2015, which together make up the Portuguese Accounting Standards System ("Sistema de Normalização Contabilística" or "SNC"). These standards and interpretations are hereinafter referred to generally as "NCRF".

3. PRINCIPAL ACCOUNTING POLICIES

3.1. Bases of presentation

The accompanying financial statements were prepared on a going concern basis as from the Company's accounting records, in accordance with NCRF.

3.2. Tangible fixed assets

Tangible fixed assets are initially recorded at acquisition cost, which includes the purchase cost and any other direct expenses to put the assets in the location and conditions needed to operate in the intended manner and, when applicable, the initial estimates opowerf dismantling and removing assets and restoration of the places of installation/ operation of the assets that the Company expects to incur.

Depreciations are recognised after the asset is available for use, in a straight-line basis, according to its estimated useful life for each group of assets, as follows:

	Years
Administrative equipment	3 to 8
Other tangible fixed assets	8 to 16

Useful life and the depreciation method are revised on an annual basis. The effect of any change is recognised prospectively in the statement of profit and loss.

Costs of maintenance and repair (subsequent expenditure) that are not likely to generate future economic benefits are recorded as expenses in the period they are incurred on.

The gain (or loss) on disposal or write-off of a plant and equipment is determined as the difference between the amount received in the transaction and the amount of the asset and is recognized in the period in which it occurs.

3.3. Income tax

Income tax for the year consists of current tax and deferred tax. Current tax and deferred tax are recognized in the statement of profit and loss, except when they are related with items recorded directly in equity. In such cases current and deferred tax are also recorded in equity.

Income tax for the period is calculated based on the Company's taxable results. The taxable income differs from the accounting profit or loss, as it excludes several costs and earnings that are deductible or taxable in other years. Taxable income also excludes costs and earnings that will never be deductible or taxable, according to tax rules in force.

Deferred tax relates to the temporary differences between assets and liabilities for accounting and tax purposes.

Notes forming part of the Financial Statements As of March 31, 2025

Deferred tax liabilities are recorded for all taxable temporary differences.

Deferred tax assets are recorded for deductible temporary differences, only when there is reasonable expectation of sufficient future taxable income to use them. Temporary differences underlying deferred tax assets are reviewed at each balance sheet date in order to recognise or adjust them based on the current expectation of their future recovery.

Deferred tax assets and liabilities are calculated and assessed using the tax rates expected to be in force when the temporary differences reverse, based on tax rates (and tax legislation) that are formally or substantially issued at the reporting date.

The compensation between deferred tax assets and liabilities is only allowed when: (i) the Company has the legal right to do the compensation between this assets and liabilities for liquidating purposes; (ii) those assets and liabilities relate to income tax of the same fiscal authority; and (iii) the Company has the intention of compensating for liquidation purposes.

3.4. Financial assets and liabilities

Financial assets and liabilities are recorded in the balance sheet when the Company becomes part of the correspondent arrangements, as established by NCRF 27 – Financial Instruments.

Financial assets and liabilities at cost or at amortised cost

The financial assets and liabilities are measured at cost or at amortised cost net of accumulated impairment losses (in the case of financial assets) when:

- The maturity is defined; and
- They have a fix or determinate repayment; and
- They do not constitute or incorporate a derivative financial instrument.

The amortised cost is the amount at which a financial asset or financial liability is measured at initial recognition, less principal repayments and plus or minus a cumulative amortisation, using the effective interest method, of any difference between the original amount and the amount at the maturity date. The effective interest rate is the rate that discounts cash flows associated with the financial instrument net carrying amount.

Assets and liabilities at cost or at amortised cost net of accumulated impairment losses include, namely:

- Trade receivables;
- Other receivables;
- Suppliers;
- Other payables;
- Group companies.

Cash and cash equivalents

"Cash and cash equivalents" include cash, bank deposits and term deposits with maturity up to three months and that can be demanded immediately with insignificant risk of losses.

Trade receivables and other receivables

Trade receivables and other receivables are recorded at cost or amortised cost net of eventual impairment losses. Generally, the amortised cost of these assets doesn't differ from its nominal value.

Suppliers and other payables

Suppliers and other payables are recorded at cost or amortised cost.

Generally, the amortised cost of these liabilities doesn't differ from its nominal value.

Notes forming part of the Financial Statements As of March 31, 2025

Impairment of financial assets

Financial assets classified "at cost or at amortised cost" are tested for impairment at each reporting date. Such financial assets are impaired when there is objective evidence that, as a result of one or more events after their initial recognition, their estimated future cash flows are negatively affected.

For financial assets measured at amortised cost, the impairment loss recognised corresponds to the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the respective original effective interest rate.

For financial assets measured at cost, the impairment loss recognised corresponds to the difference between the asset's carrying amount and the best estimate of the fair value of the asset.

Impairment losses are recognized in the statement of profit and loss in the period in which they are determined.

Subsequently, if the amount of the impairment loss decreases and such reduction can be objectively related to an event that took place after the recognition of that loss, it is reversed through the statement of profit and loss. The reversal shall be done within the limits of the amount that would be recognized (amortised cost) if the loss had not been initially accounted for. Reversal of impairment losses are recognized in the statement of profit and loss.

Derecognition of financial assets and liabilities

The Company derecognizes the financial assets only when the contractual rights to receive the cash flows expire, or when the financial assets and the risks and rewards of its ownership are transferred to other entity. The Company derecognizes the financial assets transferred, even if some significant risks and rewards remain, when the transference of control occurs.

The Company derecognizes financial liabilities only when the corresponding obligation specified in the contract is either discharged, cancelled or expires.

3.5. Foreign currency balances and transactions

Transactions in foreign currency (different from functional currency) are recorded at the exchange rate of the transaction date. At each reporting date, the foreign currency monetary items are translated at the exchange rate of that date.

Exchange gains and losses arising from differences between the historical exchange rates and those prevailing at the date of collection, payment or at the reporting date are recorded in the statement of profit and loss for the period.

3.6. Provisions and contingent assets and liabilities

Provisions

Provisions are recognized when there is a present legal or implied obligation resulting from a past event, the resolution of which will probably require expending internal resources, the amount of which can be reasonably estimated.

The amount recorded in provisions is the present value of the best estimate at the reporting date, needed to settle the obligation. The estimate is determined based on risks and uncertainties related to the obligation. The amount of provisions is reviewed and adjusted at each reporting date so as to reflect the best estimate at that time.

Contingent liabilities

Contingent liabilities are not recorded in the financial statements, but are disclosed when the possibility of outflows of resources including economic benefits is not remote.

Contingent assets

Contingent assets are not recorded in the financial statements, but are disclosed when economic future inflows of resources are likely to occur.

3.7. Revenue

Revenue is measured at fair value of the compensation received or to be received. Revenue to be recorded is offset of the estimated discounts and other rebates.

Notes forming part of the Financial Statements As of March 31, 2025

Revenue provided by rendered services (projects) is recognised according to the stage of completion method of the transaction/service at the financial position date, subject to the following conditions:

- The amount of revenue can be reliably measured;
- It is probable that future economic benefits flow to the Company; and
- Incurred cost or costs to be incurred with transactions can be measured reliably.

3.8. Accruals basis

Costs and earnings are recorded in the period to which they relate, independently of the date they are paid or received. Costs and earnings for which the real value is not known are estimated.

Costs and earnings attributed to the current period and which expenses and revenues will occur in future periods as well as costs and earnings that have already occurred but that respect to future periods are recorded as assets or liabilities.

3.9. Leases

As of March 31, 2025 and 2024, the Company has long term lease contracts, which, due to their characteristics, according to NCRF 9 – Leases, taking into account the substance over form principle, are recognized in the financial statements as operational leases. Payments of operational leases are recorded as costs in a straight line basis during the period of the lease. The operating assignment contract was considered for the purpose of recognizing the mobile assets underlying it and the associated debt.

3.10. Critical judgments/estimates in applying the accounting standards

In the preparation of the financial statements' judgments, estimates and assumptions were made, that can affect the value of the assets and liabilities presented, as well as earnings and costs of the period.

These estimates are based on the best knowledge available at the time and on the actions planned, and are constantly revised based on the information available at the financial position date. However, situations can happen in subsequent periods which are not predictable at the time of the approval of the financial statements and thus, were not considered on those estimates. Changes in estimates that occur after the date of the financial statements will be corrected prospectively. For this reason and due to that uncertainty, real results can differ from the corresponding estimates.

The most significant estimates reflected in the financial statements refer to: (i) impairment analysis of receivables; (ii) revenue recognition of ongoing projects.

3.11. Subsequent events

Events that occur after the balance sheet date that provide additional information on conditions that existed as of that date ("adjustable events") are reflected in the financial statements. Events that occur after the balance sheet date that provide information on conditions that exist after that date ("non-adjustable events"), if material, are disclosed in the notes to the financial statements.

4. CASH FLOWS

Cash and cash equivalents include cash and bank deposits immediately callable. Cash and cash equivalents as of March 31, 2025 and 2024, are detailed as follows:

(EUR)

	As at March 31, 2025	As at March 31, 2024
Bank deposits immediately callable	**3,059,725**	4,620,538
Cash and equivalents	**3,059,725**	4,620,538

Notes forming part of the Financial Statements As of March 31, 2025

5. ACCOUNTING POLICIES, CHANGES IN ESTIMATES AND ERRORS

In the year ended as of March 31, 2025, there were no changes in accounting policies in relation to those used in the year ended as of March 31, 2024, presented for comparative purposes, nor were material errors relating to prior years identified.

6. TANGIBLE FIXED ASSETS

During the years ended March 31, 2025 and 2024, the movements in tangible fixed assets, as well as in the respective accumulated depreciations and impairment losses, were as follows:

(EUR)

Administrative equipment	As at March 31, 2025	As at March 31, 2024
Gross assets:		
Beginning balance	**880,543**	168,601
Increases	**116,360**	711,942
Ending balance	**996,903**	880,543
Accumulated depreciation and impairment losses:		
Beginning balance	**325,649**	77,647
Depreciation of the year	**288,969**	248,002
Ending balance	**614,618**	325,649
Net assets	**382,285**	554,894
Other tangible fixed assets		
Gross assets:		
Beginning balance	**4,790**	4,790
Increases	**-**	-
Ending balance	**4,790**	4,790
Accumulated depreciation and impairment losses:		
Beginning balance	**1,298**	699
Depreciation of the year	**598**	599
Ending balance	**1,896**	1,298
Net assets	**2,894**	3,492
Total Net assets	**385,179**	558,386

7. INCOME TAX

The Company is subject to corporate income tax, in accordance with article 87 of the Portuguese Corporate Income Tax Code ("IRC"), at the rate of 21%. This rate is increased up to a maximum of 1.5% of Municipal Surcharge.

For 2024, the nominal tax rate will vary between 22.5% and 29.5% depending on the determined taxable income, which will be taxable at the follow rates:

- IRC rate : 17% to the first 50,000 Euros;
- IRC rate: 21% over remaining taxable income;
- Municipal surcharge: 1.5% over taxable income;
- State surcharge: 3% over taxable income if 1,500,000 < taxable income <=7,500,000 Euros, 5% over taxable income if 7,500,000 Euros < taxable income <= 35,000,000 Euros or 7% over taxable income if taxable income > 35,000,000 Euros.

Notes forming part of the Financial Statements As of March 31, 2025

In accordance with article 88 of the Portuguese Corporate Income Tax Code, the Company is also subject to autonomous taxation of certain expenses at the rates mentioned therein.

In accordance with applicable Portuguese legislation, income tax returns are subject to review and correction by the tax authorities for a period of four years (five years for social security) except where there are tax losses, tax benefits have been granted or there is litigation in progress where, depending on the circumstances, the period can be extended or suspended. Accordingly, the Company's tax returns for the years 2021 to 2024 are still subject to review. Management believes that possible corrections arising from inspections by the tax authorities of those tax returns will not have a significant impact on the financial statements of March 31, 2025 and 2024.

As of March 31, 2025 and 2024, there were no temporary differences between accountant and tax in order to create deferred taxes in the financial statements.

For the years ended March 31, 2025 and 2024, the tax rate reconciliation is as follows:

Reconciliation of the tax rate

(EUR)

	Year ended March 31, 2025	Year ended March 31, 2024
Profit/(Loss) before income tax	**2,557,954**	2,788,691
Nominal tax rate (<25.000 net income)	**-**	-
Nominal tax rate (<50.000 net income)	**1.700%**	1.700%
Nominal tax rate (>25.000 net income)	**-**	-
Nominal tax rate (>50.000 net income)	**2.100%**	2.100%
Municipal Tax	**1.50%**	1.50%
Derrama estadual	**3.00%**	3.00%
Expected income tax	**605,278**	665,116
Nominal tax rate	**2.366%**	2.385%
Profit/(Loss) before income tax	**2,557,954**	2,788,691
Permanent differences	**53,778**	68,129
Tax losses carried forward for which no deferred taxes were recorded	**-**	-
Profit for tax proposes	**2,611,732**	2,856,820
Income tax (<25,000)	**-**	-
Income tax (<50,000)	**8,500**	8,500
Income tax (>25,000)	**-**	-
Income tax (>50,000)	**537,964**	589,432
Income tax (municipal tax)	**39,176**	42,852
Income tax (State tax)	**33,352**	40,705
Autonomous taxation	**3,894**	34,541
Income tax total (note 15)	**622,886**	716,030
Effective tax rate	**2.385%**	2.506%

Notes forming part of the Financial Statements As of March 31, 2025

8. TRADE RECEIVABLES AND OTHER RECEIVABLES

As of March 31, 2025 and 2024, trade receivables and other receivables present the following composition:

(EUR)

	As at March 31, 2025			As at March 31, 2024		
	Gross amount	Impairment losses	Net amount	Gross amount	Impairment losses	Net amount
Current:						
Trade receivables	5,947,711	(12,298)	5,935,413	3,835,290	(12,298)	3,822,992
Other receivables	1,095,516	-	1,095,516	782,712	-	782,712
	7,043,227	**(12,298)**	**7,030,929**	4,618,002	(12,298)	4,605,704

As of March 31, 2025 and 2024, trade receivables include 3,938,525 Euros and 2,067,114 Euros, respectively, related with Group companies (Note 16).

For the years ended March 31, 2025 and 2024, movements occurred in impairment losses, were as follows:

(EUR)

	Year ended March 31, 2025	Year ended March 31, 2024
Beginning balance	**12,298**	11,053
Increase	**-**	736
Decrease	**-**	-
Effect of exchange rate adjustments	**-**	509
	12,298	12,298

As of March 31, 2025 there was no variation in this account line item, whereas in 2024 there was a variation of 1,245 Euros.

Other receivables

As of March 31, 2025 and 2024, this caption was as follows:

(EUR)

	As at March 31, 2025	As at March 31, 2024
Accrued income:		
Unbilled services rendered	**881,205**	733,137
Other debtors	**214,311**	49,575
	1,095,516	782,712

As of March 31, 2025 and 2024, other receivables included 881,197 Euros and 730,574 Euros respectively, related with Group companies (Note 16).

9. ADVANCES TO SUPPLIERS

As of March 31, 2024, there were no advances to suppliers.

Notes forming part of the Financial Statements As of March 31, 2025

10. DEFERRALS

As of March 31, 2025 and 2024, these captions were detailed as follows:

(EUR)

	As at March 31, 2025	As at March 31, 2024
Deferred assets:		
Supplies and services	**527,439**	287,369
Payroll expenses	**-**	-
	527,439	287,369
Deferred liabilities:		
Services rendered	**594,369**	447,437

As of March 31, 2025, and 2024, the Deferrals included 488,045 Euros and 138,081 Euros, respectively, related with Group companies (Note 16).

11. QUOTA CAPITAL AND RESERVES

As of March 31, 2025 and 2024, the Company's fully subscribed and paid up quota capital was made up of one quota with the nominal value of 5,500 Euros. As of those dates, quota capital was totally owned by TATA Consultancy Services España, S.A. (head office at Spain).

Legal reserve:

Portuguese legislation establishes that at least 5% of annual net profit must be appropriated to legal reserves until the reserve equals the statutory minimum requirement of 20% of quota capital. This reserve is not available for distribution, except in the case of liquidation of the Company, but may be used to absorb losses once other reserves and retained earnings have been exhausted. The balance of this item as at 31 March 2025 is 17,574 Euros.

Results application:

As approved at the General Shareholders' Meeting held on April 26, 2024, the results of the year ended on March 31, 2024, EUR 2,072,661 were transferred to Retained earnings/(losses).

12. LEASES

Operating leases

As of March 31, 2025 and 2024, the Company has part of its operational lease contracts related to rented vehicles. The minimum non-cancellable lease payments as of March 31, 2025 and 2024, are as follows:

(EUR)

	As at March 31, 2025	As at March 31, 2024
Until 1 year	**26,562**	25,562
Between 1 and 5 years	**71,908**	98,470
	98,470	125,032

Notes forming part of the Financial Statements As of March 31, 2025

13. OTHER PAYABLES

As of March 31, 2025 and 2024, the caption "Other payables" had the following composition:

(EUR)

	As at March 31, 2025	As at March 31, 2024
Accrued costs:		
Employees	**312,432**	217,798
Supplies and services Group (Note 16) (a)	**304,721**	146,332
Bonuses	**73,610**	21,195
Audit	**-**	6,795
Credits to be granted	**1,197**	88,839
Subcontracts	**1,604,281**	1,624,848
Others	**39,440**	122,465
Other creditors	**55,849**	34,031
Other creditors - Group (Note 16) (a)	**97,866**	10,497
	2,489,396	2,272,800

a) As of March 31, 2025 and 2024 other payables included 402,587 Euros and 156,829 Euros, respectively, related with Group companies (Note 16).

14. SUPPLIERS

As of March 31, 2025 and 2024, the caption "Suppliers" was as follows:

(EUR)

	As at March 31, 2025	As at March 31, 2024
Suppliers, current account:		
Group companies (Nota 16)	**502,019**	962,888
Other suppliers	**864,796**	1,365,185
	1,366,815	2,328,073

15. STATE AND OTHER PUBLIC ENTITIES

As of March 31, 2024 and 2025, the caption "State and other public entities" was as follows:

(EUR)

	As at March 31, 2025	As at March 31, 2024
Corporate income tax:		
Withholding taxes	**601,959**	511,386
Advances	**27,917**	10,457
Estimated tax (Note 7)	**(622,886)**	(716,030)
Personal income tax	**(46,277)**	(47,325)
Value Added Tax	**1,464,412**	1,198,312
Social Security Contributions	**(35,750)**	(24,814)
	1,389,375	931,985

Notes forming part of the Financial Statements As of March 31, 2025

16. RELATED PARTIES

Transactions with related parties

During the years ended March 31, 2025 and 2024 transactions with related parties were as follows:

(EUR)

	Year ended March 31, 2025		Year ended March 31, 2024	
	Services rendered (Nota 17)	Supplies and services (Note 18)	Services rendered (Nota 17)	Supplies and services (Note 18)
Tata Consultancy Services, Limited	**4,485,899**	**3,418,843**	4,290,776	5,997,868
Tata Consultancy de España, S.A.	**-**	**173,312**	-	310,048
Tata Consultancy Services Netherlands B.V.	**3,186,087**	**14,730**	3,130,039	18,948
Tata Consultancy Services France SAS	**556,820**	**24,204**	347,899	24,930
Tata Consultancy Services Deutschland GmbH	**1,170,865**	**53,096**	844,827	8,354
Tata Consultancy Services Sweden	**563,373**	**4,264**	972,468	6,678
Tata Consultancy Services Belgium N.V./S.A.	**94,856**	**-**	183,855	729
Tata Consultancy Services Canada Inc.	**707,237**	**-**	703,808	-
Tata Consultancy Services Luxembourg SA	**-**	**(119,634)**	151,501	2,485
Tata Consultancy Services Osterreich GmbH	**-**	**1,863**	-	72
Tata Consultancy Services Do Brasil Ltda	**-**	**-**	3,850	4,057
Tata Consultancy Services Switzerland Ltd.	**39,493**	**3,175**	-	8,256
Tata Consultancy Services Ireland Limited	**-**	**-**	-	428
	10,804,630	**3,573,853**	10,629,023	6,382,853

Notes forming part of the Financial Statements As of March 31, 2025

Balances with related parties

As of March 31, 2025 and 2024, balances with related parties were as follows:

(EUR)

	As at March 31, 2025				
	Trade receivables (Note 8)	Other receivables (Note 8)	Other payables (Note 13)	Suppliers (Note 14)	Other payables (Note 13)
Tata Consultancy de España, S.A.	-	-	3,725	15,677	7,077
Tata Consultancy Services Netherlands B.V.	2,710,898	275,013	56,488	4,092	-
Tata Consultancy Services Deutschland GmbH	220,229	26,605	88,989	68,973	-
Tata Consultancy Services France SA	49,913	-	13,442	51,565	(14,681)
Tata Consultancy Services Luxembourg SA	30,507	31,335	-	-	-
Tata Consultancy Services Sweden	73,482	42,211	8,214	11,884	-
Tata America Internacional Corporation	-	-	10,508	2,680	-
Tata Consultancy Services Switzerland Ltd	-	39,493	87,358	10,191	-
Tata Consultancy Services Belgium N.V./S.A.	-	-	620	365	-
Tata Consultancy Services Canada Inc.	12,339	87,310	-	-	-
Tata Consultancy Services Osterreich GmbH	-	-	-	100	-
Tata Consultancy Services, Limited	837,307	379,230	131,930	175,544	495,649
TCS Ireland Limited	-	-	-	543	-
Tata Consultancy Services Italia S.r.l.	-	-	1,313	586	-
TATA Consultancy Services do Brasil LTDA.	3,850	-	-	1,494	-
	3,938,525	881,197	402,587	343,694	488,045

	As at March 31, 2024				
	Trade receivables (Note 8)	Other receivables (Note 8)	Other payables (Note 13)	Suppliers (Note 14)	Other payables (Note 13)
Tata Consultancy de España, S.A.	-	-	3,219	140,973	3,170
Tata Consultancy Services Netherlands B.V.	582,984	209,029	1,952	33,459	-
Tata Consultancy Services Deutschland GmbH	72,635	113,064	883	16,961	(3,520)
Tata Consultancy Services France SA	42,752	7,516	1,735	33,566	(81,814)
Tata Consultancy Services Luxembourg SA	30,332	30,425	-	-	-
Tata Consultancy Services Sweden	57,415	13,787	614	7,207	(779)
Tata America Internacional Corporation	-	-	10,497	2,678	-
Tata Consultancy Services Switzerland Ltd	-	-	-	6,839	-
Tata Consultancy Services Belgium N.V./S.A.	16,154	16,923	-	365	-
Tata Consultancy Services Canada Inc.	68,194	17,829	-	-	-
Tata Consultancy Services Osterreich GmbH	-	-	-	100	-
Tata Consultancy Services, Limited	1,192,798	322,001	137,929	1,120,966	221,024
Tata Consultancy Services Italia S.r.l	-	-	-	36	-
TATA Consultancy Services do Brasil LTDA	3,850	-	-	1,494	-
	2,067,114	730,574	156,829	1,365,185	138,081

Back to content

Notes forming part of the Financial Statements As of March 31, 2025

17. RENDERED SERVICES

Rendered services by the Company during the years ended March 31, 2024 and 2025, were as follows:

(EUR)

	Year ended March 31, 2025	Year ended March 31, 2024
Internal market	**6,876,663**	5,495,456
External market (a)	**10,804,630**	10,629,023
	17,681,293	16,124,479

(a) As of March 31, 2025 and 2024 rendered services included 10,804,630 Euros and 10,629,023 Euros, respectively, related with Group companies (Note 16).

18. SUPPLIES AND SERVICES

The caption "Supplies and services" for the years ended March 31, 2025 and 2024, is made up as follows:

(EUR)

	Year ended March 31, 2025	Year ended March 31, 2024
Subcontracts	**11,308,812**	10,944,851
Fees	**107,971**	5,450
Rents and leases	**148,479**	125,458
Travel expenses	**45,108**	14,798
Specialized services	**134,677**	40,563
Communication	**10,649**	12,091
Others	**142,477**	66,261
	11,898,173	11,209,473

During the years ended March 31, 2025 and 2024, these captions included 3,573,853 Euros and 6,382,853 Euros, respectively, related to services rendered by Group companies (Note 16).

19. PAYROLL EXPENSES

The caption "Payroll expenses" of the years ended March 31, 2025 and 2024, was as follows:

(EUR)

	Year ended March 31, 2025	Year ended March 31, 2024
Staff remuneration	**2,181,010**	1,533,812
Bonuses	**95,769**	50,283
Social security charges	**317,852**	222,345
Others	**359,999**	34,688
	2,954,630	1,841,128

During the years ended March 31, 2025 and 2024, the average number of personnel was 46 and 43, respectively.

Notes forming part of the Financial Statements As of March 31, 2025

20. PROVISIONS

In the years ended March 31, 2025 and 2024, movements occurred in caption "Provisions" were as follows:

(EUR)

	Year ended March 31, 2025	Year ended March 31, 2024
Increase	**53,928**	68,133
Decrease	**150**	4
	53,778	68,129

21. OTHER OPERATING INCOME

The composition of the caption "Other operating income" for the years ended March 31, 2025 and 2024, was as follows:

(EUR)

	Year ended March 31, 2025	Year ended March 31, 2024
Foreign exchange rate gains	**12,247**	-
Interest on term deposits	**69,843**	41,826
Others	**16,701**	-
	98,791	41,826

22. OTHER OPERATING EXPENSES

The composition of caption "Other operating expenses" for the years ended March 31, 2024 and 2025, was as follows:

(EUR)

	Year ended March 31, 2025	Year ended March 31, 2024
Foreign exchange rate losses	**25,971**	9,352
Others	**11**	931
	25,982	10,283

23. SUBSEQUENT EVENTS

The year 2024 ended with signs of an economic recovery which is expected to continue in 2025 and is expected to slow down in subsequent years.

Prices are likely to rise, which entails some uncertainty for all activities, and a general increase in prices is expected in all sectors of the economy.

Events occurring after the balance sheet date on conditions that existed at the balance sheet date have been considered in the preparation of the financial statements.

24. RISKS

Credit risks

The Company is exposed to credit risk related with the possibility of the other part failing to comply with contractual obligations, resulting in losses relating to assets fulfilment.

Credit risk is mainly related with receivables, as a result of the Company´s operations, namely data-processing consultancy rendered services to its clients.

Notes forming part of the Financial Statements As of March 31, 2025

This risk is monitored, on a regular basis, with the objective of:

- limit credit granted to clients, considering the profile and age of account receivables;
- monitor the progress of the granted credit level;
- analyse the recoverability of receivables on a regular basis.

Impairment losses for accounts receivable are calculated considering:

- analysis of aged accounts receivable;
- client risk's profile;
- clients' financial conditions.

As of March 31, 2025, Management is convicted that estimated impairment losses for accounts receivable are appropriately accounted for in the financial statements.

25. NOTE ADDED FOR TRANSLATION

These financial statements are a translation of financial statements originally prepared in Portuguese in conformity with Portuguese legislation and following generally accepted accounting principles in Portugal. In the event of discrepancies, the Portuguese language version prevails.

THE CERTIFIED ACCOUNTANT MANAGEMENT

Tata Consultancy Services Saudi Arabia

(A Foreign Limited Liability Company)

FINANCIAL STATEMENTS

For the year ended December 31, 2024

Together with the

Independent Auditor's Report

FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2024

CONTENTS **PAGE**

Independent Auditor's Report	38.2
Statement of Financial Position	38.4
Statement of Profit or Loss and other Comprehensive Income	38.5
Statements of Changes in Shareholders' Equity	38.6
Statement of Cash Flows	38.7
Notes forming part of the Financial Statements	38.8

Back to main content

INDEPENDENT AUDITOR'S REPORT

KPMG Professional Services Company

Roshn Front, Airport Road

P. O. Box 92876

Riyadh 11663

Kingdom of Saudi Arabia

Commercial Registration No 1010425494

Headquarters in Riyadh

To the Shareholders of Tata Consultancy Services Saudi Arabia (A Foreign Limited Liability Company)

Opinion

We have audited the financial statements of **Tata Consultancy Services Saudi Arabia** ("the Company"), which comprise the statement of financial position as at 31 December 2024, the statements of profit or loss and other comprehensive income, changes in shareholders equity and cash flows for the year then ended, and notes to the financial statements, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants (SOCPA).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards), that is endorsed in the Kingdom of Saudi Arabia, that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with the Code's requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by SOCPA, the applicable requirements of the Companies Law, Company's Articles of Association and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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.

Those charged with governance, the Board of Directors, are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, then we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit of **Tata Consultancy Services Saudi Arabia** ("the Company").

KPMG Professional Services Company

Nourah Mansour Alqarni

License Number: 646

Al Riyadh: 07 Dhul Qadah, 1446H

Corresponding to: 05 May 2025G

Statements of Financial Position

(Amount in SAR)

	Notes	As at December 31, 2024	As at December 31, 2023
ASSETS			
Current assets			
Cash and cash equivalents	7 (a)	**59,062,785**	7,238,315
Trade receivables	7 (b)	**294,067,875**	186,303,372
Unbilled receivables		**13,450,055**	14,810,285
Other financial assets	7 (c)	**906,795**	397,638
Current income tax assets (net)	13	**-**	2,173,620
Other current assets	9 (c)	**69,208,683**	29,145,531
Total current assets		**436,696,193**	240,068,761
Non-current assets			
Property, plant and equipment	9 (a)	**2,691,915**	2,917,228
Right-of-use assets	8	**-**	3,517,094
Intangible assets	9 (b)	**-**	530
Deferred tax assets (net)	13	**8,975,030**	7,439,315
Other non-current assets	9 (d)	**4,305**	11,320
Total non-current assets		**11,671,250**	13,885,487
TOTAL ASSETS		**448,367,443**	253,954,248
LIABILITIES AND EQUITY			
Liabilities			
Current liabilities			
Trade and other payables	7 (d)	**268,154,299**	131,233,654
Provisions		**3,333,503**	5,055
Lease liabilities	8	**-**	3,025,906
Other financial liabilities	7 (e)	**4,673,448**	3,619,637
Unearned and deferred revenue	10	**15,820,754**	8,190,687
Employee benefit obligations	14	**17,642,751**	14,368,082
Income tax payable (net)	13	**4,110,610**	-
Other current liabilities	9 (e)	**9,410,882**	7,400,089
Total current liabilities		**323,146,247**	167,843,110
Non-current liabilities			
Employee benefit obligations	14	**22,551,927**	18,846,720
Total non-current liabilities		**22,551,927**	18,846,720
TOTAL LIABILITIES		**345,698,174**	186,689,830
Equity			
Share capital	7 (i)	**3,750,000**	3,750,000
Retained earnings		**97,044,269**	61,639,418
Statutory reserve		**1,875,000**	1,875,000
TOTAL EQUITY		**102,669,269**	67,264,418
TOTAL LIABILITIES AND EQUITY		**448,367,443**	253,954,248

SEE ACCOMPANYING NOTES FROM 1 TO 17 FORMING PART OF FINANCIAL STATEMENTS

The financial statements on page 3 to 29 have been approved by the Board of Directors for issuance on 07 Dhul Qadah, 1446H (corresponding to 05 May 2025G) and signed on their behalf by:

Sudhir Sreedharan- Chairman of the Board of Directors

Statements of Profit or Loss and Other Comprehensive Income

(Amount in SAR)

	Notes	For the year ended December 31, 2024	For the year ended December 31, 2023
Revenue	10	**680,316,548**	428,966,900
Operating expenses			
Employee cost	14	**(332,631,711)**	(273,146,673)
Other operating expenses	11	**(296,534,739)**	(143,166,685)
Depreciation and amortisation expenses	8, 9 (a) & 9 (b)	**(4,519,622)**	(4,209,813)
Total operating expenses		**(633,686,072)**	(420,523,171)
Operating income		**46,630,476**	8,443,729
Other (expenses) / income			
Net foreign exchange loss	12 (c)	**(88,283)**	(42,295)
Finance costs	12 (b)	**(59,586)**	(164,660)
Finance income	12 (a)	**-**	21
PROFIT BEFORE TAXES		**46,482,607**	8,236,795
Income tax expense	13	**(9,747,596)**	(1,660,956)
PROFIT FOR THE YEAR		**36,735,011**	6,575,839
OTHER COMPREHENSIVE INCOME / (LOSS), NET OF TAXES			
Items that will not be reclassified subsequently to profit or loss			
Loss on remeasurement of defined employee benefit plans	14	**(1,662,700)**	(823,500)
Deferred tax gain on remeasurement of defined employee benefit plans	13	**332,540**	164,700
TOTAL OTHER COMPREHENSIVE (LOSS), NET OF TAXES		**(1,330,160)**	(658,800)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**35,404,851**	5,917,039

SEE ACCOMPANYING NOTES FROM 1 TO 17 FORMING PART OF FINANCIAL STATEMENTS

The financial statements on page 3 to 29 have been approved by the Board of Directors for issuance on 07 Dhul Qadah, 1446H (corresponding to 05 May 2025G) and signed on their behalf by:

Sudhir Sreedharan- Chairman of the Board of Directors

Statements of Changes in Shareholders' Equity

(Amount in SAR)

	Notes	Share capital	Retained earnings	Statutory reserves	Total equity
Balance as at January 1, 2023		3,750,000	55,722,379	1,875,000	61,347,379
Profit for the year		-	6,575,839	-	6,575,839
Other comprehensive loss for the year		-	(658,800)	-	(658,800)
Total comprehensive income		-	5,917,039	-	5,917,039
Balance as at December 31, 2023		3,750,000	61,639,418	1,875,000	67,264,418
Profit for the year		**-**	**36,735,011**	**-**	**36,735,011**
Other comprehensive loss for the year		**-**	**(1,330,160)**	**-**	**(1,330,160)**
Total comprehensive income		**-**	**35,404,851**	**-**	**35,404,851**
Balance as at December 31, 2024		**3,750,000**	**97,044,269**	**1,875,000**	**102,669,269**

THE STATEMENT OF CHANGES IN EQUITY IS TO BE READ IN CONJUNCTION WITH THE NOTES TO, AND FORMING PART OF, THE FINANCIAL STATEMENTS SET OUT ON PAGES 7 TO 29.

The financial statements on page 3 to 29 have been approved by the Board of Directors for issuance on 07 Dhul Qadah, 1446H (corresponding to 05 May 2025G) and signed on their behalf by:

Sudhir Sreedharan- Chairman of the Board of Directors

Statements of Cash Flows

(Amount in SAR)

	Note	For the year ended December 31, 2024	For the year ended December 31, 2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the year		**36,735,011**	6,575,839
Adjustments for:			
Depreciation and amortisation expenses	8, 9 (a) & 9 (b)	**4,519,622**	4,209,813
Income tax expense	13	**9,747,596**	1,660,956
Finance cost	12 (b)	**59,586**	164,660
Interest income	12 (a)	**-**	(21)
(Reversal of) / provision for impairment loss on trade receivables	7 (b)	**48,005**	(5,771)
Net change in working capital			
Trade receivables		**(107,812,508)**	(119,091,075)
Other financial assets		**(509,157)**	74,777
Unbilled receivables		**1,360,230**	(11,756,037)
Other current assets		**(40,063,153)**	(15,915,858)
Other non-current assets		**7,015**	(11,320)
Trade and other payables		**136,920,645**	109,936,695
Provisions		**3,328,448**	5,055
Unearned and deferred revenue		**7,630,067**	7,817,914
Employee benefit obligations		**5,317,176**	5,744,867
Other current liabilities		**2,010,793**	1,972,127
Other financial liabilities		**1,053,811**	713,338
Cash generated from / (used in) operating activities		**60,353,187**	(7,904,041)
Taxes paid	13	**(4,666,541)**	(1,612,874)
Net cash generated from / (used in) operating activities		**55,686,646**	(9,516,915)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for purchase of property, plant and equipment (includes CWIP)		**(776,684)**	(1,774,716)
Proceeds from interest received on fixed deposits - short term		**-**	21
Net cash used in investing activities		**(776,684)**	(1,774,695)
CASH FLOWS FROM FINANCING ACTIVITIES			
Interest paid		**(56,349)**	(58,273)
Repayment of lease liabilities		**(3,029,143)**	(3,362,501)
Net cash used in financing activities		**(3,085,492)**	(3,420,774)
Net change in cash and cash equivalents		**51,824,470**	(14,712,384)
Cash and cash equivalents, beginning of the year		**7,238,315**	21,950,699
Cash and cash equivalents, end of the year	7 (a)	**59,062,785**	7,238,315

SEE ACCOMPANYING NOTES FROM 1 TO 17 FORMING PART OF FINANCIAL STATEMENTS

The financial statements on page 3 to 29 have been approved by the Board of Directors for issuance on 07 Dhul Qadah, 1446H (corresponding to 05 May 2025G) and signed on their behalf by:

Sudhir Sreedharan- Chairman of the Board of Directors

Notes forming part of the Financial Statements

1. CORPORATE INFORMATION

Tata Consultancy Services Saudi Arabia ("the Company") is a Foreign Limited Liability Company registered in the Kingdom of Saudi Arabia under commercial registration numbered 1010435987 dated 14 Shawwal 1436H (Corresponding to 30 July 2017).

The registered address of Company is - Akaria Center II, office no 172, 7th floor, Olaya Road, P.O Box 30005, Riyadh - 11372, Kingdom of Saudi Arabia. The parent company of the Company is Tata Consultancy Services Netherlands B.V. and the ultimate parent company is Tata Consultancy Services Limited (a Company listed on stock exchange in India).

The Company provides all services related to information technology and services include business process management, application support and maintenance services, infrastructure and its maintenance support, call center services relating to any industry or trade or application or domain services. The Company's full service portfolio consist of activities related to software development, implementation, support and maintenance of any industry, trade, application, product, device, computer, microscopic including consulting, design and implementation of software, hardware for all these services processors, provide software and hardware consulting and information processing services.

The new Companies Law issued through Royal Decree M/132 on 1/12/1443H (corresponding to 30 June 2022) (hereinafter referred as "the Law") came into force on 26/6/1444 H (corresponding to 19 January 2023). For certain provisions of the Law, full compliance is expected not later than two years from 26/6/1444H (corresponding to 19 January 2023). The management has assessed the impact of the new Companies Law and accordingly amended its Articles of Association.

The financial statements were approved by the Board of Directors and authorized for issue on dated 07 Dhul Qadah,1446H (corresponding to 05 May 2025G).

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by Saudi Organization for Chartered and Professional Accountants (SOCPA) (herein and after referred to as IFRS as endorsed in KSA).

The material accounting policies applied in the preparation of these financial statements have been consistently applied to all periods presented.

3. BASIS OF PREPARATION

These financial statements have been prepared on historical cost basis using the going concern concept except for certain financial instruments which are measured at fair value or amortised cost at the end of each reporting period and defined benefit plans which are measured in accordance with IAS 19. Historical cost is generally based on the fair value of the consideration given in exchange for 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. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customer and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

Cash flows are reported using the indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The Company classifies interest paid as cash flow from financing activities and interest and dividend received as cash flow from investing activities. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value to be cash equivalents.

The financial statements are presented in Saudi Arabian Riyals, which is the functional and presentation currency of the Company. Foreign currency transactions are translated into functional currency at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are translated into the functional currency using exchange rates prevailing on the date of statement of financial position. Gains and losses arising on conversion of foreign currency denominated monetary assets and liabilities are included in profit or loss. Non monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not translated.

Notes forming part of the Financial Statements

Assets and liabilities of entities with functional currency other than presentation currency have been translated to the presentation currency using exchange rate prevailing on the date of statement of financial position.

Material accounting policies

The Company adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) from 1 January 2023. The amendments require the disclosure of 'material' rather than 'significant' accounting policies. Although the amendments did not result in any changes to the accounting policy themselves, they impacted the accounting policy information disclosed in certain instances.

4. USE OF ESTIMATES AND JUDGEMENTS

The preparation of these financial statements in conformity with the recognition and measurement principles of IFRS require management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses for the year presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimates are revised and future periods are affected.

Key source of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of useful lives of property, plant and equipment, valuation of deferred tax assets, provisions and contingent liabilities and has been discussed below. Key source of estimation of uncertainty in respect of revenue recognition, employee benefits and fair value measurement of financial instruments have been discussed in their respective policies.

The Company uses the following critical accounting estimates in preparation of its financial statements:

a. Revenue recognition

Revenue for fixed-price contracts are recognised using percentage-of-completion method. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.

b. Useful lives of property, plant and equipment

The Company reviews the carrying amount of property, plant and equipment at the end of each reporting period. This reassessment may affect depreciation expense in future periods. The carrying amount of property, plant and equipment as on December 31, 2024 was SAR 2,691,915 (December 31, 2023 was SAR 2,917,228).

c. Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

d. Valuation of deferred tax assets

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period.

e. Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation as a result of past event and it is probable than an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation as at the date of the statement of financial position. These are reviewed at the end of each reporting period adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. Contingent asset is neither recognised nor disclosed in the financial statements.

Notes forming part of the Financial Statements

f. Employee benefits

The cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each statement of financial position date. The accounting of employee benefit plans in the nature of defined benefit requires the Company to use assumptions. These assumptions have been explained under employee benefits note.

g. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of IFRS 16. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

5. NATURE AND PURPOSE OF RESERVES

a. Retained earnings

This reserve represents undistributed accumulated earnings of the Company as on the date of statement of financial position.

b. Statutory reserves

10% of the net profit shall be set aside as statutory reserve as per the Company's article of association, until it has built up a reserve equal to 50% of its share capital. Remaining profit shall be distributed amongst the shares proportionately to their share holding.

6. RECENT ACCOUNTING STANDARDS

The Company has not applied the following new and revised IFRSs that have been issued but are not yet effective.

Amendments to IAS 21	The Effects of Changes in Foreign Exchange Rates[1]
Amendments to IFRS 9 and IFRS 7[2]	
IFRS 18	Presentation and Disclosures in Financial Statements[3]
IFRS 19	Subsidiaries without Public Accountability: Disclosures[3]

[1]Effective for annual periods beginning on or after January 1, 2025.

[2]Effective for annual periods beginning on or after January 1, 2026.

[3]Effective for annual periods beginning on or after January 1, 2027.

IAS 21 – The Effects of Changes in Foreign Exchange Rates

In August 2023, the IASB issued 'Lack of Exchangeability (Amendments to IAS 21)' to provide guidance to specify which exchange rate to use when the currency is not exchangeable. An entity must estimate the spot exchange rate as the rate that would have applied to an orderly transaction between market participants at the measurement date and that would faithfully reflect the economic conditions prevailing. The Company does not expect this amendment to have any significant impact in its financial statements.

Notes forming part of the Financial Statements

IFRS 9 and IFRS 7 – Financial Instruments and Financial Instruments: Disclosure

In May 2024, the IASB issued "Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) to address matters identified during the post-implementation review of IFRS 9. The amendments relate to derecognition of a financial liability settled through electronic transfer, classification of financial assets and disclosures of certain financial assets and financial liabilities. The Company will evaluate the amendments and implement them accordingly.

IFRS 18 – Presentation and Disclosures in Financial Statements

In April 2024, the IASB issued its new standard IFRS 18 – Presentation and Disclosures in Financial Statements that will replace IAS 1 – Presentation of Financial Statements. The new standard aims at improving how entities communicate in their financial statements. The Company will evaluate the standard and implement it accordingly.

IFRS 19 – Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued a new standard IFRS 19 - Subsidiaries without Public Accountability: Disclosures. The standard allows a subsidiary which does not have public accountability and has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards, to elect IFRS 19. Such an entity applies the requirements in other IFRS Accounting Standards, except for the disclosure requirements, instead the entity applies the requirements in IFRS 19.

7. FINANCIAL ASSETS, FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and 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 measured on initial recognition of financial asset or financial liability.

The Company derecognises a financial asset only 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 entity. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

Cash and cash equivalents

Tata Consultancy Services Saudi Arabia considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Trade receivables

Trade receivables without a significant financing component are initially measured at transaction price.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

The Company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in other comprehensive income.

Notes forming part of the Financial Statements

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received net of direct issue cost.

Impairment of financial assets (other than at fair value)

The Company assesses at each date of statement of financial position whether a financial asset or a group of financial assets is impaired. IFRS 9 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. In determining the allowances for doubtful trade receivables the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Derecognition

(a) Financial asset

The Company derecognises a financial asset when the contractual right to the cash flows from the financial asset expire, or it transfers the right to receive the contractual cash flow in a transaction in which substantially all of the risks and rewards of the ownership of financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of financial asset.

The Company enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases the transferred assets are not derecognised.

(b) Financial liability

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises financial liability when its terms are modified and cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of financial liability the difference between the carrying amount extinguished and the consideration paid (including any non cash asset transferred or liabilities assumed) is recognised in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liabilities simultaneously.

Notes forming part of the Financial Statements

a. Cash and cash equivalents

(Amount in SAR)

	As at December 31, 2024	As at December 31, 2023
Balance with bank - current account	**59,062,785**	7,238,315
Total	**59,062,785**	7,238,315

b. Trade receivables

(Amount in SAR)

	As at December 31, 2024	As at December 31, 2023
Trade receivables*	**294,115,880**	186,303,372
Less: Allowance for doubtful trade receivables	**(48,005)**	-
Total	**294,067,875**	186,303,372

* Trade receivables include balance with related party (refer note number - 15)

Movement in the allowance for doubtful trade receivables is given below:

(Amount in SAR)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Opening balance	**-**	5,771
Add: (reversal) / charge to profit and loss	**48,005**	(5,771)
Closing balance	**48,005**	-

c. Other financial assets

Other financial asset consist of the following:

(Amount in SAR)

Other current financial assets	As at December 31, 2024	As at December 31, 2023
Premises security deposit	**469,995**	505,320
Employee advances	**413,928**	(130,558)
Imprest	**10,000**	11,063
Earmarked deposits	**-**	11,813
Others	**12,872**	-
Total	**906,795**	397,638

Notes forming part of the Financial Statements

d. Trade and other payables

(Amount in SAR)

	As at December 31, 2024	As at December 31, 2023
Trade payables*	**213,144,054**	97,766,578
Accrued expenses - POC	**38,071,851**	6,787,545
Accrued expenses - Others**	**16,938,394**	26,679,531
Total	**268,154,299**	131,233,654

* Trade payables include balance with related party (refer note number - 15)

No interest is charged on trade payables. The Company has financial risk management policies in place to ensure that all payables are paid within the credit time frame.

**Accrued expenses – Others primarily comprise routine expense provisions, including fees to external consultant, facility expense, travel expenses and others.

e. Other financial liabilities

(Amount in SAR)

	As at December 31, 2024	As at December 31, 2023
Accrued payroll	**4,448,867**	3,501,962
Capital creditors	**224,581**	117,675
Total	**4,673,448**	3,619,637

f. Financial instruments by category

The carrying value of financial instruments by categories as of December 31, 2024 is as follows:

(Amount in SAR)

	Amortized cost	Total carrying value
Financial assets		
Cash and cash equivalents	**59,062,785**	**59,062,785**
Trade receivables	**294,067,875**	**294,067,875**
Unbilled receivables	**13,450,055**	**13,450,055**
Other financial assets	**906,795**	**906,795**
	367,487,510	**367,487,510**
Financial liabilities		
Trade and other payables	**268,154,299**	**268,154,299**
Other financial liabilities	**4,673,448**	**4,673,448**
	272,827,747	**272,827,747**

Notes forming part of the Financial Statements

The carrying value of financial instruments by categories as of December 31, 2023 is as follows:

(Amount in SAR)

	Amortized cost	Total carrying value
Financial assets		
Cash and cash equivalents	7,238,315	7,238,315
Trade receivables	186,303,372	186,303,372
Unbilled receivables	14,810,285	14,810,285
Other financial assets	397,638	397,638
	208,749,610	208,749,610
Financial liabilities		
Trade and other payables	131,233,654	131,233,654
Lease liabilities	3,025,906	3,025,906
Other financial liabilities	3,619,637	3,619,637
	137,879,197	137,879,197

The fair values of financial assets and financial liabilities as at December 31, 2024 and December 31, 2023 approximate the carrying amounts.

g. 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.

h. Financial risk management

The Company is exposed primarily to fluctuations in foreign currency exchange rates, credit, liquidity and interest rate risks, which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which covers risks associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors. The focus of the risk management committee is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the Company.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

- **Foreign currency exchange rate risk**

  The fluctuation in foreign currency exchange rate may have potential impact on the financial statement, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than functional currency of the Company. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries.

Notes forming part of the Financial Statements

The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

The foreign exchange rate sensitivity is calculated by aggregation of the net foreign exchange rate exposure and a simultaneous parallel foreign exchange rates shift of all the currencies by 10% against the respective functional currencies of the Company.

The following analysis has been worked out based on the net exposures of the Company.

The following table sets forth information relating to foreign currency exposure as at December 31, 2024:

(equivalent SAR)

	INR	USD	Other
Net financial assets	**(19,005)**	**75,754,597**	**67,937**
Net financial liabilities	**(20,109)**	**98,155,402**	**(6,744)**

10% appreciation / depreciation of the respective foreign currencies with respect to functional currency of Tata Consultancy Services Saudi Arabia would result in decrease / increase in the Company's profit before taxes by approximately SAR 2,232,502 for the year ended December 31, 2024.

The following table sets forth information relating to foreign currency exposure as at December 31, 2023:

(equivalent SAR)

	INR	USD	Other
Net financial assets	166,360	16,407,158	1,964
Net financial liabilities	(15,122)	13,374,620	(9,314)

10% appreciation / depreciation of the respective foreign currencies with respect to functional currency of Tata Consultancy Services Saudi Arabia would result in decrease / increase in the Company's profit before taxes by approximately SAR 322,530 for the year ended December 31, 2023.

- **Interest rate risk**

  The Company is not exposed to interest rate risk.

Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, unbilled receivables, cash and cash equivalents, and other financial assets.

- **Exposure to credit risk**

  The carrying amount of financial assets and contract assets represents the maximum credit exposure. The maximum exposure to credit risk was SAR 412,718,621 and SAR 222,337,068 as of December 31, 2024 and December 31, 2023, respectively being the total of the carrying amount of balance with bank, trade receivable, unbilled receivable and other financial assets. Balance with bank is placed with a bank with high credit ratings. As of December 31, 2024, there were no indications that any defaults will occur on trade receivable, unbilled receivables, contract assets or other financial assets.

Notes forming part of the Financial Statements

Details of single customer who contribute to more than 10% of outstanding trade receivables, unbilled receivables and contract assets as at December 31, 2024 and December 31, 2023.

(Amount in SAR)

	As at December 31, 2024		As at December 31, 2023	
	Amounts	Percentage	Amounts	Percentage
Customer D	**112,941,443**	**32%**	45,908,352	21%
Customer F	**-**	**-**	36,397,801	17%
Customer G	**-**	**-**	26,367,088	12%
Customer H	**-**	**-**	24,229,534	11%
Customer I	**45,364,165**	**13%**	-	-

- **Geographic concentration of credit risk**

The Company has a geographic concentration of trade receivables (net of allowances), unbilled receivables and contract assets is as given below:

(Amount in SAR)

	As at December 31, 2024	As at December 31, 2023
Middle east	**99%**	99%
Others	**1%**	1%

Geographical concentration of trade receivables, unbilled receivables and contract assets is allocated based on the location of the customers.

The Company uses an allowance matrix to measure the expected credit loss of trade receivable from customers. The expected credit loss allowance is based on the ageing of the days the receivables are due and are as follows:

(Amount in SAR)

December 31, 2024	Weighted average loss rate	Gross carrying amount *	Loss allowance	Credit impaired
No Due	**0.00%**	**110,885,484**	**-**	**No**
1-90	**0.00%**	**48,422,225**	**-**	**No**
91-180	**0.00%**	**8,816,126**	**-**	**No**
181-272	**0.00%**	**6,454,052**	**-**	**No**
273-364	**0.00%**	**336,998**	**-**	**No**
365-455	**0.00%**	**-**	**-**	**No**
456-546	**0.00%**	**-**	**-**	**No**
>547	**100.00%**	**-**	**-**	**Yes**

Notes forming part of the Financial Statements

(Amount in SAR)

December 31, 2023	Weighted average loss rate	Gross carrying amount *	Loss allowance	Credit impaired
Not Due	0.00%	68,604,178	-	No
1-90	0.00%	38,412,280	-	No
91-180	0.00%	18,660,899	-	No
181-272	0.00%	11,469,627	-	No
273-364	0.00%	3,071,238	-	No
365-455	0.00%	-	-	No
456-546	0.00%	-	-	No
>547	100.00%	-	-	Yes

*Gross carrying amount excludes inter-company receivables and receivable against which specific allowance has been made.

There is no credit risk for intercompany receivables as the receivables are due from Holding company and retention receivable from customers are considered through time value of money.

The above table provides the loss allowance calculated as per ECL and Management is expected to make at the minimum this amount as provision of bad and doubtful debts against trade receivables.

Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company consistently generated sufficient cash flows from operations to meet its financial obligations including lease liabilities as and when they fall due.

The tables below provide details regarding the contractual maturities of significant financial liabilities as at:

(Amount in SAR)

December 31, 2024	Due in 1st year	Due in 2nd to 5th year	Total
Financial Liabilities			
Trade and other payables	**268,154,299**	**-**	**268,154,299**
Other financial liabilities	**4,673,448**	**-**	**4,673,448**
Total	**272,827,747**	**-**	**272,827,747**

December 31, 2023	Due in 1st year	Due in 2nd to 5th year	Total
Financial liabilities			
Trade and other payables	131,233,654	-	131,233,654
Lease liabilities	3,029,144	-	3,029,144
Other financial liabilities	3,619,637	-	3,619,637
Total	137,882,435	-	137,882,435

Back to content

Notes forming part of the Financial Statements

i. Share capital

The authorised, issued, subscribed and fully paid up share capital consist of the following:

	As at December 31, 2024	As at December 31, 2023
Authorised, issued, subscribe and paid up Share capital		
Share Capital at SR 3,750 (1,000 shares)	**3,750,000**	3,750,000
	3,750,000	3,750,000

Share holding	Percentage	No of Shares	Amount per Share	Total
Tata Consultancy Services Netherlands B.V.	100%	1,000	3,750	3,750,000
				3,750,000

The authorized share capital of the Company is SR 3,750,000 and the number of shares is 1,000 of SR 3,750 each. All such shared rank equally with regard to Company's residual assets. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

The Company's objective for capital management is to maximize shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. The Company is not subject to any externally imposed capital requirements.

8. LEASES

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in profit or loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease-by-lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured

Notes forming part of the Financial Statements

by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and profit or loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in profit or loss.

The Company has elected not to apply the requirements of IFRS 16 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

The details of the right-of-use asset held by the Company is as follows:

(Amount in SAR)

	Additions for the year ended December 31, 2024	Net carrying amount as at December 31, 2024
Leasehold building	**-**	**-**
Office equipment	**-**	**-**
Total	**-**	**-**

	Additions for the year ended December 31, 2023	Net carrying amount as at December 31, 2023
Leasehold building	-	3,517,094
Office equipment	-	-
Total	-	3,517,094

Depreciation on right-of-use asset is as follows:

	For the year ended December 31, 2024	For the year ended December 31, 2023
Leasehold building	**3,517,095**	3,445,706
Office equipment	**-**	3,384
Total	**3,517,095**	3,449,090

Set out below are the carrying amounts of lease liabilities and movements during the year:

	As at December 31, 2024	As at December 31, 2023
As at 1 January	**3,025,906**	6,282,020
Additions during the year	**-**	-
Accrued interest	**3,237**	106,387
Payments during the year	**(3,029,143)**	(3,362,501)
As at 31 December	**-**	3,025,906
Non-current portion	**-**	-
Current portion	**-**	3,025,906

Interest on lease liabilities is SAR 3,312 and SAR 106,387 for the year ended on December 31, 2024 and December 31, 2023, respectively. [Refer Note 12(b)]

Notes forming part of the Financial Statements

The Company incurred SAR 10,263,573 and SAR 8,831,442 for the year ended December 31, 2024 and December 31, 2023, respectively, towards expenses relating to short-term leases and leases of low-value assets.

The total cash outflow for leases is SAR 14,500,249 and SAR 9,810,473 for the year ended December 31, 2024 and December 31, 2023, respectively, including cash outflow for short-term leases and leases of low-value assets.

The Company does not have lease term extension options that are not reflected in the measurement of lease liabilities.

Lease contracts entered by the Company majorly pertains for buildings taken on lease to conduct its business in the ordinary course. The Company does not have any lease restrictions and commitment towards variable rent as per the contract.

9. NON-FINANCIAL ASSETS AND LIABILITIES

a. Property, plant and equipment

Property, plant and equipment are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use, less accumulated depreciation (other than freehold land) and impairment loss, if any.

Depreciation is provided for property and equipment so as to expense the cost over their estimated useful lives based on a technical evaluation. The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

The estimated useful lives are as mentioned below:

Type of asset	Method	Useful life (in years)
Computer equipment	Straight line method	4 years
Plant and machinery	Straight line method	10 years
Furniture and fixtures	Straight line method	4 to 10 years
Office equipment	Straight line method	4 to 10 years
Electrical installations	Straight line method	4 to 10 years
Leasehold improvement	Straight line method	Lease period

Depreciation is not recorded on capital work in progress until construction and installation are complete and the asset is ready for its intended use. Capital work-in-progress includes capital advances.

Property, plant and equipment with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss.

Property, plant and equipment is derecognised from the statement of financial position on its disposal or when no future economic benefits are expected from its use or disposal. The gain or loss on disposal is the difference between the proceeds and the carrying amount and is recognised in profit and loss.

Notes forming part of the Financial Statements

Property, plant and equipment consist of the following:

(Amount in SAR)

	Plant and machinery	Leasehold improvements	Computer equipment	Furniture and fixtures	Office equipment	Electrical installations	Total
Cost as at January 1, 2024	**120,000**	**73,945**	**6,235,531**	**1,058,965**	**1,977,746**	**1,127,412**	**10,593,599**
Additions	**-**	**-**	**42,299**	**421,024**	**59,800**	**-**	**523,123**
Disposals	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Cost as at December 31, 2024	**120,000**	**73,945**	**6,277,830**	**1,479,989**	**2,037,546**	**1,127,412**	**11,116,722**
Accumulated depreciation as at January 1, 2024	**93,016**	**40,357**	**5,148,095**	**202,685**	**1,352,757**	**839,461**	**7,676,371**
Depreciation for the year	**12,025**	**33,588**	**390,697**	**277,610**	**172,596**	**115,482**	**1,001,997**
Disposals	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Accumulated depreciation as at December 31, 2024	**105,041**	**73,945**	**5,538,792**	**480,295**	**1,525,353**	**954,943**	**8,678,368**
Net carrying amount as at December 31, 2024	**14,959**	**-**	**739,038**	**999,694**	**512,193**	**172,469**	**2,438,354**
Additions to capital work-in-progress							**253,561**
Total							**2,691,915**

	Plant and machinery	Leasehold improvements	Computer equipment	Furniture and fixtures	Office equipment	Electrical installations	Total
Cost as at January 1, 2023	120,000	52,145	5,508,268	226,732	1,784,326	1,127,412	8,818,883
Additions	-	21,800	727,263	832,233	193,420	-	1,774,716
Disposals	-	-	-	-	-	-	-
Cost as at December 31, 2023	120,000	73,945	6,235,531	1,058,965	1,977,746	1,127,412	10,593,599
Accumulated depreciation as at January 1, 2023	81,041	17,382	4,859,034	56,809	1,188,382	721,581	6,924,229
Depreciation for the year	11,975	22,975	289,061	145,876	164,375	117,880	752,142
Disposals	-	-	-	-	-	-	-
Accumulated depreciation as at December 31, 2023	93,016	40,357	5,148,095	202,685	1,352,757	839,461	7,676,371
Net carrying amount as at December 31, 2023	26,984	33,588	1,087,436	856,280	624,989	287,951	2,917,228
Additions to capital work-in-progress							-
Total							2,917,228

Capital work in progress mainly include investments in computer equipment's (servers) and office furniture for the normal operation of the Company's employees. Expected date of completion is April 2025

Notes forming part of the Financial Statements

b. Intangible assets

Intangible assets purchased including acquired in business combination, are measured at cost as at the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

Intangible assets consist of rights under licensing agreement and software licences and customer-related intangibles.

Following table summarises the nature of intangibles and their estimated useful lives:

Type of asset	Useful lives
Rights under licensing agreement and software licences	Lower of licence period and 2-5 years
Customer-related intangibles	3 years

Intangible assets are amortised on a straight line basis over the period of its economic useful life.

Intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss.

Intangible assets consist of the following:

(Amount in SAR)

	Software licences	Others	Total
Cost as at January 1, 2024	**83,494**	**-**	**83,494**
Additions	**-**	**-**	**-**
Disposals	**-**	**-**	**-**
Cost as at December 31, 2024	**83,494**	**-**	**83,494**
Accumulated amortisation as on January 1, 2024	**82,964**	**-**	**82,964**
Amortisation for the year	**530**	**-**	**530**
Accumulated amortisation as on December 31, 2024	**83,494**	**-**	**83,494**
Net carrying amount as at December 31, 2024	**-**	**-**	**-**

(Amount in SAR)

	Software licences	Others	Total
Cost as at January 1, 2023	83,494	-	83,494
Additions	-	-	-
Disposals	-	-	-
Cost as at December 31, 2023	83,494	-	83,494
Accumulated amortisation as on January 1, 2023	74,383	-	74,383
Amortisation for the year	8,581	-	8,581
Accumulated amortisation as on December 31, 2023	82,964	-	82,964
Net carrying amount as at December 31, 2023	530	-	530

Notes forming part of the Financial Statements

c. Other current assets

(Amount in SAR)

	As at December 31, 2024	As at December 31, 2023
Prepaid expenses - Insurance	**9,552,291**	8,354,114
Prepaid expenses - POC	**10,473,247**	1,528,241
Prepaid expenses - Others	**104,803**	1,314,086
Contract assets (refer note number 10)	**45,231,087**	13,587,462
Advance to suppliers	**2,865,828**	2,885,828
Prepaid rent	**981,427**	1,436,066
Contract fulfillment costs	**-**	39,734
Total	**69,208,683**	29,145,531

Contract fulfilment cost of SAR 42,131 for the year ended December 31, 2024 (SAR 44,820 for the year ended December 31, 2023) has been amortized in statement of Profit and Loss.

d. Other non-current assets

(Amount in SAR)

	As at December 31, 2024	As at December 31, 2023
Prepaid expenses	**4,305**	11,320
Total	**4,305**	11,320

e. Other current liabilities

(Amount in SAR)

	As at December 31, 2024	As at December 31, 2023
Indirect tax payable and other statutory liabilities	**9,410,882**	7,400,089
Total	**9,410,882**	7,400,089

10. REVENUE RECOGNITION

The Company earns revenue primarily from providing IT services, consulting and business solutions. The Company offers a consulting-led, cognitive powered, integrated portfolio of IT, business and engineering services and solutions.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.
- In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract cost incurred determining the degree of completion of the performance obligation. The contract cost used in computing the revenues include cost of fulfilling warranty obligations.
- Revenue from the sale of distinct internally developed software and manufactured systems and third party software is recognised upfront at the point in time when the system / software is delivered to the customer. In cases where

Notes forming part of the Financial Statements

implementation and / or customisation services rendered significantly modifies or customises the software, these services and software are accounted for as a single performance obligation and revenue is recognised over time on a POC method .

- Revenue from the sale of distinct third party hardware is recognised at the point in time when control is transferred to the customer.
- The solutions offered by the Company may include supply of third-party equipment or software. In such cases, revenue for supply of such third party products are recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent of the customer. The Company recognises revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Transaction price attributed in case of contracts with subsidiary is arrived at on the basis of arm's length price. Revenue also excludes taxes collected from customers.

The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract and to ascribe the transaction price to each distinct performance obligation. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Contract fulfilment costs are generally expensed as incurred except for certain software licence costs which meet the criteria for capitalisation. Such costs are amortised over the contractual period or useful life of the licence, whichever is less. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

In accordance with IAS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Notes forming part of the Financial Statements

The Company has signed an agreement with the branch of Tata Consultancy Services Limited (affiliate) in Saudi Arabia to mutually provide IT Support services at 7% markup on the cost of each party effective from January 2022. In accordance with the agreement the Company has started accounting it as revenue as the agreement meets IFRS 15 criteria to recognise revenue as principal.

The Company disaggregates revenue from contracts with customers by nature of services, industry verticals and geography.

Revenue disaggregation by nature of services is as follows:

(Amount in SAR)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Revenue from consultancy services	**678,569,208**	428,069,248
Revenue from sale of equipment and software licences	**1,747,340**	897,652
Total	**680,316,548**	428,966,900

Revenue disaggregation by industry vertical is as follows:

(Amount in SAR)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Energy, resources and utilities	**51,598,440**	56,825,583
Manufacturing	**8,999,545**	26,295,580
Banking, financial services and insurance	**259,267,139**	103,867,604
Retail and consumer business	**4,272,841**	4,668,693
Communication, media and technology	**252,717,440**	166,522,527
Governance	**78,891,634**	57,091,366
Others	**24,569,509**	13,695,547
Total	**680,316,548**	428,966,900

Revenue disaggregation by geography is as follows:

(Amount in SAR)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Middle east	**677,444,872**	426,252,973
Others	**2,871,676**	2,713,927
Total	**680,316,548**	428,966,900

Geographical revenue is allocated based on the location of the customers.

While disclosing the aggregate amount of transaction price yet to be recognized as revenue towards unsatisfied or partially satisfied performance obligations, along with the broad time band for the expected time to recognize those revenues, the Company has applied the practical expedient in IFRS 15. Accordingly, the Company has applied practical expedient of not disclosing the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognized corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts.

Unsatisfied (or partially satisfied) performance obligations are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc.). The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is SAR 447,795,419 out of which 81.53% is expected to be recognized as revenue within the next year and the balance thereafter. No consideration from contracts with customers is excluded from the amount mentioned above.

Notes forming part of the Financial Statements

Movement in contract asset is given below:

(Amount in SAR)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Balance at the beginning of the year	**13,587,462**	3,255,185
Invoices raised that were included in the contract assets balance at the beginning of the year	**(12,526,925)**	(3,255,185)
Increase due to revenue recognised during the year, excluding amounts billed during the year	**44,158,290**	13,587,604
Translation exchange difference	**12,261**	(142)
Balance at the end of the year	**45,231,088**	13,587,462

Movement in unearned and deferred revenue is given below:

(Amount in SAR)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Balance at the beginning of the year	**8,190,687**	372,773
Revenue recognised that was included in the unearned and deferred revenue balance at the beginning of the year	**(8,190,686)**	(372,771)
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	**15,826,274**	8,190,686
Translation exchange difference	**(5,521)**	(1)
Balance at the end of the year	**15,820,754**	8,190,687

11. COST RECOGNITION

Costs and expenses are recognised when incurred and have been classified according to their primary functions in the following categories:

Cost of revenue

These costs primarily include employee compensation of personnel engaged in providing services, travel expenses, fees to external consultants, cost of equipment and software licences, depreciation and amortisation of production related equipment and software, facility expenses, communication expenses and other project related expenses.

Selling, general and administrative expenses

Selling costs primarily include employee compensation for sales and marketing personnel, travel expenses, advertising, business promotion expenses, bad debts and advances written off, allowance for doubtful trade receivables and advances, facility expenses for sales and marketing offices and market research costs.

General and administrative costs primarily include employee compensation for administrative, supervisory, managerial and practice management personnel, depreciation and amortisation expenses of non-production equipment and software, facility expenses for administrative offices, communication expenses, fees to external consultants and other general expenses.

Notes forming part of the Financial Statements

Expenses by function

(Amount in SAR)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Cost of revenue	**561,446,009**	355,588,103
Selling, general and administrative expenses	**72,240,063**	64,935,068
Total	**633,686,072**	420,523,171

Break-up of Cost of revenue is as follows:

(Amount in SAR)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Employee cost	**279,141,768**	223,354,722
Fees to external consultants	**248,183,647**	103,121,197
Travel expenses	**20,550,254**	19,568,620
Facility expenses	**7,524,282**	7,051,614
Communication	**1,290,975**	1,275,415
Other expenses	**4,448,586**	967,125
Depreciation	**211,070**	200,024
Cost of equipment and software licenses	**95,427**	49,386
Total	**561,446,009**	355,588,103

Break-up of Selling, general and administrative expenses is as follows:

(Amount in SAR)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Employee cost	**53,489,943**	49,791,951
Facility expenses	**8,870,723**	6,784,062
Depreciation	**4,308,552**	4,009,789
Fees to external consultants	**2,687,240**	2,571,356
Travel expenses	**3,669,436**	1,699,913
Communication	**436,120**	83,768
Bad debts and advances written off, allowance for doubtful trade receivable and advances (net)	**48,305**	(5,771)
Other expenses	**(1,270,256)**	-
Total	**72,240,063**	64,935,068

Costs and expenses are recognized when incurred and have been classified according to their nature.

The costs of the Company are broadly categorised into employee benefit expenses, depreciation and other operating expenses. Employee benefit expenses include salaries, incentives and allowances, contribution to various funds and staff welfare expenses mainly include fees to external consultants, facility expenses, travel expenses, cost of equipment and software licenses, communication expenses, bad debts and advances written off, allowance for doubtful expenses. Other expenses is an aggregation of costs which are individually not material such as corporate overhead allocation, commission and brokerage, recruitment and training, entertainment, etc.

Notes forming part of the Financial Statements

(Amount in SAR)

Expenses by nature	For the year ended December 31, 2024	For the year ended December 31, 2023
Fees to external consultants	**250,870,887**	105,692,553
Facility expenses*	**16,395,005**	14,391,572
Communication	**1,727,095**	1,359,183
Travel expenses	**24,219,690**	21,268,533
Other expenses	**2,702,537**	(63,841)
Bad debts and advances written off, allowance for doubtful trade receivable and advances (net)	**48,305**	(5,771)
Project expense	**475,793**	475,070
Cost of equipment and software licenses	**95,427**	49,386
Total	**296,534,739**	143,166,685

*Facility expenses includes short term lease expenses amounting SAR 10,263,573 for December 31, 2024 (SAR 8,831,442 for December 31, 2023).

12. OTHER (EXPENSES) / INCOME

a. Finance income

Interest income is recognised using the effective interest method.

(Amount in SAR)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Interest income - bank deposits	**-**	21
Total	**-**	21

b. Finance costs

(Amount in SAR)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Interest on lease liabilities	**3,237**	106,387
Other interest expense	**56,349**	58,273
Total	**59,586**	164,660

c. Net foreign exchange loss

(Amount in SAR)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Net foreign exchange loss	**88,283**	42,295
Total	**88,283**	42,295

13. INCOME TAXES

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year.

Current income taxes

Current tax is based on the taxable profit for the year and is calculated using tax rates that have been enacted by the end of the reporting period. Advance taxes and provisions for current income taxes are presented in the statement of financial

Notes forming part of the Financial Statements

position after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying unit intends to settle the asset and liability on a net basis.

Deferred income taxes

Deferred income taxes are provided for the temporary differences between the tax base of assets and liabilities and their reported amounts in the financial statements.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for the Company. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

The income tax expense consists of the following:

(Amount in SAR)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Current tax		
Current tax expense	**10,950,771**	2,671,832
Deferred tax (credit) / expense	**(1,203,175)**	(1,010,876)
Total	**9,747,596**	1,660,956

The reconciliation of estimated income tax expense at the Saudi statutory income tax rate to income tax expense reported in statements of profit or loss and other comprehensive income is as follows:

(Amount in SAR)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Income before income taxes	**46,482,607**	8,236,795
Tax adjustments		
Provisions*	**8,693,629**	5,744,150
Depreciation	**(282,886)**	(583,460)
Others	**(139,495)**	(38,326)
Taxable income	**54,753,855**	13,359,159
Income tax rate	**20%**	20%
Current tax expense	**10,950,771**	2,671,832

*This includes provision for employee's end of service benefit liability, doubtful debts and foreseeable losses.

Notes forming part of the Financial Statements

Income tax movement

(Amount in SAR)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Opening tax liability	**(2,173,620)**	(3,232,578)
Provision for current tax charged to profit and loss	**10,950,771**	2,671,832
Tax paid	**(4,666,541)**	(1,612,874)
Net income tax (assets) / liability	**4,110,610**	(2,173,620)

1. The Company has filed its income tax declaration ("return") for and upto the year ended December 31st, 2023 with the Zakat, Tax and Customs Authority ("ZATCA").
2. Management requested the final tax certificate for FY 24 after submission of the tax return of FY 23, which had been issued by the ZATCA valid until April 30th, 2025.
3. No assessment raised for FY 20, 21, 22 and 23 and there are no outstanding / ongoing audits with the ZATCA

Significant components of net deferred tax assets and liabilities for the year ended December 31, 2024 are as follows:

(Amount in SAR)

	Opening balance	Recognised / reversed through profit or loss	Recognised in other comprehensive income	Closing balance
Deferred tax assets / (liabilities) in relation to:				
Property, plant and equipment and intangibles	**1,088,734**	**(59,479)**	**-**	**1,029,255**
Provision for employee benefits	**5,871,653**	**1,065,220**	**332,540**	**7,269,413**
Provision for doubtful debts	**-**	**9,661**	**-**	**9,661**
Leases	**478,928**	**(478,928)**	**-**	**-**
Foreseeable losses	**-**	**666,701**	**-**	**666,701**
Net deferred tax assets	**7,439,315**	**1,203,175**	**332,540**	**8,975,030**

Gross deferred tax assets and liabilities are as follows:

(Amount in SAR)

	Assets	Liabilities	Net
Deferred tax assets in relation to:			
Property, plant and equipment and intangibles	**1,029,255**	**-**	**1,029,255**
Provision for employee benefits	**7,269,413**	**-**	**7,269,413**
Provision for doubtful debts	**9,661**	**-**	**9,661**
Foreseeable losses	**666,701**	**-**	**666,701**
Net deferred tax assets	**8,975,030**	**-**	**8,975,030**

Notes forming part of the Financial Statements

Significant components of net deferred tax assets and liabilities for the year ended December 31, 2023 are as follows:

(Amount in SAR)

	Opening balance	Recognised / reversed through profit or loss	Recognised in other comprehensive income	Closing balance
Deferred tax assets / (liabilities) in relation to:				
Property, plant and equipment and intangibles	1,204,346	(115,612)	-	1,088,734
Provision for employee benefits	4,559,765	1,147,188	164,700	5,871,653
Provision for doubtful debts	1,154	(1,154)	-	-
Leases	498,474	(19,546)	-	478,928
Net deferred tax assets	6,263,739	1,010,876	164,700	7,439,315

(Amount in SAR)

Gross deferred tax assets and liabilities are as follows:	Assets	Liabilities	Net
Deferred tax assets in relation to:			
Property, plant and equipment and intangibles	1,088,734	-	1,088,734
Provision for employee benefits	5,871,653	-	5,871,653
Leases	478,928	-	478,928
Net deferred tax assets	7,439,315	-	7,439,315

IFRIC 23 Interpretation uncertainty over income tax treatment

IFRIC 23 interpretation addresses the accounting for income taxes when there is uncertainty over tax treatments. It clarifies that an entity must consider the probability that the tax authorities will accept a treatment retained in its income tax filings, assuming that they have full knowledge of all relevant information when making their examination. In such a case, the income taxes shall be determined in line with the income tax filings.

Application of IFRIC 23

The Company reviewed its income tax treatments in order to determine whether IFRIC 23 interpretation could have an impact on the financial statements. In that respect, the Company observed that there are no instances of any uncertain tax treatment in the past and on that basis it is reasonable to conclude that all the tax treatments are accepted by the tax officer and hence IFRIC-23 is not applicable.

14. EMPLOYEE BENEFITS

Defined benefit plan

The Company operates a defined benefit plan for employees in accordance with Saudi Labor and Workman Law as defined by the conditions stated in the laws of the Kingdom of Saudi Arabia. The cost of providing the benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements for actuarial gains and losses are recognised in the statement of financial position with a corresponding credit to retained earnings through other comprehensive income in the period in which they occur.

Remeasurements are not reclassified to statement of profit or loss in subsequent periods.

Past service cost are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date the Company recognises related restructuring costs

Notes forming part of the Financial Statements

Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as actuarially determined liability at the present value of the obligation at the year end.

Employee cost consist of the following:

(Amount in SAR)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Salaries & bonus	**291,844,715**	240,015,912
Contributions to provident and other funds	**18,879,304**	15,417,875
Staff welfare	**21,907,692**	17,712,886
Total	**332,631,711**	273,146,673

Employee benefit obligation consist of the following:

(Amount in SAR)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Employee benefit obligations - current		
Compensated absences	**17,552,551**	14,341,896
Others - Long Services	**90,200**	26,186
Total	**17,642,751**	14,368,082
Employee benefit obligations - non-current		
Gratuity liability	**22,551,927**	18,846,720
Total	**22,551,927**	18,846,720

Defined benefit plans

Gratuity

In accordance with Saudi Labour Law, the Company operate a scheme of Gratuity which is a defined benefit plan. The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment at an amount equivalent to:-

For service more than 2 years and less than 5 years - 1/3 of retirement benefits

For service more than 5 years and less than 10 years - 2/3 of retirement benefits

For service more than 10 years - Full retirement benefits

There is a vesting period of 2 years for the payment of end of services benefit.

Notes forming part of the Financial Statements

The assumptions used in accounting for the defined benefit plan are set out below:

(Amount in SAR)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Discount rate	**5.19%**	4.80%
Salary escalation rate	**3.33%**	3.63%
Attrition rate	**24.01%**	23.50%
The following table provides a reconciliation from the opening balances to closing balances for defined benefit liability		
Benefit obligations, beginning of the year	**18,870,400**	16,138,800
Included in profit and loss statement		
- Service cost	**4,950,100**	3,986,800
- Past service cost	**(400)**	
- Interest cost	**852,600**	772,400
Included in other comprehensive income / (loss)		
Loss on remeasurement of the net defined benefit liability	**1,662,700**	823,500
Benefits paid	**(3,465,500)**	(2,851,100)
Total	**22,869,900**	18,870,400

(Amount in SAR)

Sensitivity Analysis	December 31, 2024	December 31, 2023
Effect of "+0.50" change in rate of discounting	**(426,400)**	388,000
Effect of "-0.50" change in rate of discounting	**444,600**	(398,900)
Effect of "+0.50" change in salary escalation	**450,600**	(401,500)
Effect of "-0.50" change in salary escalation	**(436,000)**	388,000

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligations has been calculated using the Projected Unit Credit Method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

Notes forming part of the Financial Statements

15. RELATED PARTY TRANSACTIONS

Tata Consultancy Services Saudi Arabia's principal related parties consist of its holding company Tata Consultancy Services Netherlands B.V., the Company's ultimate parent company Tata Consultancy Services Limited and ultimate controlling company Tata Sons Private Limited. The Company routinely enters into transactions with its related parties in the ordinary course of business.

Transactions with related parties

For the year ended December 31, 2024

Particulars	Tata Sons Private Limited, Ultimate Holding Company	Tata Communications (International) Pte Limited, Subsidiary of Ultimate Holding Company	Tata Consultancy Services Deutschland GmbH Subsidiary of Tata Consultancy Services Limited	Tata Consultancy Services Limited, Parent of Holding Company (India)	Total
Revenue from sale of services and licenses	-	1,515,022	-	221,230,364	222,745,386
Purchases of goods and services	-	-	90,000	229,499,702	229,589,702
Brand equity contribution	818,555	-	-	-	818,555

For the year ended December 31, 2023

Particulars	Tata Sons Private Limited, Ultimate Holding Company	Tata Communications (International) Pte Limited, Subsidiary of Ultimate Holding Company	Tata Consultancy Services Deutschland GmbH Subsidiary of Tata Consultancy Services Limited	Tata Consultancy Services Limited, Parent of Holding Company (India)	Total
Revenue from sale of services and licenses	-	1,935,861	-	189,905,014	191,840,875
Purchases of goods and services	-	-	450,000	83,619,847	84,069,847
Brand equity contribution	736,709	-	-	-	736,709

Balances with related parties

As at December 31, 2024

Particulars	Tata Sons Private Limited, Ultimate Holding Company	Tata Communications (International) Pte Limited, Subsidiary of Ultimate Holding Company	Tata Consultancy Services Deutschland GmbH Subsidiary of Tata Consultancy Services Limited	Tata Consultancy Services Limited, Parent of Holding Company (India)	Total
Trade receivables	-	290,379	-	112,935,310	113,225,689
Trade payables	1,629,527	-	540,000	243,449,083	245,618,610
Prepaid expenses	-	-	-	10,473,247	10,473,247
Unbilled receivables	-	126,252	-	50,151	176,403
Total	1,629,527	416,631	540,000	366,907,791	369,493,949

Notes forming part of the Financial Statements

As at December 31, 2023

Particulars	Tata Sons Private Limited, Ultimate Holding Company	Tata Communications (International) Pte Limited, Subsidiary of Ultimate Holding Company	Tata Consultancy Services Deutschland GmbH Subsidiary of Tata Consultancy Services Limited	Tata Consultancy Services Limited, Parent of Holding Company (India)	Total
Trade receivables	-	338,776	-	45,888,813	46,227,589
Trade payables	810,972	-	450,000	92,186,777	93,447,749
Prepaid expenses	-	-	-	1,528,238	1,528,238
Unbilled receivables	-	126,252	-	29,446	155,698
Total	810,972	465,028	450,000	139,633,274	141,359,274

- No compensation paid to key managerial personnel for the year ended December 31, 2024.

16. Commitments and Contingencies

The Company has contractually committed (net of advances) SAR 168,246 as at December 31, 2024 and SAR 224,383 as at December 31, 2023 for purchase of property, plant and equipment.

17. Subsequent events

There have been no circumstances of a material nature that have occurred between the financial year end and the date of approval of these financial statements that require adjustment or disclosure in the financial statements.

TCS Business Services GmbH.

Report
on the Audit
of the Financial Statements
and the Management Report
as of 31 March 2025

FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

CONTENTS **PAGE**

Balance sheet (Appendix 1.1)	39.10
Income Statement (Appendix 1.2)	39.11
Notes forming part of the financial statements (Appendix 1.3)	39.12
Management report for the business (Appendix 1.4)	39.16
Independent Auditor's Report (Appendix 1.5)	39.20

Note:

Rounding differences from the figures produced in accordance with exact mathematical proce- dures (monetary units, percentages etc.) may occur in tables and references for technical computational reasons. The publication or dissemination of the Financial Statements or the Management Report in any form deviating from the audited version (including translations into other languages) requires our prior consent if our audit opinion is quoted or reference is made to our audit; we refer to § 328 of the German Commercial Code (HGB) in particular.

Back to main content

CONTENTS

		Page
1	**Audit Engagement**	38.3
2	**Basic Findings**	38.3
2.1	Comments on the management assessment of the situation	38.3
2.2	Findings Pursuant to Section 321 (1) Sentence 3 HGB	38.5
2.2.1	Facts Impairing Development or Threatening Existence	38.5
2.2.2	Misrepresentations	38.5
2.2.3	Other Violations	38.5
3	**Subject, nature and scope of the audit**	38.5
4	**Findings and explanations regarding the accounting**	38.8
4.1	Conformity of the Financial Statements with legal requirements	38.8
4.1.1	Accounting records and other documents audited	38.8
4.1.2	Financial Statements	38.8
4.1.3	Management Report	38.8
4.2	Overall picture conveyed by the Financial Statements	38.9
4.2.1	Findings regarding the overall picture conveyed by the Financial Statements 13	38.9
4.2.2	Measurement methods and their changes	38.9
4.3	Analysis of the Company's economic position	38.9
5	**Reproduction of audit opinion and signature of audit report**	38.9
6	**Concluding remarks**	38.21

FINANCIAL STATEMENTS, MANAGEMENT REPORT AND AUDIT OPINION

1 Audit Engagement

The management of **TCS Business Services GmbH, Düsseldorf,** – hereinafter also referred to as the "TBS" or "Company" – has engaged us to audit the Company's annual Financial Statements – including the accounting records – and the Management Report as of 31 March 2025 and to report on the result of our audit in accordance with professional practice and to report in writing on the results of our audit.

This report is addressed to the audited company.

The audit engagement dated August 22, 2024, was based on the minutes of the shareholders' meeting on September 27, 2024, at which we were elected as auditor (in accordance with § 318(1) sentence 1 German Commercial Code [HGB]). The management confirmed the engagement letter dated September 27, 2024.

The Company is a medium-sized Company within the meaning of § 267 (2) HGB. The audit constitutes a statutory audit in accordance with §§ 316 ff. HGB and is therefore subject to mandatory audit in accordance with Sections §§ 316 ff. HGB.

In accordance with § 321 (4a) HGB, we confirm that we observed the applicable independence requirements during our audit of the Financial Statements.

We based the following report on the results of our audit. We observed the audit standard IDW AuS 450 (n.v.) in preparing the audit report.

The detection and clarification of criminal offenses, such as embezzlement or misappropriation of funds, as well as the detection of administrative offenses committed are not the subject of the audit.

Section 2 of this report begins with our comments on the management assessment of the situation, findings in accordance with § 321 (1) sentence 3 HGB and a description of significant changes in legal, economic and tax circumstances of the company.

The scope of the audit and the audit results are presented in detail in sections 3 and 4. The unqualified audit opinion, which is based on the audit results, is reproduced in section 5.

We have attached to our report the audited annual financial statements, consisting of the balance sheet (Appendix 1.1), the income statement (Appendix 1.2) and the notes (Appendix 1.3) as well as the audited management report (Appendix 1.4).

The execution of this engagement and our responsibility, also in relation to third parties, are based on the agreed "General Engagement Terms for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften dated January 1, 2024", which are attached to this report as an appendix. We also refer to the liability provisions contained in section 9 of these terms and to the exclusions of liability towards third parties.

2 Basic Findings

2.1 Comments on the management assessment of the situation

The management has assessed the company's position in the management report for the fiscal year from April 1, 2024, through March 31, 2025 (Annex 1.4) and in the annual financial statements (Annexes 1.1 to 1.3).

In accordance with § 321 (1) sentence 2 HGB, an assessment of the position of the Company as expressed in the Financial Statements and in the Management Report prepared by the management shall precede the report. In this assessment, particular emphasis was placed on the going concern assumption and the assessment of the opportunities and risks of the Company's future development as expressed in the Financial Statements and the Management Report, to the extent that the audited documents permitted such an assessment.

The Management Report includes the following core statements regarding the **financial position, business performance, and operating results** of the company:

- "Despite the challenging conditions, the IT industry achieved a growth rate of 4.4%, according to figures from the industry association Bitkom. The individual segments reported the following growth rates: IT hardware grew by 0.7% (previous year: -6.1%), software by 9.5% (previous year: 12.1%), and IT services by 3.8% (previous year: 5.0%).
- The number of staff employed by the Company decreased from an average of 92 in the financial year 2023/2024 to an average of 87 in the financial year 2024/2025 due to fluctuation. The Company employs all staff in Germany, of

which 66 are based in Düsseldorf and 21 in Berlin. All operating costs for these employees, together with all other costs of the Company, are charged in full to TATA Consultancy Services Deutschland GmbH at a markup of 7% (cost plus method).

- Sales for the financial year reduced by 660 kEUR to 13,640 kEUR compared with the financial year 2023/2024. Due to the cost-plus method, revenues are largely dependent on the costs incurred at TCS Business Services GmbH. Due to the decrease in the number of employees and the associated decrease in personnel costs, lower revenues than expected were generated in the financial year. Higher interest income resulted in an increase in net income before taxes. It increased from 1,922 kEUR to 1,385 kEUR. In 2024/2025, our key financial indicator revenue therefore developed negatively and the financial performance indicator EBIT declined.
- Overall, the forecast for fiscal 2024/2025 was achieved. Management considers business performance in 2024/2025 to be satisfactory."

These core statements about the Company's financial situation and business performance are discussed in sufficient detail in the Management Report and are understandable in and of themselves; we therefore refer to the Management Report, appended as Appendix 1.4, for further details.

The Management Report prepared by the Company's management includes the following core statements on the **opportunities and risks of the Company's future development**:

- "TCS' ability to generate growth and maintain economic momentum is linked to its ability to consistently meet customers' everchanging business needs and help them transform by deploying new digital technologies in their businesses. The supplier consolidation offers opportunities and new services and solutions such as S4 HANA, public cloud and cybersecurity services and solutions continue to offer good growth opportunities on the market. In addition, new business areas are to be developed, expanded and marketed to both new and existing customers (including German SMEs). Based on current knowledge, TCS assesses the opportunities as medium.
- Here again, reference is made to the risks of TCS. In general, customers' willingness to invest is influenced by the overall economic development in the respective countries or in Europe as a whole, as well as by their confidence in a positive economic development. As the Company generates the majority of its sales in Germany, the development of the German economy is decisive for the Company's growth. Based on current knowledge, the Company considers the risk to be low.
- Based on the cost-plus method, no significant risks are seen here, with the exception of potential interest charges in connection with pension provisions.
- Foreign currency risks arise in particular from the conclusion of transactions in US dollars and other foreign currencies. A weakening of the dollar or other foreign currencies against the euro could therefore lead to foreign currency losses. The risk is considered to be low. The interest rate risks arising from pension commitments are to be offset by covering them with securities.
- At TCS, default and liquidity risks are limited by the selection of customers and close cooperation in payment transactions between sales and administration within the framework of a functioning dunning system. TCS has a solvent and creditworthy customer base. Bad debt losses are the absolute exception. In addition, there is a long-standing cooperation with the majority of customers. In this respect, we consider the financial risk of a liquidity bottleneck, in particular due to possible late payments to us by our sister company TCS, to be low.
- Management does not see any risks that could jeopardize the Company's ability to continue as a going concern.
- Based on the current forecasts for the company, we expect our key performance indicators, such as revenue and EBIT, to remain at the current level, with corresponding impacts on the operating result for the 2025/2026 fiscal year."

These core statements about the legal representatives regarding the opportunities and risks of the company's future are discussed in sufficient detail in the Management Report and are understandable in and of themselves; we therefore refer to the Management Report, appended as Appendix 1.4, for further details.

Based on our assessment of the financial situation of the Company, which we derived on the basis of the findings of our audit of the Financial Statements and of the Management Report – to the extent the audited documents permitted such an assessment – we have concluded that the assessment by the management on the position of the Company, particularly with respect to its ability to continue as a going concern and the opportunities and risks of future development, appears to be realistic. The management assessment of the situation is appropriate in scope and accurate in content.

2.2 Findings Pursuant to Section 321 (1) Sentence 3 HGB

2.2.1 Facts Impairing Development or Threatening Existence

Pursuant to Section 321 (1) Sentence 3 HGB, we, as the auditors, are required to report any facts identified during the course of our audit that could significantly impair the company's development or threaten its continued existence.

As part of our audit, no circumstances came to our attention that would threaten the existence of the company or significantly impair its development.

2.2.2 Misrepresentations

As auditors, we are also required, pursuant to Section 321 (1) Sentence 3 HGB, to report any inaccuracies (misrepresentations due to errors) or violations of legal regulations (misrepresentations due to fraudulent acts) identified during the course of our audit.

Legal regulations within the meaning of Section 321 (1) Sentence 3 HGB refer to the accounting standards applicable to the preparation of the annual financial statements or management report in accordance with Section 317 (1) Sentence 2 HGB. These include the principles of proper accounting, recognition, presentation, and measurement rules for the annual financial statements, as well as disclosure and explanatory requirements in the notes and regulations for the preparation of the management report, as well as, if applicable, relevant provisions of the company's articles of association.

As part of our audit, no circumstances came to our attention that would constitute significant inaccuracies or violations of applicable accounting standards as defined in Section 317 (1) Sentence 2 HGB.

2.2.3 Other Violations

Pursuant to Section 321 (1) Sentence 3 HGB, we are also required to report any facts identified during the course of our audit that indicate serious violations of laws or the company's articles of association by the managing directors or employees.

As part of our audit, no circumstances came to our attention that would indicate serious violations of laws or the company's articles of association.

3 Subject, nature and scope of the audit

The subject of our audit were the accounting records, the Financial Statements as of March 31, 2025, (Appendices 1 to 1.3), and the Management Report for the financial year ended March 31, 2025 (Appendix 1.4) as well as the compliance with the respective statutory accounting regulations.

We audited the Management Report to determine whether it is consistent with the Financial Statements as well as with the findings of the audit, whether it complies with the relevant statutory provisions and whether it gives a true and fair view of the Company's position; in doing so, we also audited whether the opportunities and risks of the Company's future development had been accurately depicted. The audit also covered whether the legal requirements for the preparation of the management report have been complied with.

The company's management is responsible for the accounting records, the preparation of the annual financial statements and the management report, the controls implemented for this purpose and the disclosures made to us. Our responsibility is to express an opinion on the documents submitted by the management and the disclosures made within the scope of our audit in accordance with our professional standards.

Our audit work was performed from April 15, 2025 to April 28, 2025 in our offices. The audit report was subsequently finalized.

The starting point for our audit were the assets, liabilities and capital accounts carried forward from the Financial Statements for the financial year from April 1, 2023 to March 31, 2024. The Financial Statements from the previous year were audited by us and received an unqualified audit opinion; it was approved unchanged by shareholder meeting on Mai 14, 2024.

We used the accounting records and supporting documents as well as the company's files and correspondence as audit documents.

All requested information, explanations, and supporting evidence were willingly provided to us by the management and the employees designated to provide such information.

In accordance with professional practice, the management confirmed in writing in a Company Letter of Representation that the accounting records and the Financial Statements included all assets, liabilities (obligations, risks, etc.), accruals, expenses and income as reflected on the balance sheet, all required disclosures were made, and all existing contingent liabilities were made known to us. According to management's statements there were no other obligations or contingent liabilities requiring disclosure other than those reported in the balance sheet or in the notes to the Financial Statements. No events of particular significance have occurred since the end of the financial year and have not come to our attention during our audit.

In this report, management has further stated that the Management Report also contains, with regards to expected developments, all aspects essential for the assessment of the situation of the Company as well as the disclosures required pursuant to § 289 HGB.

Furthermore, the management has stated to us that, in their opinion, the effects of the uncorrected audit differences in the annual financial statements are individually and collectively immaterial.

In conducting our audit, we observed the requirements of §§ 316 ff. HGB and German Generally Accepted Standards for Financial Statement Audits promulgated by the IDW. Those standards require that we plan and perform the audit such that – but without specific focus on an embezzlement check – misstatements materially affecting the presentation of the net assets, financial position and results of operations of the company in accordance with the legal regulations are detected. Our audit did not extend to whether the continuation of the company as a going concern or whether the effectiveness and efficiency of the management is assured (§ 317 [4a] HGB).

The foundation of our risk-and process-oriented audit approach is the development of an audit strategy. This strategy is based on an assessment of the company's economic and legal environment, its goals, strategies, and business risks, which we evaluate using critical success factors. We supplement the audit of the internal control system related to financial reporting and its effectiveness with process and data analyses, conducted with the goal of determining their impact on relevant financial statement items, thereby allowing us to assess the risk of misstatements and our overall audit risk.

The insights gained from our data analyses, process reviews, and the evaluation of the internal control system related to financial reporting were taken into account when selecting our analytical procedures (plausibility assessments) and substantive tests concerning the existence, recognition, presentation, and valuation of items in the financial statements. In the company - specific audit program, we defined the focus areas of our audit, the nature and scope of audit procedures, as well as the audit timeline and the allocation of staff. In doing so, we adhered to the principles of materiality and risk orientation, and consequently, our audit opinion was primarily based on the use of sampling techniques.

Audit planning and planning of our focal points was based on our preliminary appraisal of the position of the Company and the fundamental assessment of the accounting related internal control system and risk management (risk- and process-oriented audit approach). That appraisal is developed from an assessment of the economic and legal environment in which the Company operates, its objectives, strategies and business risks, which we assessed on the basis of previous year's financial statements as well as discussions with the management and employees of the company.

Based on our risk assessment, the following areas represent the focal points of our audit:

- valuation of financial assets,
- completeness and valuation of other provisions and pension provisions,
- completeness and valuation of personnel expenses, as well as their proper accrual,
- completeness of balance sheet notes, notes and statements made in the Management Report.

Based on a preliminary assessment of the internal controls system, we applied the principles of materiality and efficiency when determining the further audit procedures. Both the analytical audit procedures and individual case reviews were therefore performed in selected samples according to type and scope, taking into account the significance of the audit areas and the organization of the accounting system. The samples were selected in such a way that they take into account the economic significance of the individual items in the annual financial statements and enable compliance with the statutory accounting requirements to be sufficiently verified.

The following audit procedures were carried out individually:

Valuation of financial assets

To prepare our impairment test of the financial assets, we obtained securities account statements from the custodian bank and assured ourselves that the Company was indeed the holder of the securities. Additionally, we compared the capitalized book values of these securities to year-end rates for the financial year as well as to up-to-date stock market prices at the date of our audit. This audit yielded no indications of necessary depreciations.

Completeness and valuation of other provisions and pension provisions

We reviewed the composition and development of other provisions compared to the previous year based on our understanding of the company's business activities, discussions with management, and the legal confirmations received. We assessed the completeness of these provisions and verified their valuation using the company's detailed schedules and calculation documents. Additionally, we examined the company's contracts for any unrecorded provision amounts.

As part of our audit of the recognized pension provisions, we relied on the actuarial report prepared by Lurse Pension & Benefits Consulting GmbH, Hannover, dated March 27, 2025. We assessed the professional competence and qualifications of the actuary, as well as their impartiality, objectivity, and professional independence. Furthermore, we evaluated the nature and scope of the actuary's work. The plausibility of the pension provision valuations was confirmed through plausibility checks. Additionally, we obtained custody account statements from the custodian bank to verify the coverage assets and ensured that these assets are legally protected from access by other creditors and are solely dedicated to fulfilling pension obligations. We also compared the fair values of these securities with their market prices as of the balance sheet date.

Completeness and valuation of personnel expenses, as well as their proper accrual

We performed an analytical review of the development of personnel expenses compared to the previous year, including a comparison of key performance indicators. Monetary changes and personnel movements due to fluctuations were validated through discussions with the responsible personnel of the company. We also verified the proper presentation of personnel expenses, including the accruals for unsettled salary components and other personnel provisions.

Completeness of balance sheet notes, notes and statements made in the Management Report

The completeness of notes to the balance sheet, notes and statement of the Management Report was verified through interviewing the management and employees of the Company as well as examined against the background of our other audit procedures. We placed particular emphasis on verifying the correct attribution of balance sheet items and on the measurement and collateral security of the contingent liabilities.

Additional auditing procedures

Receivables and liabilities towards affiliated companies have been agreed with the companies concerned as of March 31, 2025. Where relevant, deviating balance confirmations were clarified as part of our audit.

Receivables from and payables to affiliated companies were fully reconciled, and we reviewed the loan agreements with these affiliated companies. Bank balances were verified using account statements as of the balance sheet date.

To match the balances with banks we gathered a bank statement as of March 31, 2025. Additionally, we checked the bank balance confirmation as of March 31, 2025, during our audit procedures to ensure the completeness of the notes to the balance sheet with regards to collaterals and contingent liabilities.

To audit the assets and liabilities, we reviewed excerpts from the commercial register, delivery and service contracts as well as other business records. We have requested confirmations from the Company's lawyers on pending legal disputes. We also requested a confirmation by the Company's tax consultant relating to possible tax risks.

The management has provided us with all the information and evidence requested. On April 28, 2025, the management confirmed in writing in a Company Letter of Representation that the accounting records and the Financial Statements as per March 31, 2025, included all assets, liabilities (obligations, risks, etc.), accruals, expenses and income as reflected on the balance sheet, all required disclosures were made, and all existing contingent liabilities were made known to us. According to management's statements there were no other obligations or contingent liabilities as per March 31, 2025, requiring disclosure other than those reported in the balance sheet or in the notes to the Financial Statements.

The management has further stated that the Management Report also contains, with regards to expected developments, all aspects essential for the assessment of the situation of the Company as well as the disclosures required pursuant to § 289 HGB. No events of particular significance occurred after the end of the financial year according to this declaration and none came to our attention during our audit.

4 Findings and explanations regarding the accounting

4.1 Conformity of the Financial Statements with legal requirements

4.1.1 Accounting records and other documents audited

For the accounting software used by the Company, "DATEV Kanzlei-Rechnungswesen", issued by DATEV eG, Nuremberg, there exists a software certificate pursuant to IDW AuS 880 issued by the auditing company Ernst & Young GmbH, Munich, dated February 28, 2023. According to this certificate, the software complies with the generally accepted accounting principles and allows for accounting procedures in accordance with these principles. In the course of our audit, we did not detect any issues that negate this finding. The additionally used accounting software constitutes a simple IT-system. We therefore abstained from a detailed system audit.

The organization of the Company's accounting and accounting-related internal control system enables the complete, correct, timely and orderly recording and posting of business transactions. The chart of accounts is clear and well-arranged. The vouchers are compliant with our audited previous years balances and conclusive throughout the financial year.

The information obtained from the additional documents reviewed or used for the audit has been appropriately reflected in the bookkeeping, annual financial statements, and management report.

In our opinion, the accounting and additionally audited records and the other documents comply in all material matters with legal requirements, including the generally accepted accounting principles (or other relevant accounting principles). The audit did not give rise to any objections.

4.1.2 Financial Statements

The Company is a medium-sized Company within the meaning of § 267 (2) HGB. These annual financial statements as of March 31, 2025 were prepared in accordance with the applicable commercial law provisions for medium-sized companies.

The balance sheet and income statement have been properly derived from the accounting records and the other audited documents. The balance sheet (Appendix 1) is structured in accordance with the format of § 266 (2) and (3) HGB. The income statement (Appendix 1.2) was prepared using the total cost method in accordance with § 275 (2) HGB.

In instances where various presentation options are available for the balance sheet or income statement, the related disclosures are provided in the notes.

The notes to the Financial Statements (Appendix 1.3) comply with the legal requirements and include all necessary presentations, classifications, explanations, and justifications with regard to the evidence, preparation of the balance sheet, and the appraisal of the individual items of the balance sheet and the income statement as well as the other necessary information.

Pursuant to § 286 (4) HGB, the Company has abstained from declaring the remuneration of the board members. We confirm that the Company complies with the legal requirements necessary to claim this exemption.

In our opinion, the annual financial statements therefore comply in all material respects with the legal requirements, including generally accepted accounting principles. The audit did not give rise to any objections.

4.1.3 Management Report

The Management Report for the financial year 2024/2025 (Appendix 1.4) includes all required components pursuant to § 289 HGB. Concerning the Management Report we have determined the following:

- Concordant with our findings, the business performance and the position of the Company are accurately portrayed; the Management Report is consistent with the Financial Statements and the findings of our audit.
- The Management Report complies with the statutory requirements.
- The Management Report gives a true and fair view of the Company's position.
- The Management Report accurately portrays the material risks and opportunities of future developments.

Please refer also to Appendix 1.4 for information about the Company's position from the management.

4.2 Overall picture conveyed by the Financial Statements

4.2.1 Findings regarding the overall picture conveyed by the Financial Statements

In our opinion, based on the findings of our audit, the Financial Statements, consisting of the balance sheet, income statement and the notes to the Financial Statements, provide an overall true and fair view of the Company's net assets, financial position and results of operations in accordance with the generally accepted accounting principles (§ 264 [2] HGB).

4.2.2 Measurement methods and their changes

TCS Business Services GmbH retained the accounting and measurement methods used for the items of the balance sheet and the income statement of the previous year. In order to maintain continuity with the previous year, the accounting and measurement options were not exercised again.

For further details, we refer to the disclosures in the notes to the Financial Statements (Appendix 1.3).

For the presentation of the measurement bases and other transactions not included in the balance sheet, please refer to the notes to the Financial Statements provided by the management.

During our audit, we also found no evidence of one-sided application of margins of discretion for the purpose of a targeted manipulation of the results for the financial year or of grooming transactions taken which would have resulted in accounting differing from the economic situation.

4.3 Analysis of the Company's economic position

Because of the transparency of the annual Financial Statements and the additional explanations and breakdowns in the Management Report, we have abstained from explanations and breakdowns on items of the Financial Statements and an analysis of the assets, financial and profit situation.

5 Reproduction of audit opinion and signature of audit report

Upon completion of our audit, we issued the following unqualified audit opinion for the balance sheet, statement of income and notes to the Financial Statements (Appendices 1.1 to 1.3) as well as for the Management Report (Appendix 1.4) for the financial year from April 1, 2024, to March 31, 2025, of Financial Statements of TCS Business Services GmbH, Düsseldorf, as of April 28, 2025:

Appendix 1.1

Balance Sheet

	(EUR) As at March 31, 2025	(kEUR) As at March 31, 2024
Assets		
A. Fixed assets		
I. Tangible fixed assets		
1. Other equipment, operating and office equipment	**15,887.33**	25
	15,887.33	25
II. Long-term financial assets	**6,000,000.00**	6,000
Securities kept as fixed assets	**6,015,887.33**	6,025
B. Current assets		
I. Receivables and other assets		
1. Receivables from affiliated companies	**7,515,541.78**	9,404
2. Other assets	**1,520,507.95**	825
	9,036,049.73	10,229
II. Cash and bank balances	**210,445.94**	239
	9,246,495.67	10,468
C. Prepaid expenses	**1,587.30**	23
D. Asset excess resulting from the offsetting of assets with provisions	**266,888.02**	175
	15,530,858.32	**16,691**
Equity and liabilities		
A. Equity		
I. Subscribed capital	**25,000.00**	25
II. Accumulated profit brought forward	**2,215,399.89**	593
III. Net income	**1,104,382.59**	1,622
	3,344,782.48	2,240
B. Provisions		
1. Provisions for pensions and similar obligations	**7,517,715.42**	8,373
2. Tax provision	**429,972.28**	1,806
3. Other provisions	**3,587,121.11**	3,419
	11,534,808.81	**13,598**
C. Liabilities		
1. Trade payables	**120,814.28**	672
2. Other liabilities	**530,452.75**	181
- of which taxes: 517,275.60 EUR (Previous year: 83 kEUR)		
- of which relating to social security: 13,177.15 EUR (Previous year: 13 kEUR)		
- of which residual maturity of up to one year: 530,452.75 EUR (Previous year: 181 kEUR)		
	651,267.03	853
	15,530,858.32	16,691

Appendix 1.2

Income Statement

(EUR) (kEUR)

		Year ended March 31, 2025	Year ended April 01, 2024
1.	Sales	**13,640,494.49**	14,300
2.	Other operating income	**7,469.01**	14
	- of which generated from currency conversion: 7,469.01 EUR (Previous year: 14 kEUR)		
3.	**Gross profit**	**13,647,963.50**	14,314
4.	Personnel expenses:		
	a) Wages and salaries	**-9,662,129.61**	-9,848
	b) Social security, post-employment and other employee benefit costs	**-1,291,229.05**	-1,699
	- of which post-employment: 221,479.86 EUR (Previous year: 253 kEUR)		
		-10,953,358.66	-11,547
5.	Amortisation and write-downs of intangible fixed assets and depreciation and write-downs of tangible fixed assets	**-9,088.51**	-29
6.	Other operating expenses	**-1,793,147.53**	-1,802
	- of which expenses from currency conversion: 24,078.67 EUR (Previous year: 0 kEUR)		
7.	**Operating profit**	**892,368.80**	936
8.	Other interest and similar income	**493,030.35**	986
	- of which interest income from discounting provisions:		
	- 329,608.00 EUR (Previous year: -345 kEUR)		
9.	Taxes on income	**-281,016.56**	-300
10.	**Net income**	**1,104,382.59**	1,622

Back to content

Notes forming part of the Financial Statements

Appendix 1.3

I. General information on the Company

The registered office TCS Business Services GmbH is in Düsseldorf. It is registered in the Commercial Register of the Local Court (Amtsgericht) in Düsseldorf under HRB 84792.

The Company is a medium-sized Company within the meaning of § 267 (2) HGB.

The Financial Statements of TCS Business Services GmbH were compiled while maintaining the classification and valuation principles of the previous year in accordance with the legal requirements for medium-sized companies by the German Commercial Code (HGB). Additionally, the provisions of the Limited Liability Act (GmbHG) were adhered to. The income statement was prepared according to the nature of expense method.

II. Accounting policies

The Financial Statements contain all assets, liabilities, deferred items, expenses and income in compliance with legal requirements. Items on the assets side were not offset with items from the liabilities side, expenses were not offset with income unless this was explicitly required pursuant to § 246 German Commercial Code.

The opening entries of the opening balance sheet were properly transferred from the previous years' statement. The valuation was based on the assumption of the Company's ability as a going concern. Assets and liabilities were valued individually.

Assets and liabilities were measured prudently, i.e. all foreseeable risks and losses which have occurred by the balance sheet date were taken into consideration, even if these only become known between the balance sheet date and the date of the preparation of the Financial Statements. Income was only recognized if it was realised ahead of the reporting date. Expenses and income of the financial year were recognized regardless of the date of payment.

Property, plant and equipment are measured at cost less scheduled straight-line depreciation and unscheduled impairment losses if permanent impairment is expected. Scheduled straightline depreciation is measured based on the estimated operating lifespan. Tangible assets have an estimated lifespan of four years.

Financial assets were measured at cost or at a lower market value in case of expected permanent impairment.

Receivables and other assets are measured at acquisition costs. Recognizable individual risks as well as the risks of receivables default are recognized through value adjustments. Cash and cash equivalents are measured at face value.

Expenditures/income before the balance sheet date, insofar as they constitute costs/revenue for a period following this date, are presented as deferred items.

Provisions made for uncertain liabilities regarding pension obligations were estimated based on prudent commercial assessment with their probable settlement value which also accounts for expected wage developments. Provisions were made based on the projected unit credit method (PUC). Calculations were based on the guideline tables 2018 G of Dr. Heubeck. Provisions were discounted based on the average market interest rate annual for the last ten years of 1.94 per cent (Previous year: 1.8 per cent). According to historical experience, pension adjustments of 2.0 per cent, wage adjustments of 3.5 per cent as well as a rise of the upper limit for social security expenses of 2.5 per cent were considered.

Profit effects resulting from changes in the applied actuarial interest rate were shown within the personnel costs.

Assets that solely serve for fulfilment of pension obligations and cannot be seized by any other creditors were measured at fair value (cover assets). Income and expenditures from these assets were netted with the expenses resulting from provisions compounding. Additionally, these assets were charged against their underlying obligations. As this yields an obligation surplus at the balance sheet date, the result is shown with the provisions for pensions.

Provisions for taxation and other provisions which are uncertain regarding their value and/or their date of occurrence were measured on the basis of prudent commercial assessment at the expected settlement amount for these uncertain liabilities.

Current liabilities are reported with their repayment or settlement amount.

Assets and liabilities in foreign currencies with maturity dates of less than a year were measured based on the mean spot exchange rate of the balance sheet date. All other assets and liabilities were measured either at the exchange rate on the date of invoicing or the higher mean spot exchange rate of the balance sheet date.

Notes forming part of the Financial Statements

Deferred taxes were recognized for amounts resulting from temporary differences between the amounts shown in the commercial balance sheet and the tax balance sheet if these differences are expected to scale down in the following fiscal years. An overall resulting tax burden is shown as deferred tax liabilities in the balance sheet. In case of an overall resulting tax relief, the company does not apply the optional capitalization pursuant to § 274 (1) sentence 2 German Commercial Code.

Pursuant to § 274 (1) sentence 3 German Commercial Code, deferred taxes are shown without offsetting.

III. Explanatory notes on the balance sheet

The developments of the individual items of the fixed assets are shown in the statement of movements in fixed assets (gross).

Receivables from affiliated companies result exclusively from receivables for deliveries and services.

Within the other assets, an amount of 28 kEUR (Previous year: 28 kEUR) has a maturity date of more than a year.

The amounts barred from distribution pursuant to § 268 (8) German Commercial Code amount to 1,982 kEUR and are composed of 287 kEUR for covering of long-term work accounts and of 1,695 kEUR for covering pension obligations. The amounts barred from distribution therefore solely result from the capitalization of covering amounts at fair value.

From the discounting of provisions for pensions at the average market interest rate of the last ten years in comparison to the discounting at the average market interest rate of the last seven years results a difference of -285 kEUR. This difference is barred from distribution pursuant to § 253 (6) sentence 2 German Commercial Code.

For netting liabilities from pension obligations with amounts for cover assets, the following amounts were determined:

Settlement amount of liabilities: 17,692 kEUR

Acquisition costs of the netted assets: 8,480 kEUR

Netted assets at fair value: 10,175 kEUR

Netted expenses: 424 kEUR

The amount at fair value results from the end of day stock market price for the securities of the cover assets on the balance sheet date and was measured on the basis of securities account statements.

Other provisions (3,587 kEUR) essentially comprise provisions for bonus payments (1,925 kEUR), anniversary bonuses (956 kEUR), vacation payments (218 kEUR) and for overdue receivables (114 kEUR).

As in the previous year, all liabilities will be due within one year.

Of the liabilities from trade payables amounting to EUR 120,814.28, a total of EUR 105,712.32 is owed to affiliated companies.

Deferred tax balances for the financial year have developed as follows:

	At the beginning of the financial year	Change	At the end of the financial year
Deferred tax assets	**3,306,800.00**	**-365,700.00**	2,941,100.00
Deferred tax liabilities	**2,217,200.00**	**-170,200.00**	2,047,000.00

In accordance with § 274 (1) HGB, the resulting tax reduction is not recognized as tax asset in the balance sheet.

IV. Explanatory notes on the income statement

Other operating income in the amount of 7 kEUR (Previous year: 14 kEUR) comprises solely of income from foreign currency translation.

Other operating expenses contain expenses from foreign currency translation in the amount of 24 kEUR (Previous year: 0 kEUR).

Notes forming part of the Financial Statements

The amount of other interest and similar expenses contains expenses resulting from provisions compounding for pension obligations in the amount of 330 kEUR (Previous year: 345 kEUR).

The transition from net income to retained profit is calculated as follows:

Net income	**1,104 kEUR**
+ Accumulated profit brought forward	**2,215 kEUR**
= Retained profit	**3,319 kEUR**

The net income for the year is carried forward to the next financial year

V. Other disclosures

Other financial obligations

As of 31 March 2025, the other financial obligations amount to 802 kEUR.

Members of the Company's executive bodies

During the financial year, the Company's business activities were managed by the following individuals:

Sapthagiri Chapalapalli

Pradeep Gaitonde until September 5, 2024

Rabindran Vennimalai from September 6, 2024

Mr. Sapthagiri Chapalapalli is responsible for Sales and Mr. Rabindran Vennimalai and Mr. Pradeep Gaitonde is responsible for Accounting and Finance. Mr. Sapthagiri Chapalapalli is employed by Tata Consultancy Services Deutschland, Mr. Pradeep Gaitonde is employed by Tata Consultancy Services Limited, India and Mr. Rabindran Vennimalai is employed by Tata Consultancy Services Netherlands B.V.

The Company made use of the protection clause pursuant to § 286 (4) German Commercial Code.

Average number of employees during the financial year

The total average number of employees amounts to 88 (Previous year: 92). The Company has only salaried employees.

Parent company

Tata Consultancy Services Limited, Mumbai, India, prepares the consolidated financial statement for the smallest group of companies and Tata Sons Limited, Mumbai, India, prepares the consolidated financial statements for the largest group of companies, into which Tata Consultancy Services Deutschland GmbH is respectively included. The consolidated financial statements can be obtained from Bombay House, Mumbai, India. The consolidated financial statements of Tata Consultancy Services Limited, Mumbai, India, are published unter the register number 11-84781 and the consolidated financial statements of Tata Sons Limited, Mumbai, India, are published under the register number 478.

Subsequent Events Report

Global trade tensions have escalated to a new level with the announcement of reciprocal tariffs, significantly increasing the likelihood of a recession.

As a result, the current market reactions have led to a negative price development of the coverage assets for the company's pension obligations, with an impact recognized in the new fiscal year 2025/2026.

The decline amounted to 502 kEUR (-5%) as of April 22, 2025, compared to the fair value reported in the financial statements as of the balance sheet date.

Düsseldorf, April 28, 2025

TCS BUSINESS SERVICES GMBH

S. Chapalapalli	R. Vennimalai
(Managing Director)	(Managing Director)

STATEMENT OF MOVEMENTS IN FIXED ASSETS (GROSS) AS OF 31 MARCH 2025

	Costs	Additions	Disposals	Reclassifications	Costs	Accumulated amortization, depreciation and write-downs	Disposals	Amortization, depreciation and write-downs during the financial year	Accumulated amortization, depreciation and write-downs	Book value	Book value
	01.04.2024				**31.03.2025**	01.04.2024			**31.03.2025**	**31.03.2025**	31.03.2024
	EUR	EUR	EUR	EUR	**EUR**	EUR	EUR	EUR	**EUR**	**EUR**	EUR
I. Tangible fixed assets											
1. Other equipment, operating and office equipment											
	124,685.16	0.00	0.00	0.00	**124,685.16**	99,709.32	9,088.51	0.00	**108,797.83**	**15,887.33**	24,975.84
Tangible fixed assets	**124,685.16**	**0.00**	**0.00**	**0.00**	**124,685.16**	**99,709.32**	**9,088.51**	**0.00**	**108,797.83**	**15,887.33**	**24,975.84**
II. Long-term financial assets											
Securities kept as fixed assets	**6,000,000.00**	0.00	0.00	0.00	**6,000,000.00**	0.00	0.00	0.00	**0.00**	**6,000,000.00**	6,000,000.00
Financial assets	**6,000,000.00**	**0.00**	**0.00**	**0.00**	**6,000,000.00**	**0.00**	**0.00**	**0.00**	**0.00**	**6,000,000.00**	**6,000,000.00**
	6,124,685.16	**0.00**	**0.00**	**0.00**	**6,124,685.16**	**99,709.32**	**9,088.51**	**0.00**	**108,797.83**	**6,015,887.33**	**6,024,975.84**

Appendix 1.4

Management report for the business

I. Company profile

1.1 Business Model

The Company operates in the information technology market. It provides services in the areas of management consulting and software development. It currently provides services exclusively for Tata Consultancy Services Deutschland GmbH (TCS), which is charged using the cost-plus method.

1.2 Human Resources

The number of staff employed by the Company decreased from an average of 92 in the financial year 2023/2024 to an average of 87 in the financial year 2024/2025 due to fluctuation. The Company employs all staff in Germany, of which 66 are based in Düsseldorf and 21 in Berlin. All operating costs for these employees, together with all other costs of the Company, are charged in full to TATA Consultancy Services Deutschland GmbH at a mark-up of 7% (cost plus method).

II. Economic report

2.1. General economic conditions and industry environment

According to data from the Federal Statistical Office, the price-adjusted gross domestic product (GDP) decreased by 0.2% in 2024, following a decline of 0.3% in the previous year. This marks the second consecutive year of contraction for the German economy. Contributing factors include increasing competition for German exports in key markets, high energy costs, and persistently elevated interest rates. In contrast, the number of people employed in Germany has again surpassed the 2023 level once again. In 2024, a new record high of 46.1 million employed individuals was reached.

Despite the challenging conditions, the IT industry achieved a growth rate of 4.4%, according to figures from the industry association Bitkom. The individual segments reported the following growth rates: IT hardware grew by 0.7% (previous year: -6.1%), software by 9.5% (previous year: 12.1%), and IT services by 3.8% (previous year: 5.0%).

2.2. Business Performance

Sales for the financial year reduced by 660 kEUR to 13,640 kEUR compared with the financial year 2023/2024. Due to the cost-plus method, revenues are largely dependent on the costs incurred at TCS Business Services GmbH. Due to the decrease in the number of employees and the associated decrease in personnel costs, lower revenues than expected were generated in the financial year. Higher interest income resulted in an increase in net income before taxes. It increased from 1,922 kEUR to 1,385 kEUR. In 2024/2025, our key financial indicator revenue therefore developed negatively and the financial performance indicator EBIT declined. Overall, the forecast for fiscal 2024/2025 was achieved. Management considers business performance in 2024/2025 to be satisfactory.

2.3. Assets, liabilities, financial position and financial performance

Financial performance

Sales decreased from 14,300 kEUR to 13,640 kEUR. Due to the cost-plus method used, it is not possible to analyze sales by product and/or region. Rather, the decrease is mainly attributable to lower personnel expenses and material expenses. In addition, the net loss for the year is mainly influenced by increased interest expenses for additions to pension provisions, as the cost-plus method only relates to earnings before interest and taxes (EBIT).

kEUR

	As at March 31, 2025	As at March 31, 2024
Earnings after taxes	**1,622**	1,104

The development of the main types of expenses in relation to total output is shown below:

	01.04.2023 - 31.03.2024	01.04.2024 - 31.03.2025
	%	%
Personnel expenses	**81**	80
Other operating expenses	**13**	13

Due to the differing tax treatment of pension provisions, the income tax expense for the reporting year was again relatively low compared to the pre-tax profit.

Financial position

Compared to March 31, 2024, cash and cash equivalents decreased from 239 kEUR to 210 kEUR. The development of cash and cash equivalents is largely dependent on the Group's internal liquidity management. The Company was able to meet its payment obligations at all times in the year under review.

Cash flow from operating activities declined from 472 kEUR in the 2023/2024 financial year to 62 kEUR in the 2024/2025 financial year. This is mainly due to the cash-effective utilization of provisions.

All liabilities and provisions (with the exception of pension provisions) have a short-term maturity. They account for 30.1% of the balance sheet total.

The Company reports positive net working capital of 4,550 kEUR (previous year: 4,363 kEUR). Net working capital comprises inventories, cash and cash equivalents, current receivables and other assets less current provisions and liabilities.

Assets and liabilities

Assets decreased by 1,160 kEUR to 1,530 kEUR compared to March 31, 2024, mainly due to the decrease in receivables from affiliated companies.

The range of trade receivables (receivables * 360 / sales) has increased from 237 days in the previous year to 198 days in the current fiscal year. Management does not see any impairment risks, as the trade receivables are exclusively due from a solvent sister company.

Compared to March 31, 2024, equity increased by 1,104 kEUR to 3,345 kEUR. The equity ratio amounts to 21.5% (previous year: 13.4%). The increase in the equity ratio results from the net profit for the year.

Provisions (11,535 kEUR) mainly comprise provisions for pensions (7,518 kEUR), bonus payments (1,925 kEUR), anniversary payments (956 kEUR), vacation (218 kEUR), outstanding invoices (114 kEUR) and tax provisions (430 kEUR).

The increase in other liabilities compared to the previous year by €350k is primarily due to higher VAT liabilities.

III. Forecast, opportunities and risks

3.1. Forecast

The Kiel Institute for the World Economy (IfW), in its spring forecast, sees the global economy in a phase of moderate momentum and high economic policy uncertainty. This is primarily attributed to the actions and announcements of the new U.S. administration. The IfW's forecast assumes that significant additional tariffs will be imposed and that monetary policy will be less accommodative than initially anticipated. On the other hand, the IfW expects stronger fiscal policy impulses due to rising defense spending in many countries as a result of changing geopolitical conditions. In numerical terms, the IfW forecasts moderate global economic growth of 3.1% for 2025, based on purchasing power parity, and 3.0% for 2026. Due to the recent tariff dispute triggered by the United States, the World Trade Organization (WTO) currently expects a decline in global trade volume of between 0.2% and 1.5%. According to the WTO, this decline will affect North America significantly more than Europe. For Europe, the WTO projects economic growth of 1.2% for 2025.

According to the IfW's spring forecast, the German economy continues to struggle with structural problems that hinder higher productivity. The industrial sector has recently lost market share and competitiveness. Additionally, erratic U.S. trade policies are putting pressure on German foreign trade. The IfW's spring forecast assumed the imposition of additional tariffs on German imports. As a result, the IfW forecasts zero GDP growth for Germany in 2025. From 2026 onward, the IfW expects an economic recovery, driven in part by the trillion-euro financial package for security and investment that the German Bundestag approved in March, which is expected to lead to new investments. For 2026, the IfW forecasts a 1.5% increase in GDP. Despite the challenging economic environment, the digital economy continues to be on a growth path. The digital association Bitkom projects a 4.6% increase in revenue for the German IT and telecommunications market in 2025, reaching €232.8 billion. Within the individual segments, Bitkom forecasts particularly strong growth in the software sector, with a 9.8%

increase to €51.1 billion. Double-digit growth rates are expected within this segment, particularly for artificial intelligence and cloud services. In terms of employment, Bitkom also expects a further increase in 2025, with approximately 20,000 additional jobs, bringing the total number of employees in the industry to 1.371 million. The IT and telecommunications sector is now the largest industrial employer in Germany.

Outlook for the company

All operational risks are borne by TCS, as the company operates on a cost-plus basis, calculated on EBIT. A further slight decline in the number of employees is expected. As a result, the company's development is significantly dependent on cost trends and the performance of TCS. Therefore, the following section addresses TCS's forecast:

To achieve above-average growth rates in the 2025/2026 fiscal year and beyond, the management plans to place a stronger focus on specific initiatives aimed at increasing market share. In addition, the company is investing in expanding its presence in the field of engineering services. Based on the company's current forecasts, we expect revenue and EBIT to remain at the current level, with corresponding impacts on the operating result for the 2025/2026 fiscal year.

3.2. Risk report

Industry-specific risks

Here again, reference is made to the risks of TCS. In general, customers' willingness to invest is influenced by the overall economic development in the respective countries or in Europe as a whole, as well as by their confidence in a positive economic development. As the Company generates the majority of its sales in Germany, the development of the German economy is decisive for the Company's growth. Based on current knowledge, the Company considers the risk to be low.

Income-related risks

Based on the cost-plus method, no significant risks are seen here, with the exception of potential interest charges in connection with pension provisions.

Financial risks

Foreign currency risks arise in particular from the conclusion of transactions in US dollars and other foreign currencies. A weakening of the dollar or other foreign currencies against the euro could therefore lead to foreign currency losses. The risk is considered to be low. The interest rate risks arising from pension commitments are to be offset by covering them with securities.

Reference is again made here to the financial risks of TCS:

At TCS, default and liquidity risks are limited by the selection of customers and close cooperation in payment transactions between sales and administration within the framework of a functioning dunning system. TCS has a solvent and creditworthy customer base. Bad

debt losses are the absolute exception. In addition, there is a long-standing cooperation with the majority of customers. In this respect, we consider the financial risk of a liquidity bottleneck, in particular due to possible late payments to us by our sister company TCS, to be low.

Management does not see any risks that could jeopardize the Company's ability to continue as a going concern.

3.3. Opportunities

TCS forecasts are again used for the opportunities report:

TCS' ability to generate growth and maintain economic momentum is linked to its ability to consistently meet customers' ever-changing business needs and help them transform by deploying new digital technologies in their businesses. The supplier consolidation offers opportunities and new services and solutions such as S4 HANA,

public cloud and cybersecurity services and solutions continue to offer good growth opportunities on the market. In addition, new business areas are to be developed, expanded and marketed to both new and existing customers (including German SMEs). Based on current knowledge, TCS.

Düsseldorf, April 28, 2025

TCS BUSINESS SERVICES GMBH

S. Chapalapalli	R. Vennimalai
(Managing Director)	(Managing Director)

Appendix 1.5

Independent auditor's report

To TCS Business Services GmbH, Düsseldorf:

Audit opinion

We have audited the annual Financial Statements of TCS Business Services GmbH, Düsseldorf, which comprise the balance sheet as of March 31, 2025, the statement of income and the notes to the Financial Statements. In addition, we have audited the Management Report of TCS Business Services GmbH, Düsseldorf, for the financial year from April 1, 2024, to March 31, 2025.

In our opinion, based on the knowledge obtained in the audit,

- the accompanying Financial Statements comply, in all material aspects, with the requirements of German commercial law as applicable to corporations and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Company as of March 31, 2025 and of its financial performance for the financial year from April 1, 2024, to March 31, 2025, and
- the accompanying Management Report as a whole provides an appropriate view of the Company's position. In all material aspects, this Management Report is consistent with the Financial Statements, complies with German legal requirements and appropriately presents the opportunities and risks of future developments.

Pursuant to § 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the Financial Statements and of the Management Report.

Basis for the audit opinion

We conducted our audit of the Financial Statements and of the Management Report in accordance with § 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the „Auditor's Responsibilities for the Audit of the Financial Statements and of the Management Report" section of our auditor's report. We are independent of the Company in accordance with the requirements of German commercial and professional law, and we have fulfilled our German professional responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements and on the Management Report.

Responsibilities of the management for the Financial Statements and the Management Report

The management is responsible for the preparation of the Financial Statements that comply, in all material aspects, with the requirements of German commercial law as applicable to corporations and that the Financial Statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Company. In addition, the management are responsible for such internal controls as they have determined necessary to enable the preparation of Financial Statements that are free from material misstatements, whether due to fraud or error.

In preparing the Financial Statements, the management is responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matter related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Company or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the management is responsible for the preparation of the Management Report that, as a whole, provides an appropriate view of the Company's position and is, in all material aspects, consistent with the Financial Statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future developments. In addition, the management is responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a Management Report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the Management Report.

Auditor's Responsibilities for the Audit of the Financial Statements and of the Management Report

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatements, whether due to fraud or error, and whether the Management Report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the Financial Statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future developments, as well as to issue an auditor's report that includes our audit opinion on the Financial Statements and the Management Report.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with § 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. 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 Financial Statements and this Management Report.

Back to content

We exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatements of the Financial Statements and of the Management Report, 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 audit opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit of the Financial Statements and of the arrangements and measures (systems) relevant to the audit of the Management Report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems.
- Evaluate the appropriateness of accounting policies used by the management and the reasonableness of estimates made by the management and related disclosures.
- Conclude on the appropriateness of the management 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 the auditor's report to the related disclosures in the Financial Statements and in the Management Report or, if such disclosures are inadequate, to modify our respective audit 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 be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements present the underlying transactions and events in a manner that the Financial Statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with the requirements of the German commercial law.
- Evaluate the consistency of the Management Report with the Financial Statements, its conformity with German law, and the view of the Company's position it provides.
- Perform audit procedures on the prospective information presented by the management in the Management Report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the management as a basis for the prospective information and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit."

The audit opinion was issued by the signatories of this audit report on April 28, 2025. IDW AuS 400 (n. v.) "Principles for audit opinions of Financial Statements" was observed in issuing the audit opinion.

Concluding remarks

We issue the above audit report on the Financial Statements and the Management Report of TCS Business Services GmbH, Düsseldorf, for the fiscal year from April 1, 2024, to March 31, 2025, in compliance with the statutory regulations as well as IDW AuS 450 (n. V.) „Generally accepted standards for the issuance of long form audit reports for the audits of Financial Statements".

For the unqualified audit opinion we have issued, please refer to section 5 Reproduction of audit opinion and signature of audit report.

Any use of this audit opinion reproduced above beside this report requires our prior approval. Any publication or dissemination of the annual financial statements and the management report in a form differing from the audited version (including translation into other languages) requires our prior renewed opinion if our audit opinion is cited or reference is made to our audit, reference is made to § 328 HGB.

Düsseldorf, April 28, 2025

NIEHAUSPARTNER Treuhand GmbH & Co. KG
Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft

Enck	**Evers**
German Public Auditor	German Public Auditor
(Wirtschaftsprüfer)	*(Wirtschaftsprüfer)*

Back to content

TCS Technology Solutions GmbH.

REPORT ON THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS AND THE MANAGEMENT REPORT

For the financial year ended December 31, 2024

FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2024

CONTENTS **PAGE**

Independent auditor's report	40.2
Balance sheet	40.5
Statement of profit and loss	40.6
Notes forming part of financial statements	40.7

Back to main content

INDEPENDENT AUDITOR'S REPORT

To the TCS Technology Solutions GmbH, Bonn

AUDIT OPINIONS

We have audited the annual financial statements of TCS Technology Solutions GmbH, Bonn, which comprise the balance sheet as at 31 December 2024, and the statement of profit and loss for the financial year from 1 January 2024 to 31 December 2024, and notes to the financial statements, including the presentation of the recognition and measurement policies. In addition, we have audited the management report of TCS Technology Solutions GmbH, Bonn, for the financial year from 1 January 2024 to 31 December 2024. In accordance with the German legal requirements, we have not audited the content of the statement on corporate governance pursuant to section 289f paragraph 4 HGB [Handelsgesetzbuch: German Commercial Code] (disclosures on the quota for women on executive boards).

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to business corporations and give a true and fair view of the assets, liabilities and financial posi¬tion of the Company as at 31 December 2024 and of its financial performance for the financial year from 1 January 2024 to 31 December 2024 in compliance with German Legally Required Accounting Principles, and
- the accompanying management report as a whole provides an appropriate view of the Company's position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the management report does not cover the content of the statement on corporate governance referred to above.

Pursuant to section 322 paragraph 3 sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the annual finan¬cial statements and of the management report.

BASIS FOR THE AUDIT OPINIONS

We conducted our audit of the annual financial statements and of the management report in accordance with section 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Management Report" section of our auditor's report. We are independent of the Company in accordance with the requirements of German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the annual financial statements and on the management report.

OTHER INFORMATION

The executive directors are responsible for the other information. The other information comprises the statement on corporate governance pursuant to section 289f Paragraph 4 HGB (disclosures on the quota for women on executive boards).

Our audit opinions on the annual financial statements and on the management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- is materially inconsistent with the annual financial statements, with the management report information audited for content or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE EXECUTIVE DIRECTORS AND THE SUPERVISORY BOARD FOR THE ANNUAL FINANCIAL STATEMENTS AND THE MANAGEMENT REPORT

The executive directors are responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law applicable to business corporations and that the annual financial

statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles. In addition, the executive directors are responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the annual financial statements, the executive directors are responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, the executive directors are responsible for the preparation of the management report that as a whole provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the management report.

The supervisory board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements and of the management report.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS AND OF THE MANAGEMENT REPORT

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the annual financial statements and on the management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with section 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. 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 annual financial statements and this management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements and of the management report, 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 audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures relevant to the audit of the management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of internal control or these arrangements and measures.
- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- Conclude on the appropriateness of the executive directors' 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 the auditor's report to the related disclosures in the annual financial statements and in the management report or, if such disclosures are inadequate, to modify our respective audit opinions. 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 be able to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles.
- Evaluate the consistency of the management report with the annual financial statements, its conformity with German law, and the view of the Company's position it provides.
- Perform audit procedures on the prospective information presented by the executive directors in the management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Düsseldorf, 12 May 2025

Grant Thornton AG
Wirtschaftsprüfungsgesellschaft

Matthias Koch	Ralf Clemens
Wirtschaftsprüfer [German Public Auditor]	Wirtschaftsprüfer [German Public Auditor]

Balance Sheet

Amount in EUR

	As at December 31, 2024	As at December 31, 2023
ASSETS		
A. Fixed Assets		
1. Intangible Assets		
1. Purchased concessions, industrial property rights, similar rights and assets, and licenses to such rights and values	**284,584.75**	706,847.25
	284,584.75	706,847.25
II. Tangible Assets		
1. Technical installations and machines	**519,464.40**	1,534,471.94
2. Other equipment, fixtures and fittings	**1,253,282.14**	1,028,660.76
3. Prepayments and assets under construction	**798,476.81**	1,440,335.13
	2,571,223.35	4,003,467.83
B. Current Assets		
I. Inventories		
Raw materials and supplies	**92,246.29**	92,246.29
	92,246.29	92,246.29
II. Receivables and other assets		
1. Trade receivables	**11,392,219.51**	13,557,547.95
2. Receivables from affiliated companies	**23,410,728.56**	2,323,054.59
3. Other assets	**4,156,203.08**	2,705,013.71
	38,959,151.15	18,585,616.25
III. Cash-on-hand and bank deposits	**55,472,868.06**	99,689,231.19
	94,524,265.50	118,367,093.73
C. Prepayments	**1,360,306.68**	8,327,200.68
D. Active difference from asset allocation	**20,429,883.24**	1,323,406.73
	119,170,263.52	132,728,016.22
A. Equity		
I. Share capital	**3,250,000.00**	3,250,000.00
II. Reserves	**118,922,728.71**	118,922,728.71
III. Retained earnings	**8,597,518.98**	8,597,518.98
IV. Accumulated losses brought forward	**-38,701,212.78**	-46,627,442.96
V. Profit/Loss for the financial period	**-17,416,189.80**	7,926,230.18
	74,652,845.11	92,069,034.91
B. Provisions		
1. Provision for taxes	**17,134.79**	5,535,999.29
2. Other provisions	**17,802,093.36**	15,683,110.02
	17,819,228.15	21,219,109.31
C. Liabilities		
1 Trade liabilities		
- (thereof with a maturity of up to one year € 11,704,218.54; prior year T€ 14,531)	**11,704,218.54**	14,530,859.47
2. Other liabilities		
- (thereof from taxes € 2,472,648.89; prior year T€ 2,519)		
- (thereof with a maturity of up to one year € 14,993,971.72; prior year T€ 4,909)	**14,993,971.72**	4,909,012.53
	26,698,190.26	19,439,872.00
	119,170,263.52	132,728,016.22

Back to content

Statements of Profit and Loss

		Year ended December 31, 2024	Year ended December 31, 2023
1.	Revenue	**126,162,013.96**	187,594,877.26
2.	Other operating income	**3,617,446.35**	4,437,542.67
3.	Cost of materials		
	a) Cost of raw materials, consumables and supplies, and of purchased merchandise	**-153,535.05**	-256,853.36
	b) Expenses for received services	**-37,033,957.09**	-69,866,783.50
		-37,187,492.14	-70,123,636.86
4.	Personnel expenses		
	a) Wages and salaries	**-103,662,114.22**	-92,728,018.22
	b) Social security, post-employment and other employee benefit costs thereof retirement benefits: EUR -30,354.17 (prior year: EUR -5,857.71)	**-16,200,324.82**	-16,711,565.69
		-119,862,439.04	-109,439,583.91
5.	Depreciation of intangible assets and property, plant and equipment	**-1,812,460.62**	-3,268,723.39
6.	Other operating expenses	**-12,060,784.01**	-10,378,127.66
7.	Other interest and similar income	**23,147,364.13**	8,242,888.71
8.	Interest and similar expenses	**-854,779.00**	-1,257,953.00
9.	Taxes on profit	**1,434,940.57**	2,118,946.36
10.	Earnings after taxes	**-17,416,189.80**	7,926,230.18
11.	Profit or loss for the financial year	**-17,416,189.80**	7,926,230.18

Notes forming part of the Financial Statement

I. GENERAL NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

TCS Technology Solutions GmbH, Bonn (TCS GmbH), was entered in the Commercial Register at Bonn Local Court on 13 April 2023 under the number HRB 27943.

These financial statements have been prepared in accordance with the provisions of the Third Book of the German Commercial Code (Handelsgesetzbuch, "HGB").

The company is a large corporation according to the criteria of Section 267 (3) HGB.

The income statement has been prepared using the expense method.

The fiscal year corresponds to the calendar year.

II. INFORMATION ON SHAREHOLDINGS

The share capital of TCS GmbH of TEUR 3,250,000 is held 100% by Tata Consultancy Services Netherlands B.V., Amsterdam, Netherlands (TCS).

For the smallest group, Tata Consultancy Services Limited, Mumbai, India, and for the largest group, Tata Sons Limited, Mumbai, India, each prepares consolidated financial statements in which TCS GmbH is included.

The consolidated financial statements are available at Bombay House, Mumbai, India. The consolidated financial statements of Tata Consultancy Services Limited, Mumbai, India, are published under registration number 11-84781, and the consolidated financial statements of Tata Sons Limited, Mumbai, India, under registration number 478.

III. ACCOUNTING AND VALUATION METHODS

Intangible assets purchased against payment are valuated at acquisition cost less straight-line depreciation. In the year of acquisition, an asset is depreciated pro rata temporis. The useful life is generally set to five years.

Property, plant and equipment are valued at acquisition cost less scheduled straight-line depreciation.

Depreciation in 2024 is based on the following definitions for useful life:

	Years
Data processing units	4.5
Telecommunications equipment	5
Operating equipment	6
Office equipment	10

The fixed value method is used to value inventories pursuant to Section 240 para. 3 HGB. The last physical inventory was conducted in fiscal year 2018.

Receivables and other assets are measured at nominal value.

Cash and bank balances

As of the reporting date, TCS GmbH had bank balances in the amount of TEUR 55,473, which are reported at nominal value.

Prepaid expenses are recognized pursuant to Section 250 para.1 HGB for expenses incurred prior to the balance sheet date, which represent expenditure for a certain period after the balance sheet date.

Obligations arising from pensions and similar obligations at TCS GmbH are secured against insolvency through cover assets at Metzler Trust e.V., Frankfurt am Main. The asset-side **difference from offsetting of assets** shows the asset-side surplus from offsetting the cover assets against provisions for pensions and similar obligations. Cover assets, serving exclusively to meet liabilities arising from pensions and similar obligations and are not accessible to all other creditors, are measured at fair value pursuant to Section 253 para. 1 sent. 4 HGB and offset against pension obligations pursuant to 246 para. 2 sent. 2 and 3 HGB.

Notes forming part of the Financial Statement

Provisions for **pensions and similar obligations** are valued pursuant to actuarial principles (modified guideline tables 2018 G by Dr. Klaus Heubeck) based on an assumed interest rate of 1.90%, a salary dynamic of 2.80% and an adjustment rate for pensions of 2.20% p.a.. The projected unit credit method is used as the valuation method.

The difference resulting from the valuation of pension obligations using the actuarial interest rate based on the 10-year average and the valuation using the 7-year average is subject to the distribution ban as per Section 253 para. 6 HGB (see chapter VI 2. Distribution ban).

For discounting purposes, TCS GmbH uses the actuarial interest rate determined and published by the Deutsche Bundesbank, which results from an assumed remaining term of 15 years.

Equity is recognised at the nominal amount.

Other provisions are recognised as follows:

1. **Anniversary provisions**

   These are valued according to actuarial principles (modified guideline tables 2018 G by Dr. Klaus Heubeck) based on an actuarial interest rate of 1.96% and a salary dynamic of 2.80% p.a. The projected unit credit method is used as the valuation method.

2. **Death benefit provisions**

   These are valued according to actuarial principles (modified guideline tables 2018 G by Dr. Klaus Heubeck) based on an actuarial interest rate of 1.96% and a salary dynamic of 2.80%. The projected unit credit method is used as the valuation method.

3. **Early retirement provisions**

   These are valued according to actuarial principles (modified guideline tables 2018 G by Dr. Klaus Heubeck) based on an actuarial interest rate of 1.49% and a salary dynamic of 2.80%. The projected unit credit method is used as the valuation method.

4. **Miscellaneous other provisions**

   In accordance with Section 253 para. 1 Sentence 2 and para. 2 HGB, other non¬current provisions are recognized at their settlement amount, which is discounted over the individual term using the interest rates of Deutsche Bundesbank. Provisions with a remaining term of up to one year are not discounted.

   Provisions are measured in such a way that they adequately cover all known but uncertain risks in terms of amount and/or timing. They are considered at the settlement amount deemed necessary in accordance with prudent business judgment.

   Liabilities are recognized at their settlement amount.

IV. DISCLOSURES ON INDIVIDUAL ITEMS OF THE BALANCE SHEET

1. **Fixed assets**

   The development of fixed assets from 1 January 2024 to 31 December 2024 can be seen in the attached gross fixed asset movement schedule.

2. **Receivables and other assets**

   Receivables and other assets of TEUR 38,959 (prior year: TEUR 18,586) include receivables from a loan to affiliated companies amounting to TEUR 20,000 (prior year: TEUR 0), trade receivables of TEUR 14,803 (prior year: TEUR 15,881), other receivables from employees of TEUR 157 (prior year: TEUR 259) and creditors with debit balances of TEUR 1,672 (prior year: TEUR 1,672).

   There were no foreign currency receivables as at the balance sheet date.

   Receivables and other assets have a remaining term of up to one year.

Notes forming part of the Financial Statement

3. Prepaid expenses

Prepaid expenses mainly comprise advance payments for rent, maintenance and upkeep of hardware and software for subsequent years.

4. Asset-side difference from offsetting of assets

The asset-side difference from asset offsetting results from offsetting the cover assets available to secure the pension payment against the accruals for pensions and similar obligations.

Provisions for **pensions and similar obligations** are offset against the fair value of a cover asset pursuant to Section 246 para. 2 Sentence 2 HGB and, pursuant to Section 246 para. 2 Sentence 3 in conjunction with Section 266 para. 2 lit. E. HGB under the separate asset item "Asset-side difference from offsetting of assets".

The following table shows the fulfilment amounts of the pension provision existing at the end of the year and the fair value of the cover assets, which is based on market prices, as well as the resulting difference:

	As of December 31, 2024	As of December 31, 2023
	TEUR	TEUR
Settlement amount pension provision	**121,815**	120,902
Fair value cover assets	**142,245**	122,226
Difference on assets side from offsetting of assets	**20,430**	1,324
Acquisition costs of cover assets	**126,397**	126,104
Unrealised gains/losses on cover assets	**15,848**	-3,878

The excess of cover assets over pension liability increased in the reporting year from EUR 1,3 million to EUR 20,4 million due to the higher valuation of cover assets and the simultaneous increase in pension obligations. The balance is recognised on the assets side of under Excess of cover assets over pension liability.

In fiscal year 2024, the acquisition costs of cover assets increased by TEUR 293 (prior year: TEUR 552). The unrealised gain from the cover assets increased by TEUR 19,726 to TEUR 15,848 as at the balance sheet date. As at 31.12.2024, the balance from the income from the valuation of the cover assets as at the balance sheet date of TEUR 19,726 (prior year: TEUR 4,897) is offset against the interest expense from the pension provision of TEUR 2,187 (prior year: TEUR 2,161) and the income from the change in interest rates of TEUR 1,354 (prior year: TEUR 903) and recognised under interest and similar income in the amount of TEUR 19,187 (prior year: TEUR 4,191).

The German Accounting Law Modernisation Act *(Bilanzrechtsmodernisierungsgesetz)* resulted in a difference of TEUR 6,559 for pension obligations as at 1 January 2010, of which one fifteenth (TEUR 437) is reversed annually in the income statement under "Other operating expenses" and added to pension provisions. As at 31 December 2024, the remaining difference amounts to TEUR 0.

The difference between the recognition of pension provisions based on the seven¬year average interest rate and the ten-year average interest rate amounts to TEUR -1,142 (prior year: TEUR 1,602) as of the balance sheet date.

5. Equity

In accordance with Section 272 HGB, **equity includes** subscribed capital, the capital reserve and other revenue reserves. The company's **subscribed capital** amounts to TEUR 3,250.

As at 31 December 2024, the equity ratio was 63% (prior year: 69%).

Other revenue reserves include amounts of TEUR 8,579 (prior year: TEUR 8,579) that were allocated in the past due to amounts blocked from distribution.

Notes forming part of the Financial Statement

6. Provisions

The **tax provisions** of TEUR 17 (prior year: TEUR 5,536) include TEUR 0 (prior year: TEUR 4,169) in trade tax and TEUR 17 (prior year: TEUR 1,367) in corporate tax.

Other provisions mainly relate to outstanding invoices (TEUR 2,635; prior year: TEUR 3,491), early retirement (TEUR 9,762; prior year: TEUR 3,557), bonus entitlements (TEUR 2,622; prior year: TEUR 5,475) and vacation/overtime entitlements (TEUR 2,361; prior year: TEUR 2,672).

7. Liabilities

Liabilities of TEUR 26,698 (prior year: TEUR 19,440) include TEUR 11,704 (prior year: TEUR 14,531) in trade payables, other liabilities for severance payments amounting to TEUR 12,710 (prior year: TEUR 0) and TEUR 2,473 (prior year: TEUR 2,519) in liabilities from operating taxes and levies.

There were no foreign currency liabilities or liabilities with a remaining term of more than 5 years as at the balance sheet date.

8. Deferred taxes

Deferred tax assets result from valuation differences in non-current assets and non¬current provisions.

The option to capitalize the surplus of deferred income tax assets pursuant to Section 274 para. 1 sentence 2 HGB has not been exercised.

V NOTES TO INDIVIDUAL ITEMS OF THE INCOME STATEMENT

1. Revenues

Revenues relate to the following areas of activity:

	As of December 31, 2024	As of December 31, 2023
	TEUR	TEUR
Revenues operating products	**51,445**	90,801
Project services	**74,602**	96,317
Other	**115**	477
Total	**126,162**	187,595

Compared to the prior year: sales fell by 32,7% and were generated entirely in Germany.

2. Other operating income

Other operating income of TEUR 3,617 (prior year: TEUR 4,438) includes income relating to other periods of TEUR 3,553 (prior year: TEUR 4,040), which is mainly attributable to the reversal of provisions .

3. Cost of materials

The cost of materials is made up of expenses for raw materials, consumables and supplies and for purchased goods totalling TEUR 154 (prior year: TEUR 257) and expenses for purchased services amounting to TEUR 37,034 (prior year: TEUR 69,867). Expenses for purchased services mainly relate to rent, maintenance and upkeep in the amount of TEUR 20,853. Another significant expense concerns IT consultant services at TEUR 15,863.

4. Personnel expenses

Personnel expenses comprise wages and salaries of TEUR 103,662 (prior year: TEUR 92,728) and social security contributions of TEUR 16,200 (prior year: TEUR 16,712).

5. Depreciation

Depreciation in the reporting period was allocated to intangible fixed assets in the amount of TEUR 409 (prior year: TEUR 703) and to technical equipment/operating and office equipment of TEUR 1,404 (prior year: TEUR 2,566).

Notes forming part of the Financial Statement

6. Other operating expenses

Other operating expenses of TEUR 11,870 (prior year: TEUR 10,378) mainly include expenses for rent, occupancy costs and ancillary costs of TEUR 2,275, energy costs of TEUR 3,782, legal and consulting costs of TEUR 743 and insurance costs of TEUR 610.

The German Accounting Law Modernization Act *(Bilanzrechtsmodernisierungsgesetz)* resulted in a difference of TEUR 6,559 for pension obligations as of 1 January 2010. As of 31 December 2024, the remaining difference amounts to TEUR 0. Other operating expenses include expenses pursuant to Section 67 para.1 and 2 of the Introductory Act to the German Commercial Code *(Einführungsgesetz zum Handelsgesetzbuch, "EGHGB")* in the amount of TEUR 437 (prior year: TEUR 437).

7. Other interest and similar income

Other interest and similar income includes interest income from cash investments with SBI Bank of TEUR 2,893 (prior year: TEUR 2,792), interest from loans to affiliated companies of TEUR 163 (prior year TEUR 0) and income from the valuation of cover assets of TEUR 20,020 (prior year: TEUR 5,449).

8. Interest and similar expenses

Interest and similar expenses include expenses from the following effects regarding pensions:

	As of December 31, 2024	As of December 31, 2023
	TEUR	TEUR
Interest portion of pensions	**2,187**	2,161
Interest rate change	**-1,354**	-903
Net result	**833**	1,258

In addition, interest expenses from the interest portion of other personnel provisions amounting to TEUR 22 (prior year: TEUR 0) are reported under interest and similar expenses.

9. Taxes on income and earnings

Income taxes include expenses for corporate tax in the amount of TEUR 1,352 (prior year: TEUR 1,952) and trade tax in the amount of TEUR 83 (prior year: TEUR 167).

VI. OTHER INFORMATION

1. Other financial obligations

In the context of rental, maintenance and other contracts, there are other financial obligations pursuant to Section 285 No. 3a HGB. The breakdown is as follows:

	2024	2025	2026	2027	Total
	TEUR	TEUR	TEUR	TEUR	TEUR
Obligations from rental contracts	**3,871**	**2,525**	**1,664**	**117**	**8,177**
Obligations from maintenance contracts	**16,953**	**5,732**	**1,079**	**4**	**23,768**
Total obligation	**20,824**	**8,257**	**2,743**	**121**	**31,945**

2. Distribution/disbursement block

The Company acts in full compliance with the regulations on profit transfer based on the distribution and disbursement block.

Notes forming part of the Financial Statement

The amounts relevant for distributions and disbursements are as follows:

	As of December 31, 2024	As of December 31, 2023
	TEUR	TEUR
Amounts blocked from distribution pursuant to section 268 para. 8 HGB in conjunction with Section 285 No. 28 HGB		
Difference between acquisition cost of cover assets and valuation at fair value	**15,848**	-3,878
Difference from the valuation of pension provisions blocked against distribution as per Section 253 para. 6 HGB (No block on distributions in 2024, as it is negative)	**-1,142**	1,602
Total	**14,706**	-2,276

TCS Technology Solutions GmbH generated a loss in the reporting year.

3. Supplementary report

Otherwise, there were no events of particular significance after the balance sheet date that had a material impact on our results of operations, financial position and net assets.

4. Organs of the company

Members of the Executive Board

Ingo Rosenstein, Velbert
Chairman of the Management Board (formerly Chairman of the Executive Board)

Dr Prithwish Ray, Amstelveen, Netherlands — until 09 December 2024
Managing Director (formerly Chief Human Resources Officer)

Niraj Sanghvi, Frankfurt am Main — until 15 January 2024
Managing Director

Vennimalai Rabindran, Zeist, Netherlands — from 15 January 2024
Managing Director

Rajeev Das, Amstelveen, Netherlands — from 09 December 2024
Managing Director

Members of the Supervisory Board

Sapthagiri Chapalapalli, Frankfurt am Main
Chairman of the Supervisory Board (Managing Director Tata Consultancy Deutschland GmbH)

Heinz Gehri, Monsingen, Switzerland
Deputy Chairman of the Supervisory Board (Country Head and Director of Tata Consultancy Services Switzerland)

Kunchitham Krithivasan, Chennai, India
President of Banking and Financial Services Business
of Tata Consultancy Services Limited

Samir Seksaria, Mumbai, India
Chief Financial Officer of Tata Consultancy Services Limited

Employee representatives

Andreas Beutner, Hameln
Employee at TCS Technology Solutions GmbH

Kai Specht, Bonn
Employee at TCS Technology Solutions GmbH, Dipl. Verwaltungswirt

Back to content

Notes forming part of the Financial Statement

5. Remuneration of the governing bodies

Board members did not receive any remuneration in the reporting year or in the previous year.

Pension obligations for former board members amount to TEUR 5,607 as of 31 December 2024 (prior year: TEUR 5,736)

Members of the Supervisory Board did not receive any remuneration in the reporting year or in the previous year.

There are no pension obligations for former members of the Supervisory Board.

No advances or loans were granted to members of corporate bodies.

6. Number of employees

The average number of employees is as follows:

	As of December 31, 2024	As of December 31, 2023
Civil servants on leave	**83**	107
Employees	**853**	972
Total	**936**	1,079
Part-time employees hereof	**110**	116

Parental leave (10 in 2024), dual students (0 in 2024), apprentices (0 in 2024), working students (1 in 2024) and the Board (0 in 2024) are not included in the average number of employees.

7. Auditor's fee

	As of December 31, 2024	As of December 31, 2023
Auditor services	**55.0**	51.0
Other confirmation services	**0**	0
Tax consultant services	**27.0**	25.0
Other services	**0**	0
Total	**82.0**	76.0

8. Minimum taxation Pillar II

The company is not an ultimate parent of a group which is Pillar II taxes and has consistently an effective tax rate of more than 15%.

Therefore the company does not anticipate any impact from Pillar II.

9. Appropriation of earnings

The Management proposes to carry forward the annual deficit of EUR 17,416,189.80 as a loss carryforward to new account.

Bonn, 12 May 2025

TCS Technology Solutions GmbH

Ingo Rosenstein

Chairman of the Management Board

Rajeev Das
Managing Director

Vennimalai Rabindran
Managing Director

Back to content

Notes forming part of the Financial Statement

Fixed assets movement from January 1, 2024 to December 31, 2023

		Historical costs					Depreciation					Book value	
		01.01.2024 Euro	Addition Euro	Disposal Euro	Reversal Euro	31.12.2024 Euro	01.01.2024 Euro	Addition Euro	Disposal Euro	Reversal Euro	31.12.2024 Euro	01.01.2024 Euro	31.12.2024 Euro
I.	**Intangible Assets**												
	1. Acquired concessions, industrial property rights and similar rights and assets, as well as licences in such rights and assets	35,050,838.67	0.00	-29,601,327.60	0.00	5,449,511.07	-34,343,991.42	-408,822.22	29,587,887.36	-0.04	-5,164,926.28	706,847.25	284,584.75
		35,050,838.67	0.00	-29,601,327.60	0.00	5,449,511.07	-34,343,991.42	-408,822.22	29,587,887.36	-0.04	-5,164,926.28	706,847.25	284,584.75
II.	**Tangible Assets**												
	1. Technical equipment and machinery	51,676,296.68	0.00	-42,142,241.70	0.00	9,534,054.98	-50,141,824.74	-811,890.78	41,939,116.46	8.48	-9,014,599.06	1,534,471.94	519,464.40
	2. Other equipment, factory and office equipment	3,913,062.58	16,002.55	-201,014.56	81,674,932	4,544,799.89	-2,884,401.82	-591,747.62	184,631.64	0.05	-3,291,517.80	1,028,660.76	1,253,282.14
	3. Prepayments on tangible assets and assets under construction	1,440,335.13	174,891.00	0.00	-81,674,932	798,476.81	0.00	0.00	0.00	0.00	0.00	1,440,335.13	798,476.81
		57,029,694.39	190,893.55	-42,343,256.26	000	14,877,331.68	-53,026,226.56	-1,403,638.40	42,123,748.10	853	-12,306,116.86	4,003,467.83	257,122.335
	Total	92,080,533.06	190,893.55	-71,944,583.86	000	20,326,842.75	-87,370,217.98	-1,812,460.62	71,711,635.46	849	-17,471,043.14	4,710,315.08	285,580.810

MANAGEMENT REPORT FOR THE FINANCIAL YEAR 2024

1. BASICS OF THE COMPANY

TCS Technology Solutions GmbH (TCS TS) has is registered office in Bonn and has nine locations: Berlin, Dortmund, Frankfurt, Hamburg, Hameln, Hannover, Munich, Nuremberg and Saarbrücken. IT services with different focuses are provided at these locations.

On December 29, 2022, the Extraordinary General Meeting resolved to change the company's legal form from a stock corporation to a limited liability company. The constitutive entry of the change of legal form was made in the commercial register on April 13, 2023.

The company is a subsidiary of Tata Consultancy Services Netherlands BV (Amsterdam) (TCS NL), which in turn is a subsidiary of the globally active Tata Consultancy Services Ltd. The TCS Group offers a consultancy-oriented, integrated portfolio of business, technology and engineering services and solutions.

1.1 Business model and governance

TCS TS was part of the Deutsche Bank Group until the end of 2020 and was acquired by TCS NL on January 1, 2021.

The company's range of products essentially comprised the planning, development, implementation and operation of IT application systems and IT infrastructure.

After the company was taken over by TCS NL, the adjustment of the previous business model, which included the exclusive activity of the company as a service delivery provider for the Deutsche Bank Group, was started. The company's personnel capacities, which will be increasingly freed up in the future due to the contractual agreements with the Deutsche Bank Group, will be used to provide services for customers and branches. To this end, the company had reorganized itself in the previous years and now offers customer- and industry-specific IT services on the market through the established delivery centers.

1.2 Research and development

As a service delivery provider for IT services integrated into a globally operating group, the company does not perform any research or development of itself.

2. ECONOMIC REPORT

2.1 Macroeconomic and Industry Conditions

According to initial calculations by the Federal Statistical Office (Destatis), the price-adjusted gross domestic product (GDP) fell by 0.2 % in 2024 compared to the previous year. When adjusted for calendar effects, GDP also fell by 0.2 %.

Economic output thus fell for the second year in a row. In 2024, GDP was only 0.3% higher than before the coronavirus pandemic in 2019.

Cyclical and structural pressures stood in the way of better economic development in 2024.

These include increasing competition for the German export industry in important sales markets, high energy costs, a still elevated interest rate level, but also an uncertain economic outlook. In this environment, the German economy shrank again in 2024.

This is subject to the proviso of current political developments such as the changed situation in the USA and Europe as well as the war in Ukraine and its economic impact.

According to the German industry association Bitkom, the market for IT services in Germany grew by around 5% from 2023 to 2024 to a market volume of around € 53.8 billion. This shows that demand for IT services in Germany continues to develop well, is benefiting from the digitalization needs of the German economy and offers IT service providers better development opportunities than in many other industries in an overall difficult macroeconomic environment.

2.2 Business development

Business performance in 2024 was characterized by a further significant decline in revenues from €187.6 million to €126.2 million (€-61.4million /-33%).

The transition services for the transfer of the IT systems previously operated by the company for Postbank to the IT systems of Deutsche Bank Group (DB) is slowly coming to an end, resulting in a revenue reduction of €-48 million/-38%.

Services for new customers increased by €9.7 million/76% in relation to the previous year and thus above the industry average.

The management set up a voluntary program at the end of 2024. The number of employees continued to decrease by -102 during 2024 due to fluctuation and retirement, as well as being promoted by the volunteer program. While the commercial-law average for the year was still 1,090 employees in the previous year, the absolute figure on December 31, 2024 was 845 (average: 942), i.e. 198 or 32 % fewer than in the previous year. On the balance-sheet date of December 31, 2023, the company still had 1017 employees.

Due to the nature of the business as a service delivery provider for IT services, TCS TS employees are the most important factor in the company's success. Flexible working hours are still being used intensively for training.

In 2024, employees mainly worked from home. At the end of the year, management pushed the "back to office" initiative.

2.3 Assets, financial and earnings situation

2.3.1 Financial situation

The balance sheet total fell by €13.5 million to €119.2 million compared to the previous year's figure of €132.7m.

On the assets side, the decrease is accompanied by effects that partly offset each other.

Due to a loan to TCS France, receivables from affiliated companies increased by around €20 million, while bank balances decreased accordingly. Cash in hand decreased by €24 million primarily from operating losses.

The even more significant improvement in the valuation of the plan assets compared to the previous year has led to a difference in the amount of €20.4 million being reported from the offsetting of assets, despite pension obligations remaining almost unchanged as of the balance sheet date, instead of the pension provision of €1.3 million reported in 2023.

The remaining €5m in non-compensated cash and €7 million in reduced deferred income from lower outstanding receivables explain the reduction in the balance sheet total compared to the previous year.

On the liabilities side, the reduction in equity due to the loss of €17.4 million has an impact.

Trade payables decreased by €2.8 million to €11.7 million, while other liabilities increased by €10.1 million mainly due to the recognition of contractually agreed severance payments for the voluntary redundancy program.

2.3.2 Financial position

At 62.6%, the company's equity ratio as of the balance sheet date was lower than in the previous year, but still high. There, the ratio was around 69.4%. The €13.6 million reduction in total assets contributed to this.

Equity of €74.7 million is offset by liquid funds totaling almost €55.5 million on the assets side. Management believes that the ratio of equity to debt capital remains favorable.

The company's pension obligations are fully covered by existing plan assets as of the balance sheet date.

Cash and cash equivalents decreased by a total of €44.2 million year on year to €55.5 million. The decrease was due to an inter-co loan of € 20 million, along with operating losses.. The company's strong liquidity position ensured that it was able to meet all of its payment obligations at all times, even though the company still has no credit lines with financing partners, as in the previous year.

Investments in the 2024 financial year are at €0.2 million (€ 1.5 million in 2023). The investments were made on payments for property, plant and equipment and prepayments and assets under construction (other equipment, fixtures and fittings).

2.3.3 Earnings situation

The 2024 financial year closed with earnings before interest and taxes (EBIT) of €-41.1 million, compared to EBIT of €-1.2 million in the previous year. Taking into account the interest result and income taxes, the net loss for the past financial year amounted to €17.4 million, compared with a net profit of €7.9 million in the previous year. The significant deterioration in the earnings situation forecasted in the previous year has therefore materialized.

Sales revenues of €126.2 million are down €61.4 million a 33% on the previous year's figure of €187.6 million.

The cost of materials, which includes software licenses and maintenance costs, in particular expenses for purchased personnel capacities – both from other affiliated companies of the TCS Group and from third parties – was reduced by €32.8 million or 47% year-on-year to €37 million.

The gross profit, defined as sales revenue less cost of materials, thus fell in absolute terms by €28.7 million from €117.5 million to €89 million due to the disproportionate reduction in the cost of materials. The gross profit ratio increased, however, from 62.6 % in the previous year to 70.5 % in the reporting year.

Personnel expenses increased overall by €10.5 million, from €109.4 million to €119.9 million. Of this increase, €22.8 million resulted from the voluntary program that was set up. Current personnel expenses fell by €12.4 million to €97 million. This reduction is the result of the further decline in the annual average number of employees from 1,079 by 156 to 923.

As of the balance sheet date, a total of 845 employees still worked for the company.

At €105 thousand, average personnel costs per capita were up on the previous year's figure of €101.4 thousand.

Depreciation amounted to €1.8 million (previous year: €3.3 million). The balance of other operating income and other operating expenses deteriorated by €2.5 million from €-5.9 million to €-8.4 million.

The interest result, as the sum of other interest and similar income and interest and similar expenses, shows a significant improvement. While a positive interest result of €7.0 million was already recorded in the previous year, this improved significantly to €22.3 million in the reporting year. The improvement was mainly due to the valuation of the existing plan assets for the pension obligations as at the balance sheet date.

However, this significant improvement in net interest income of €15.3 million was offset by the significant reduction in gross profit of €-28.5 million and the additional charges from the volunteer program (in the amount of €-22.8 million, netted with the €12.4 million decrease in personnel expenses).

This resulted in a deterioration in earnings compared to the previous year from more than €25 million to a loss of the period in the amount of €-17.4 million.

2.3.4 Financial and non-financial performance indicators

The financial and non-financial performance indicators given here are the key figures used by the company to assess progress and success in achieving the defined corporate goals.

2.3.4.1 Financial performance indicators

The management and supervision of the company is based on the accounting information to be used by all subsidiaries of TCS NL, which is based on the International Financial Reporting Standards (IFRS). By contrast, the company's annual financial statements are based on the accounting principles prescribed by German commercial law, which may differ significantly in individual cases from accounting information based on IFRS.

In the case of the company, this particularly concerns the valuation of existing pension obligations and the accounting treatment of rental and lease agreements. The most important financial performance indicators are revenues and earnings before interest and taxes (EBIT), as well as revenues per employee (on the basis of full-time equivalents).

2.3.4.2 Non-financial performance indicators

As a service delivery provider for IT services, the employees of TCS TS are the most important factor for success. Accordingly, the most significant non-financial performance indicators are related to them.

The most important non-financial performance indicators include the average number of employees (on the basis of full-time equivalents, or FTE for short), the sickness rate and the fluctuation rate.

With a view to further developing sales measures, additional key metrics were developed or adopted from the group, e.g. level of training to demand, various assignment statuses to different project types or training courses, etc.

As of December 31, 2024, 845 people (previous year: 1,017) were employed, with women accounting for 24.29%. Of the 845 employees, 110 were part-time (previous year: 113), which corresponds to a part-time ratio of 13%. Furthermore, the company had no trainees and no dual students in the financial year.

The sickness rate is a measure of the unplanned loss of personnel capacity, which must be compensated for by the use of external personnel capacity, leading to unplanned expenses or to a proportionate decline in billable services and thus lower revenues. In the past financial year, the fourth since the beginning of the coronavirus pandemic, the sickness rate rose by more than 0.5 percentage points year on year to 8.65% (2023: 8.2%).

The German labor market for IT specialists remains employee-friendly, making it easier to change employers. Consequently, this leads to an unplanned decline in available personnel capacities on the company side, which can only be avoided or reduced if vacant positions are successfully filled by new employees. The fluctuation rate of 21.02% has increased compared to the previous year (13.4%). 19.2% of the employees (38 headcount) who left the company went into retirement. The fluctuation adjusted for retirements is therefore 17%.

The personal changes for employees associated with the company's realignment as a competitive enterprise, as well as the favorable situation on the labor market for IT specialists, continue to have an impact here as well.

The primary goal at TCS TS is to ensure that every employee finds the perfect project that not only matches their skills but also offers suitable scope for personal development. Employees are given intensive support in further developing their skills and pursuing their ambitions, such as obtaining certifications, either through self-study or under the guidance of a trainer.

2.4 Assessment of the economic situation

Business performance in 2024 follows the trend of the previous year. Revenue from business with Deutsche Bank continues to decline as expected.

This is somewhat mitigated by the continuous reduction in headcount. However, a volunteer program launched in fall 2024 accelerates this trend, causing further reduction in headcount and costs for coming years.

Associates are being trained and redeployed on customer projects across the group entities, and with higher redeployments rates (and more employees deployed to customers) the economic situation of the company is expected to improve.

With regard to the average number of employees (FTE), the company assumed a further reduction in 2024 as a continuation of the trend of previous years. This has also occurred to that extent. With regard to "revenue per employee (FTE)", neither an improvement nor a deterioration was expected compared to 2023. In fact, the key figure decreased by 21.9 % compared to the previous year due to reduction in revenues.

3 FORECAST, OPPORTUNITY AND RISK REPORT

3.1 Forecast

Germany is heading for a third year of recession – but the digital economy remains on a growth trajectory. Despite the current difficult economic environment, the digital association Bitkom expects the German IT and telecommunications market to grow by 4.6 percent to EUR 232.8 billion in 2025. Last year, ITC revenues increased by 3.3 percent to EUR 222.6 billion. At the same time, new jobs are being created in the industry. According to Bitkom, the number of people employed in the ITC sector is expected to grow by around 20,000 to 1.371 million in the course of 2025. In 2024, 9,000 new jobs will have been created. "The digital economy offers a ray of hope in difficult times, increases sales and creates new jobs. The ITC industry is now Germany's largest industrial employer. According to the forecasts, most companies in the IT and telecommunications industry will be doing good business in 2025. The direction in IT is right," says Bitkom President Dr. Ralf Wintergerst. "Politicians should do everything they can to accelerate the pace of growth."

This is subject to the proviso of current political developments such as the changed situation in the USA and Europe as well as the war in Ukraine and its economic impact.

In information technology, sales of €232.8 billion are expected in 2025 – this represents a growth of 4.6 percent compared to 2024. Spending on software will see the greatest growth in this segment, with an expected increase of 9.8 percent to €51.1 billion. IT services will represent the largest share of the IT market in 2025, with a volume of €53.8 billion (+5.0 percent). Spending on IT hardware will increase by 3.3 percent to €53.7 billion in the current year. For TCS TS, in 2024, the rate of growth in new customer business is not in line with the decreasing scope of tasks for the Deutsche Bank Group. However, based on corporate planning, we expect revenue to slightly increase in 2025 compared to 2024, with the share of new customer business expected to continue to rise. Accordingly, a moderate improvement in EBIT is also expected, although it remains clearly negative.

With regard to the average number of employees (FTE), we expect a further reduction in 2025 as a continuation of the trend of previous years, with a fluctuation rate of over 19.5 (2024: 21.02%). Accordingly, sales per employee should also develop slightly more positively again.

The expenses will be falling overall, however there can be some pressure on margins due to lower revenues which can also impact the liquidity. However, management has put in focused initiatives, plans and actions to address this.

Liquidity position is still expected to be good at the end of 2025, but at a significantly lower level than at the end of 2024.

With the successful completion of the company's transformation we expect good growth and positive margins again in the medium term.

3.2 Opportunity and risk report

3.2.1 Opportunity report

The economic development of the company will continue to be increasingly shaped by the development of business with new customers and a further reduction in cooperation with the Deutsche Bank Group in the 2025 financial year. The resources freed up as a result of the ongoing termination of the "Budapest" program with the customer Deutsche Bank continue to offer the potential to expand business with new customers in 2025.

Demand for IT expertise is also expected to remain high in 2025, as many companies are likely to continue to push ahead with digitalization and IT specialists will be in high demand.

Accordingly, the management of TCS TS expects that the market environment for services as a service delivery provider for IT services will develop better than the overall economic environment in the relevant markets, particularly in Germany.

The internal volunteer program ends in 2025. The majority of departures due to severance took place at the turn of the year 2024 to 2025 and additionally in March 2025. The number of personnel departures in 2025 decreased overall compared to the previous year (198). Due to the reduced staffing levels, and taking into account the expected personnel departures in 2025, a similarly high fluctuation is expected as in the previous year (21.02%).

3.2.2 Risk report

Transformation and market risks

The expected revenue from our largest customer, Deutsche Bank, will continue to decline significantly in 2025. This means that there is a transformation risk in getting employees into new engagements as quickly as possible, i.e. to utilize existing personnel capacities.

Another risk remains that the reskilling of existing employees in line with market requirements will not have a sufficiently rapid effect.

Nevertheless, the company's medium to long-term assessment remains that revenue growth can be achieved through new customer business and redeployments through its German and European sister companies in the TCS Group. To this end, the growth promotion program initiated at the end of 2023 and further focused as described above will be continued in conjunction with the entire TCS Group.

Personnel risks, fluctuation

Fluctuation, which is also deliberately encouraged by a volunteer program, has increased significantly compared to the time it belonged to the Deutsche Bank Group. This reflects the overall economic situation, but also the personal situation of employees in a company undergoing a great deal of change. In particular, the change to English as the leading corporate language continues to be a challenge for many employees.

The continuous personnel development measures including focused English language trainings are designed to take account of this.

The TCS Group offers TCS TS employees further extensive further training opportunities in addition to the measures specifically set up for TCS TS.

However, the current fluctuation at TCS TS is not seen as a serious risk as the TCS Group's business model is generally based on an onshore/offshore approach.

Due to its business model and customer structure, the company is currently not exposed to any significant market price, counterparty or liquidity risks.

3.3 Concluding assessment

The company is very aware of opportunities and risks and appropriate measures are being taken with support from the entire group. Employees are seen as the real value of the company. Their initiative for personal development is specifically encouraged.

Taking into account the existing financial earnings position, the overall risk and opportunity situation is manageable. Assuming that the economy develops in line with expectations, TCS TS sees no risks in the 2025 financial year that could pose an immediate threat to the company's continued existence.

4. CORPORATE GOVERNANCE DECLARATION IN ACCORDANCE WITH SECTION 289F (4) HGB

TCS is an equal opportunity employer and has a well-defined and progressive Diversity, Equity and Inclusion (DEI) policy that encompasses all parameters of diversity, including gender. TCS recognizes that a diverse and inclusive workforce is necessary to drive innovation, foster creativity, and guide business strategies.

We are committed to equal opportunities. We have enshrined this in our core values and principles (Tata Code of Conduct). As signatories of the Diversity Charter, we reaffirm this position.

In accordance with the German Act on Equal Participation of Women and Men in Leadership Positions in the Private and Public Sector, TCS Technology Solutions GmbH had set targets for the proportion of women on the Supervisory Board, the Management Board and the two management levels below, as well as for their implementation period.

In May 2024, the shareholders' meeting set a target of zero percent for the proportion of women on the company's Supervisory Board. The members of the Supervisory Board of TCS Technology Solutions GmbH are currently elected for a tenure of 4 (four) financial years from 2021 (the year in which term of office begins is not included in the calculation). Accordingly, deselection of an existing Supervisory Board member is currently not intended by the shareholder. At the next election planned for 2026, the Company will endeavor to find and nominate women for election to the Supervisory Board. Appointment of new members would depend on qualifications, skills, experience and expertise to make the boards more effective. The combined expertise plays an active role in shaping the Company's vision and future outlook. If at any time the proportion of women in the Supervisory Board in equal to or more than 30%, the Company shall re-visit the requirement of setting the target for the Supervisory Board.

The Company's Supervisory Board has set a target of zero percent for the proportion of women on the Company's Management Board. There are currently no plans to increase the number of Managing Directors. However, the Company will endeavor to fill the position of Managing Directors with a woman whenever any of the current position becomes vacant. Appointment of new members would depend on the qualification, skills, experience and expertise to make the boards more effective. The combined expertise plays an active role in shaping the Company's vision and future outlook. If at any time the proportion of women is equal to or more than 30%, the Company shall re¬visit the requirement of setting the target for the Managing Directors

The targets for the composition of the Supervisory Board and the Management Board were met at the reporting date. As at December 31, 2024, the proportion of women on the Supervisory Board and the Management Board of TCS Technology Solutions GmbH was zero percent in each case.

Furthermore, in May 2024, the Management Board decided on a quota of 8% for the proportion of women in the first two management levels below the Management Board of TCS Technology Solutions GmbH. This was based on similar considerations as for the determination of the proportion of women at Supervisory Board and Management Board level of the Company. The targets for appointments to the first two management levels below the Management Board were met at the reporting date. As at December 31, 2024, the proportion of women in the first two management levels below the Management Board was around 8%.

Bonn, 12 May 2025
TCS Technology Solutions GmbH

Ingo Rosenstein
Chairman of the Management Board

Vennimalai Rabindran (since 15 January 2024)
Managing Director

Rajeev Das (since 9 December 2024)

Managing Director

TCS URUGUAY S.A.

FINANCIAL STATEMENTS

For the year ended December 31, 2024

FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2024

CONTENT	PAGE
Independent auditors' report	41.2
Statement of financial position as at December 31, 2024	41.4
Statement of profit or loss and other comprehensive income for the year ended December 31, 2024	41.5
Statement of changes in equity for the year ended December 31, 2024	41.6
Statement of cash flows for the year ended December 31, 2024	41.7
Notes to financial statements as at December 31, 2024	41.8

Back to main content

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS AND BOARD OF DIRECTORS OF TCS URUGUAY S.A.

Opinion

We have audited the financial statements of TCS Uruguay S.A. (the "company"), which comprise the statement of financial position as of December 31st, 2024, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of TCS Solution Center S.A. as of December 31st, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Uruguay, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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.

Those charged with governance are responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether TCS Uruguay S.A.'s 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 ISAs 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 financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicated with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

Montevideo, Uruguay
February 24, 2025

Statement of Financial Position

(in Uruguayan Pesos)

ASSETS:	Note	As at December 31, 2024	As at December 31, 2023
Current assets:			
Cash and cash equivalents	8 (a)	**131,542,086**	66,298,426
Trade receivables			
Billed	8 (c)	**1,050,518,092**	922,305,741
Unbilled		**130,587,030**	85,043,650
Other financial assets	8 (d)	**10,301,098**	38,672,786
Other assets	10 (c)	**80,648,762**	84,830,397
Total current assets		**1,403,597,068**	1,197,151,000
Non-current assets:			
Trade receivables			
Unbilled		**-**	288,462
Investments	8 (b)	**354,289,584**	354,289,584
Other financial assets	8 (d)	**10,386,777**	32,315,158
Income tax assets (net)		**-**	28,969,143
Deferred tax assets (net)	14	**-**	763,433
Property, plant and equipment	10 (a)	**98,626,283**	79,834,751
Right-of-use assets	9	**227,327,900**	256,855,294
Intangible assets	10 (b)	**1,388**	16,743
Other assets	10 (c)	**17,099,438**	7,934,941
Total non-current assets		**707,731,370**	761,267,509
TOTAL ASSETS		**2,111,328,438**	1,958,418,509
LIABILITIES AND EQUITY:			
Liabilities:			
Current liabilities:			
Trade payables	8 (e)	**40,149,625**	37,327,817
Lease liabilities		**35,286,137**	27,047,008
Other financial liabilities	8 (f)	**38,746,534**	36,295,213
Deferred tax liabilities (net)	14	**1,577,050**	-
Unearned and deferred revenue	11	**23,621,871**	37,780,263
Employee benefit obligations	15	**373,338,585**	312,704,713
Income tax liabilities (net)		**24,832,633**	-
Provisions		**-**	16,430
Other liabilities	10 (d)	**109,314,687**	122,833,131
Total current liabilities		**646,867,122**	574,004,575
Non-current liabilities:			
Lease liabilities		**229,055,944**	227,095,790
Total non-current liabilities		**229,055,944**	227,095,790
TOTAL LIABILITIES		**875,923,066**	801,100,365
Equity:			
Share capital	8 (j)	**540,000**	540,000
Legal reserves		**108,000**	108,000
Other equity		**(2,069,390)**	(2,069,390)
Retained earnings		**1,236,826,762**	1,158,739,534
TOTAL EQUITY		**1,235,405,372**	1,157,318,144
TOTAL LIABILITIES AND EQUITY		**2,111,328,438**	1,958,418,509

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

Statement of Profit or Loss and Other Comprehensive Income

(in Uruguayan Pesos)

	Notes	Year ended December 31, 2024	Year ended December 31, 2023
Revenues:			
Consultancy services	11	**4,483,570,467**	3,918,971,513
TOTAL REVENUES		**4,483,570,467**	3,918,971,513
Operating expenses:			
Employee benefits expenses	15	**3,539,408,665**	3,097,700,736
Depreciation and amortisation expense	9&10	**77,983,191**	83,792,844
Other operating expenses	12	**228,910,657**	186,976,516
TOTAL OPERATING EXPENSES		**3,846,302,513**	3,368,470,096
Operating profit		**637,267,954**	550,501,417
Other income / (expense):			
Finance and other income	13 (a)	**9,078,040**	6,550,364
Finance costs	13 (b)	**(13,811,923)**	(12,336,347)
Other gains / (losses) net	13 (c)	**94,227,815**	(15,024,325)
OTHER INCOME / (EXPENSE), NET		**89,493,932**	(20,810,308)
Profit before taxes		**726,761,886**	529,691,109
Income tax expense	14	**42,366,808**	36,764,061
Profit for the year		**684,395,078**	492,927,048
OTHER COMPREHENSIVE INCOME (OCI):			
Other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**684,395,078**	492,927,048

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

Statement of Changes in Equity for the year ended December 31, 2024

(in Uruguayan Pesos)

	Equity share capital	Legal Reserves	Other equity	Retained earnings	Total equity
Balance as at January 1, 2023	540,000	108,000	(2,069,390)	1,013,103,286	1,011,681,896
Profit for the year	-	-	-	492,927,048	492,927,048
Total comprehensive income / (losses)	-	-	-	492,927,048	492,927,048
Dividend (Note 5)	-	-	-	(347,290,800)	(347,290,800)
Balance as at December 31, 2023	540,000	108,000	(2,069,390)	1,158,739,534	1,157,318,144
Balance as at January 1, 2024	**540,000**	**108,000**	**(2,069,390)**	**1,158,739,534**	**1,157,318,144**
Profit for the year	**-**	**-**	**-**	**684,395,078**	**684,395,078**
Total comprehensive income / (losses)	**-**	**-**	**-**	**684,395,078**	**684,395,078**
Dividend (Note 5)	**-**	**-**	**-**	**(606,307,850)**	**(606,307,850)**
Balance as at December 31, 2024	**540,000**	**108,000**	**(2,069,390)**	**1,236,826,762**	**1,235,405,372**

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

Statement of Cash Flows

(in Uruguayan Pesos)

	Notes	Year ended December 31, 2024	Year ended December 31, 2023
CASH FLOWS FROM OPERATING ACTIVITIES:			
Profit for the year		**684,395,078**	492,927,048
Adjustments for:			
Depreciation and amortisation expense	9&10	**77,983,191**	83,792,844
(Gain) / Loss on disposal of property, plant and equipment	13(c)	**6,309**	(91,844)
Income tax expense	14	**42,366,808**	36,764,061
Unrealised foreign exchange (gain) / loss		**(7,473,182)**	11,939,667
Operating profit before capital changes		**797,278,204**	625,331,777
Net change in:			
Trade receivables			
Billed		**(128,212,351)**	(313,399,528)
Unbilled		**(45,254,918)**	18,407,490
Other financial assets		**(3,773,029)**	4,946,036
Other assets		**(4,982,862)**	2,005,305
Trade and other payables		**2,821,808**	4,864,690
Other financial liabilities		**2,451,321**	1,986,609
Deferred tax liabilities (net)		**1,577,050**	-
Unearned and deferred revenues		**(14,158,392)**	(17,476,817)
Provisions		**(16,430)**	16,430
Employee benefit obligations		**60,633,872**	84,689,149
Other liabilities		**(13,518,444)**	36,033,764
Cash generated from operation		**654,845,829**	447,404,904
Taxes paid (net of refunds)		**12,198,401**	(22,125,216)
Net cash generated by operating activities		**667,044,230**	425,279,688
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property and equipment	10(a)	**(59,460,029)**	(19,569,593)
Purchase of investments (*)		**-**	-
Proceeds from disposal of property, plant and equipment	10(a)	**(6,309)**	154,498
Loan given to fellow subsidiary		**-**	-
Repayment of loan installment		**-**	(75,080,000)
Loan recovered from fellow subsidiary		**56,635,769**	22,279,164
Loan received from parent company		**-**	-
Net cash used in investing activities		**(2,830,569)**	(72,215,931)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Dividends paid	5	**(606,307,850)**	(347,290,800)
Lease liabilities		**(28,418,347)**	(33,673,023)
Net cash used in financing activities		**(634,726,197)**	(380,963,823)
Net change in cash and cash equivalents		**29,487,463**	(27,900,066)
Exchange difference on translation of foreign currency cash and cash equivalents		**35,756,197**	(22,004,753)
Cash and Cash equivalents, at the beginning of the year		**66,298,426**	116,203,245
Cash and cash equivalents at the end of the year	8(a)	**131,542,086**	66,298,426
Supplementary cash flow information:			
Interest paid		**13,811,923**	12,280,093
Interest received		**9,078,039**	7,817,535
Dividend received		**1**	10

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

Notes to the financial statements

1. GENERAL INFORMATION

TCS Uruguay S.A. (the company) is a private company whose headquarter is located on Monte Caseros 2600, in Montevideo, Uruguay.

The company is part of a wider economic group, represented by TCS Iberoamerica S.A., therefore, the results of its operations could be affected to operate without this support.

The company's main activities are the development of software, provision of IT services and process outsourcing services aimed at both local and foreign markets.

The financial statements have been approved by the Entity´s Board of Directors for their issuance on February 24, 2025 and will be submitted to the Shareholders meeting for approval.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with International Financial Reporting Standards (hereinafter "IFRS") adopted by the International Accounting Standards Board (IASB), translated into Spanish, and interpretations prepared by the Interpretations Committee of the International Financial Reporting Standards or the previous Interpretations Committee, in accordance with the Appropriate Accounting Standards in Uruguay pursuant to Decrees 291/014, 292/014 and 124/011.

3. BASIS OF PREPARATION

These financial statements have been prepared on historical cost basis except for certain financial instruments which are measured at fair value or amortised cost at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for 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. All assets and liabilities have been classified as current and non-current as per the company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the company has considered an operating cycle of 12 months.

The statement of cash flows has been prepared under indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The company classifies interest paid and interest and dividend received as cash flow from operating activities. The cash flows from operating, investing and financing activities of the company are segregated. The company considers all highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value to be cash equivalents.

The functional currency of the company is the Uruguayan peso. Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are retranslated at the exchange rate prevailing on the dates of statement of financial position and exchange gains and losses arising on settlement and restatement are recognised in profit or loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

The material accounting policy information used in preparation of the financial statements have been discussed in the respective notes.

4. USE OF ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with the recognition and measurement principles of International Financial Reporting Standards (IFRS) requires management of company to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures of contingent liabilities at the date of the financial statements and the reported amounts of income and expenses for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Notes to the financial statements

The company uses the following critical accounting judgements, estimates and assumptions in preparation of its financial statements:

a. Revenue Recognition

Revenue for fixed-price contracts is recognised using percentage-of-completion method. The company estimates the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.

The company exercises judgement for identification of performance obligations, determination of transaction price, ascribing the transaction price to each distinct performance obligation and in determining whether the performance obligation is satisfied at a point in time or over a period of time. These judgements have been explained in detail under the revenue recognition note (Refer note 11).

b. Useful lives of property, plant and equipment and intangibles

The company reviews the useful life of property, plant and equipment and intangibles at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods. (Refer note 10(a)).

c. Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

d. Impairment of financial assets (other than at fair value)

Measurement of impairment of financial assets require use of estimates, which have been explained in the note on financial assets, financial liabilities and equity instruments, under impairment of financial assets (other than at fair value). (Refer note 8).

e. Provision for income tax and deferred tax assets

The company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

f. Provisions and contingent liabilities

The company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The company uses significant judgement to assess contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

Notes to the financial statements

g. Leases

The company evaluates if an arrangement qualifies to be a lease as per the requirements of IFRS 16. Identification of a lease requires significant judgment. The company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the company is reasonably certain not to exercise that option. In assessing whether the company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

5. NATURE AND PURPOSE OF RESERVES

Legal reserve

The Legal reserve has reached the maximum amount established by Article 93 of Law 16.060.

Retained earnings

On June 21, 2023 it was determined to distribute dividends in advanced for a total of $ 41.703.200 Uruguayan Pesos in accordance to article 100 of Law 16.060, which have been cancelled at year end.

On September 22, 2023 it was determined to distribute dividends in advanced for a total of $ 114.615.000 Uruguayan Pesos in accordance to article 100 of Law 16.060, which have been cancelled at year end.

On December 01, 2023 it was determined to distribute dividends in advanced for a total of $ 190.972.600 Uruguayan Pesos in accordance to article 100 of Law 16.060, which have been cancelled at year end.

On March 01, 2024 it was determined to distribute dividends in advanced for a total of $ 127.247.250 Uruguayan Pesos in accordance to article 100 of Law 16.060, which have been cancelled at year end.

On June 03, 2024 it was determined to distribute dividends in advanced for a total of $ 155.168.000 Uruguayan Pesos in accordance to article 100 of Law 16.060, which have been cancelled at year end.

On September 06, 2024 it was determined to distribute dividends in advanced for a total of $ 120.999.000 Uruguayan Pesos in accordance to article 100 of Law 16.060, which have been cancelled at year end.

On December 19, 2024 it was determined to distribute dividends in advanced for a total of $ 202.893.600 Uruguayan Pesos in accordance to article 100 of Law 16.060, which have been cancelled at year end.

6. REGISTRATION OF FINANCIAL STATEMENTS

According to Decree 156/16 dated May 30, 2016, commercial companies will not be able to distribute dividends as long as they do not comply with the obligation to register, within the established terms, the financial statements to the Auditoría Interna de la Nación (AIN), institution that regulates the commercial companies.

To date, the company has complied with this obligation for the year ended on December 31, 2023. For the year ended on December 31, 2024 the company has time to comply until June 30, 2025.

Notes to the financial statements

7. RECENT ACCOUNTING STANDARDS

The company has not applied the following new and revised IFRSs that have been issued but are not yet effective.

Amendments to IAS 21 - The Effects of Changes in Foreign Exchange Rates[1]

Amendments to IFRS 9 and IFRS 7[2]

IFRS 18 – Presentation and Disclosures in Financial Statements[3]

IFRS 19 - Subsidiearies without Public Accountability: Disclosures[3]

[1]Effective for annual periods beginning on or after January 1, 2025.

[2]Effective for annual periods beginning on or after January 1, 2026.

[3]Effective for annual periods beginning on or after January 1, 2027.

IAS 21 – The Effects of Changes in Foreign Exchange Rates

In August 2023, the IASB issued 'Lack of Exchangeability (Amendments to IAS 21)' to provide guidance to specify which exchange rate to use when the currency is not exchangeable. An entity must estimate the spot exchange rate as the rate that would have applied to an orderly transaction between market participants at the measurement date and that would faithfully reflect the economic conditions prevailing. The company does not expect this amendment to have any significant impact in its financial statements.

IFRS 9 and IFRS 7 – Financial Instruments and Financial Instruments: Disclosure

In May 2024, the IASB issued "Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) to address matters identified during the post-implementation review of IFRS 9. The amendments relate to derecognition of a financial liability settled through electronic transfer, classification of financial assets and disclosures of certain financial assets and financial liabilities. The company will evaluate the amendments and implement them accordingly.

IFRS 18 – Presentation and Disclosures in Financial Statements

In April 2024, the IASB issued its new standard IFRS 18 – Presentation and Disclosures in Financial Statements that will replace IAS 1 – Presentation of Financial Statements. The new standard aims at improving how entities communicate in their financial statements. The company will evaluate the standard and implement it accordingly.

IFRS 19 – Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued a new standard IFRS 19 - Subsidiaries without Public Accountability: Disclosures. The standard allows a subsidiary which does not have public accountability and has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards, to elect IFRS 19. Such an entity applies the requirements in other IFRS Accounting Standards, except for the disclosure requirements, instead the entity applies the requirements in IFRS 19.

The company has applied IFRIC 23 effective for annual periods beginning on or after January 1, 2019 as below:

IFRIC 23 Interpretation Uncertainty over Income Tax Treatment

IFRIC 23 interpretation addresses the accounting for income taxes when there is uncertainty over tax treatments. It clarifies that an entity must consider the probability that the tax authorities will accept a treatment retained in its income tax filings, assuming that they have full knowledge of all relevant information when making their examination. In such a case, the income taxes shall be determined in line with the income tax filings.

Notes to the financial statements

Application of IFRIC 23

The company reviewed its income tax treatments in order to determine whether IFRIC 23 interpretation could have an impact on the financial statements. In that respect, the company observed that there are no continuous instances of any uncertain tax treatment in the past and on that basis, it is reasonable to conclude that all the tax treatments are accepted by the tax officer and hence IFRIC-23 is not applicable.

8. FINANCIAL ASSETS, FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS

Financial assets and liabilities are recognised when the company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

The company derecognises a financial asset only 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 entity. The company derecognises financial liabilities when, and only when, the company´s obligations are discharged, cancelled or have expired.

Cash and cash equivalents

The company considers all highly liquid financial investments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

The company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in other comprehensive income.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the company are recognised at the proceeds received net of direct issue cost.

Notes to the financial statements

Impairment of financial assets (other than at fair value)

The company assesses at each date of statement of financial position whether a financial asset or a group of financial assets is impaired. IFRS 9 requires expected credit losses to be measured through a loss allowance. The company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. In determining the allowances for expected credit loss the company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

a. Cash and cash equivalents

Cash and cash equivalents consist of the following:

(in Uruguayan Pesos)

	As at December 31, 2024	As at December 31, 2023
Cash in hand	**32,987**	31,493
Cash at bank	**131,509,099**	66,266,933
Total	**131,542,086**	66,298,426

b. Investments

Investments consist of the following:

(in Uruguayan Pesos)

	As at December 31, 2024	As at December 31, 2023
Investments carried at cost		
Fully paid equity shares		
i. TCS Argentina S.A.	**3,128**	3,128
ii. TCS Inversions Chile Ltda.	**29**	29
iii. MGDC S.C.	**353,841,756**	353,841,756
iv. TCS Guatemala S.A.	**444,671**	444,671
Total Investments - Non current	**354,289,584**	354,289,584

c. Trade receivables-Billed

Trade receivables- Billed consist of the following:

(in Uruguayan Pesos)

Trade receivables –Billed- Current	As at December 31, 2024	As at December 31, 2023
Trade receivables - Billed	**1,085,261,982**	954,386,748
Less: Allowances for expected credit loss - Billed	**(34,743,890)**	(32,081,007)
Total	**1,050,518,092**	922,305,741

Trade receivables- Billed include balances with related parties amounting to UYU 1.077.904.967 and UYU 947.842.543 for the period ended on December 31, 2024 and December 31, 2023 respectively. (Refer note 17)

Back to content

Notes to the financial statements

d. Other financial assets

Other financial assets consist of the following:

(in Uruguayan Pesos)

Other financial assets – Current	As at December 31, 2024	As at December 31, 2023
Employee advances (*)	**10,301,091**	12,389,467
Loan to related parties	**-**	25,999,734
Accrued Interest	**7**	283,585
Total	**10,301,098**	38,672,786

(*) Include recoverable advances to foreign employees deputed in Uruguay.

(in Uruguayan Pesos)

Other financial assets – Non-current	As at December 31, 2024	As at December 31, 2023
Deposits for premises	**4,832,553**	4,241,795
Loan to related parties	**-**	28,073,363
Others	**5,554,224**	-
Total	**10,386,777**	32,315,158

e. Trade Payables

(in Uruguayan Pesos)

	As at December 31, 2024	As at December 31, 2023
Trade payables	**23,418,123**	22,647,676
Accrued expenses	**16,731,502**	14,680,141
Total	**40,149,625**	37,327,817

f. Other financial liabilities

Other financial liabilities consist of the following:

(in Uruguayan Pesos)

Other financial liabilities – Current	As at December 31, 2024	As at December 31, 2023
Accrued payroll	**35,877,668**	33,114,832
Capital creditors	**1,588,866**	1,830,381
Security deposits	**1,280,000**	1,350,000
Total	**38,746,534**	36,295,213

Notes to the financial statements

g. Financial instruments by category

The carrying value of financial instruments by categories as at December 31, 2024 is as follows:

(in Uruguayan Pesos)

	Amortised cost	Total carrying value
Financial assets		
Cash and cash equivalents	**131,542,086**	**131,542,086**
Trade receivables		
Billed	**1,050,518,092**	**1,050,518,092**
Unbilled	**130,587,030**	**130,587,030**
Other financial assets	**20,687,875**	**20,687,875**
Total	**1,333,335,083**	**1,333,335,083**
Financial liabilities		
Trade payables	**40,149,625**	**40,149,625**
Lease Liabilities	**264,342,081**	**264,342,081**
Other financial liabilities	**38,746,534**	**38,746,534**
Total	**343,238,240**	**343,238,240**

The carrying value of financial instruments by categories as at December 31, 2023 is as follows:

(in Uruguayan Pesos)

	Amortised cost	Total carrying value
Financial assets		
Cash and cash equivalents	66,298,426	66,298,426
Trade receivables		
Billed	922,305,741	922,305,741
Unbilled	85,332,112	85,332,112
Other financial assets	70,987,944	70,987,944
Total	1,144,924,223	1,144,924,223
Financial liabilities		
Trade payables	37,327,817	37,327,817
Lease Liabilities	254,142,798	254,142,798
Other financial liabilities	36,295,213	36,295,213
Total	327,765,828	327,765,828

Carrying amounts of cash and cash equivalents, trade receivables and trade payables as at December 31, 2024 and December 31, 2023 approximate at the fair value due to their nature. Carrying amounts of other financial assets, other financial liabilities and borrowings which are subsequently measured at amortised cost also approximates the fair value due to their nature in each of the periods presented. Fair value measurement of lease liabilities is not required.

Notes to the financial statements

h. 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.

i. Financial risk management

The company is exposed primarily to fluctuations in foreign currency exchange rates, credit, liquidity and interest rate risks, which may adversely impact the fair value of its financial instruments. The company has a risk management policy which covers risks associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors. The focus of the risk management committee is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the company.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The company´s exposure to market risk is primarily on account of foreign currency exchange rate risk.

- **Foreign currency exchange rate risk**

  The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the entity. Considering the economic environment in which the company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries.

  The company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

  The foreign exchange rate sensitivity is calculated by aggregation of the net foreign exchange rate exposure and a simultaneous parallel foreign exchange rates shift of all the currencies by 10% against the respective functional currency of the company.

  The following analysis has been worked out based on the net exposures for company as at the date of statement of financial position which could affect the statement of profit or loss and other comprehensive income and equity.

  The following table sets forth information relating to unhedged foreign currency exposure as at December 31, 2024 and 2023:

(in Uruguayan Pesos)

December 2024	INR	USD	GBP	EUR	AUD	CAD	BRL	DKK	CHF	MXN
Net financial assets	1,962,802	1,131,671,806	32,764,298	54,325,737	543,659	8,282,150	1,694,208	-	20,681,115	(889,298)
Net financial liabilitites	146,259	290,152,337	(271,198)	189,072	(1,073)	196,783	-	-	24,110	-

Notes to the financial statements

(in Uruguayan Pesos)

December 2023	INR	USD	GBP	EUR	AUD	CAD	BRL	DKK	CHF	MXN
Net financial assets	-	934,103,925	26,224,031	112,839,602	(70,341)	5,670,647	2,255,103	142	5,806,270	5,675,303
Net financial liabilitites	-	277,296,114	61,015	(62,336)	(1,691)	51,417	-	-	18,473	-

10% appreciation / depreciation of the respective foreign currencies with respect to functional currency of the company would result in decrease / increase in the company's profit before taxes by approximately UYU 96.060.019 for the period ended December 31, 2024 and UYU 81.514.169 for the period ended December 31, 2023 respectively.

Interest rate risk

The company is not exposed to interest rate risk.

Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Refer note 4 for methods, assumptions and information used to measure expected credit losses.

Financial instruments that are subject to credit risk consist of trade receivables, investments, cash and cash equivalents, and other financial assets. Cash and cash equivalents include an amount of held with a bank UYU 131.509.099 having high quality credit rating which are individually in excess of 10% or more of the company's total cash and cash equivalents as at 31st December, 2024 (UYU 66.266.933 as at 31st December, 2023). None of the other financial instruments of the company result in material concentration of credit risk.

- **Exposure to credit risk**

The carrying amount of financial assets and contract assets represents the maximum credit exposure. The maximum exposure to credit risk was UYU 1.289.419.979 and UYU 1.224.402.775 as at December 31, 2024 and December 31, 2023 respectively, being the total of the carrying amount of balances with banks, trade receivables, contract assets and other financial assets.

company's exposure to customers is diversified, and single customer which contributes more than 10% of outstanding trade receivable and contract assets as at December 31, 2024 and December 31, 2023, as follows:

	As at December 31, 2024		As at December 31, 2023	
	Total trade receivables and contract assets	Percentage	Total trade receivables and contract assets	Percentage
Customer A	**1,166,152,273**	**92%**	926,190,805	85%

Geographic concentration of credit risk

Geographic concentration of trade receivables (gross and net of allowances) and contract assets is as follows:

	As at December 31, 2024	As at December 31, 2023
	Net %	Net %
Americas	**85%**	79%
Europe	**7%**	15%
Others	**8%**	6%
	100%	100%

Notes to the financial statements

Geographical concentration of trade receivables (gross and net of allowances) and contract assets is allocated based on the location of the customers.

Liquidity risk

Liquidity risk refers to the risk that the company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The company consistently generated sufficient cash flows from operations to meet its financial obligations including lease liabilities as and when they fall due.

The tables below provide details regarding the contractual maturities of significant financial liabilities as at:

(in Uruguayan Pesos)

December 31, 2024	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5 years	Total
Non-derivative financial liabilities:					
Trade payables	**40,149,625**	**-**	**-**	**-**	**40,149,625**
Lease liabilities (*)	**48,710,512**	**50,654,572**	**128,845,767**	**88,125,875**	**316,336,726**
Other financial liabilities	**38,746,534**	**-**	**-**	**-**	**38,746,534**
Total	**127,606,671**	**50,654,572**	**128,845,767**	**88,125,875**	**395,232,885**

December 31, 2023	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5 years	Total
Non-derivative financial liabilities:					
Trade payables	37,327,817	-	-	-	37,327,817
Lease liabilities (*)	24,898,325	23,133,600	69,400,800	106,992,900	224,425,625
Other financial liabilities	36,295,213	-	-	-	36,295,213
Total	98,521,355	23,133,600	69,400,800	106,992,900	298,048,655

(*) Amounts are presented at nominal value and not book value.

j. Equity instruments

The authorised, issued, subscribed and fully paid up share capital consists of the following:

(in Uruguayan Pesos)

	As at December 31, 2024	As at December 31, 2023
Authorised		
Equity shares of uruguayan pesos 1 each (1.800.000 shares)	**1,800,000**	1,800,000
Total	**1,800,000**	1,800,000

Issued, Subscribed and Fully paid up		
Outstanding balance of equity shares of uruguayan pesos 1 each (540.000 shares)	**540,000**	540,000
Total	**540,000**	540,000

Notes to the financial statements

Details of shares held by shareholders in the company equity shares.

(in Uruguayan Pesos)

	As at December 31, 2024	As at December 31, 2023
TCS Iberoa merica S.A. (Holding company)	**540,000**	540,000
% Holding in class	**100%**	100%

Fully paid equity shares, which have a par value of 540.000 Uruguayan pesos (UYU 1 each) carry one vote per share and have a right to dividend. In the event of liquidation of the company, the holders of shares are eligible to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion of their shareholding.

The company's objective for capital management is to maximize shareholder value, safeguard business continuity and support the growth of the company. The company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. The company is not subject to any externally imposed capital requirements.

9. LEASES

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

company as a lessee

The company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non¬lease components.

The company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in profit or loss.

The company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the company uses incremental borrowing rate. For leases with reasonably similar characteristics, the company, on a lease-by-lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and profit or loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the company recognises any remaining amount of the re¬measurement in profit or loss.

Notes to the financial statements

The company has elected not to apply the requirements of IFRS 16 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

The details of the right-of-use asset held by the company is as follows:

(in Uruguayan Pesos)

	Additions for year ended December 31, 2024	Net carrying amount as at December 31, 2024
Buildings	**7,771,945**	**227,327,900**
Total	**7,771,945**	**227,327,900**

(in Uruguayan Pesos)

	Additions for year ended December 31, 2023	Net carrying amount as at December 31, 2023
Buildings	278,919,857	256,855,294
Total	278,919,857	256,855,294

Depreciation on right-of-use asset is as follows:

(in Uruguayan Pesos)

	Year ended December 31, 2024	Year ended December 31, 2023
Buildings	**37,299,339**	33,391,806
Total	**37,299,339**	33,391,806

Interest on lease liabilities are UYU 13.811.923 and UYU 10.649.123 for the period ended on December 31, 2024 and December 31, 2023 respectively.

The company incurred UYU 24.647 and UYU Nil for the period ended December 31, 2024 and December 31, 2023 towards expenses relating to short-term leases and leases of low-value assets.

The total cash outflow are UYU 42.254.917 and UYU 44.738.450 for the period ended December 31, 2024 and December 31, 2023 respectively for long term and short term leases.

Lease contracts entered by the company majorly pertains for buildings taken on lease to conduct its business in the ordinary course. The company does not have any lease restrictions and commitment towards variable rent as per the contract.

10. NON-FINANCIAL ASSETS AND LIABILITIES

a. Property, plant and equipment

Property, plant and equipment are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use, less accumulated depreciation (other than freehold land) and impairment loss, if any.

Depreciation is provided for property, plant and equipment on a straight-line basis so as to expense the cost less residual values over their estimated useful lives based on a technical evaluation. The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

Notes to the financial statements

The estimated useful lives are as mentioned below:

Type of asset	Useful lives
Leasehold improvements	Lease term
Computer equipment	4 years
Furniture, fixtures, office equipment and other assets	4-10 years

Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use. Capital work-in-progress includes capital advances.

Property, plant and equipment with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss.

Property, plant and equipment consist of the following:

(in Uruguayan Pesos)

	Leasehold improvements	Computer equipments	Furniture and fixtures	Office equipments	Electrical Installations	Total
Gross block as at January 1, 2024	**227,362,234**	**197,402,160**	**40,721,879**	**25,508,586**	**1,781,054**	**492,775,913**
Additions	**1,094,262**	**49,565,116**	**1,645,067**	**3,013,845**	**-**	**55,318,290**
Disposals						**-**
Gross block as at December 31, 2024	**228,456,496**	**246,967,276**	**42,366,946**	**28,522,431**	**1,781,054**	**548,094,203**
Accumulated depreciation as at January 1, 2024	**224,603,415**	**132,891,374**	**37,964,938**	**17,574,534**	**1,780,682**	**414,814,943**
Disposals						**-**
Depreciation	**488,100**	**36,031,451**	**1,562,280**	**2,586,294**	**372**	**40,668,497**
Accumulated depreciation as at December 31, 2024	**225,091,515**	**168,922,825**	**39,527,218**	**20,160,828**	**1,781,054**	**455,483,440**
Net carrying amount as at December 31, 2024	**3,364,981**	**78,044,451**	**2,839,728**	**8,361,603**	**-**	**92,610,763**
Capital work-in-progress	**5,599,404**	**17,206**	**18,123**	**380,787**	**-**	**6,015,520**
Total						**98,626,283**

Notes to the financial statements

	Leasehold improvements	Computer equipments	Furniture and fixtures	Office equipments	Electrical Installations	Total
Gross block as at January 1, 2023	224,516,685	186,636,513	40,713,493	20,244,172	1,781,054	473,891,917
Additions	2,845,549	19,785,767	8,386	5,264,414		27,904,115
Disposals		(9,020,120)				(9,020,120)
Gross block as at December 31, 2023	227,362,234	197,402,160	40,721,879	25,508,586	1,781,054	492,775,912
Accumulated depreciation as at January 1, 2023	213,233,143	106,906,507	36,544,862	15,101,477	1,600,673	373,386,663
Disposals		(8,957,466)				(8,957,466)
Depreciation	11,370,272	34,942,332	1,420,076	2,473,057	180,008	50,385,746
Accumulated depreciation as at December 31, 2023	224,603,415	132,891,374	37,964,938	17,574,534	1,780,682	414,814,943
Net carrying amount as at December 31, 2023	2,758,819	64,510,786	2,756,941	7,934,052	372	77,960,969
Capital work-in-progress	492,125	972,433	18,212	391,011		1,873,782
Total						79,834,751

b. Other intangible assets

Intangible assets purchased including acquired in business combination, are measured at cost as at the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

Intangible assets consist of rights under licensing agreement and software licences.

Following table summarises the nature of intangibles and their estimated useful lives:

Type of asset	Useful lives
Rights under licensing agreement and software licences	Lower of licence period and 2-5 years

Intangible assets are amortised on a straight line basis over the period of its economic useful life.

Intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss.

Intangible assets

(in Uruguayan Pesos)

	Software Licences
Gross block as at January 1, 2024	**342,102**
Additions	**-**
Disposals	**-**
Gross block as at December 31, 2024	**342,102**

Notes to the financial statements

(in Uruguayan Pesos)

	Software Licences
Accumulated amortisation as at January 1, 2024	**325,360**
Disposals	**-**
Amortisation	**15,355**
Accumulated amortisation as at December 31, 2024	**340,715**
Net carrying amount as at December 31, 2024	**1,388**

Intangible assets

(in Uruguayan Pesos)

	Software Licences
Gross block as at January 1, 2023	342,102
Additions	-
Disposals	-
Gross block as at December 31, 2023	342,102
Accumulated amortisation as at January 1, 2023	310,067
Disposals	-
Amortisation	15,292
Accumulated amortisation as at December 31, 2023	325,360
Net carrying amount as at December 31, 2023	16,743

The estimated amortisation for the years subsequent to December 31, 2024 is as follows:

Intangible assets

(in Uruguayan Pesos)

2025	**1,388**
Total	**1,388**

c. Other assets

Other assets consist of the following:

(in Uruguayan Pesos)

Other current assets	As at December 31, 2024	As at December 31, 2023
Prepaid expenses	**483,807**	332,029
Advance to suppliers	**658,547**	185,905
Tax credit	**9,933,916**	12,768,842
Contract assets	**69,572,492**	71,543,621
Total	**80,648,762**	84,830,397

Notes to the financial statements

(in Uruguayan Pesos)

Other non current assets	As at December 31, 2024	As at December 31, 2023
Contract assets	**17,099,438**	7,934,941
Total	**17,099,438**	7,934,941

Refer note 11 for changes in contract assets.

d. Other liabilities

Other liabilities consist of the following:

(in Uruguayan Pesos)

Other liabilities – Current	As at December 31, 2024	As at December 31, 2023
Indirect tax payable and other statutory liabilities	**109,314,687**	122,833,131
Total	**109,314,687**	122,833,131

11. REVENUE RECOGNITION

The company earns revenue primarily from providing IT services, consulting and business solutions. The company offers a consulting-led, cognitive powered, integrated portfolio of IT, business and engineering services and solutions.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the company expects to receive in exchange for those products or services.

- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue related to fixed price maintenance and support services contracts where the company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.
- In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract cost incurred determining the degree of completion of theperformance obligation. The contract cost used in computing the revenues include cost of fulfilling warranty obligations.
- Revenue from the sale of distinct internally developed software and manufactured systems and third party software is recognised upfront at the point in time when the system / software is delivered to the customer. In cases where implementation and / or customisation services rendered significantly modifies or customises the software, these services and software are accounted for as a single performance obligation and revenue is recognised over time on a POC method.
- Revenue from the sale of distinct third party hardware is recognised at the point in time when control is transferred to the customer.
- The solutions offered by the company may include supply of third-party equipment or software. In such cases, revenue for supply of such third party products are recorded at gross or net basis depending on whether the company is acting as the principal or as an agent of the customer. The company recognises revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

  Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Notes to the financial statements

The company's contracts with customers could include promises to transfer multiple products and services to a customer. The company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract and to ascribe the transaction price to each distinct performance obligation. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Contract fulfilment costs are generally expensed as incurred except for certain software licence costs which meet the criteria for capitalisation. Such costs are amortised over the contractual period or useful life of the licence, whichever is less. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

The billing schedules agreed with customers could include periodic performance based payments and/or milestone based progress payments. Invoices are payable within contractually agreed credit period.

In accordance with IAS 37, the company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. The company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The company disaggregates revenue from contracts with customers by nature of services, industry verticals, and geography.

Revenue disaggregation by nature of services is as follows:

(in Uruguayan Pesos)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Consultancy services	**4,483,570,467**	3,918,971,513
Total	**4,483,570,467**	3,918,971,513

Notes to the financial statements

Revenue disaggregation by industry vertical is as follows:

(in Uruguayan Pesos)

Industry Vertical	For the year ended December 31, 2024	For the year ended December 31, 2023
Banking, financial and insurance	**344,810,436**	345,725,304
Manufacturing	**549,380,963**	472,162,881
Retail and consumer products	**248,081,587**	236,670,565
Communication, media and technology	**2,519,420,461**	2,078,644,359
Life Sciences & Healthcare	**491,174,696**	508,253,562
Others	**330,702,324**	277,514,842
Total	**4,483,570,467**	3,918,971,513

Revenue disaggregation by geography is as follows:

(in Uruguayan Pesos)

Geography	For the year ended December 31, 2024	For the year ended December 31, 2023
Americas	**3,834,652,442**	3,358,603,939
Others	**648,918,025**	560,367,574
Total	**4,483,570,467**	3,918,971,513

Geographical revenue is allocated based on the location of the customers.

While disclosing the aggregate amount of transaction price yet to be recognised as revenue towards unsatisfied or partially satisfied performance obligations, along with the broad time band for the expected time to recognise those revenues, the company has applied the practical expedient in IFRS 15. Accordingly, the company has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognised corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts.

Unsatisfied (or partially satisfied) performance obligations are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc). The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is 2.649.116.269 Uruguayan Pesos out of which 44.44% is expected to be recognised as revenue within the next year and the balance thereafter. No consideration from contracts with customers is excluded from the amount mentioned above.

Changes in contract assets are as follows:

(in Uruguayan Pesos)

	Year ended December 31, 2024	Year ended December 31, 2023
Balance at the beginning of the year	**79,478,552**	88,649,389
Increase due to revenue recognised during the year, excluding amounts billed during the year	**32,465,243**	32,150,542
Invoice raised that was included in the contract asset balance at the beginning of the year	**(32,934,111)**	(42,564,367)
Translation exchange difference	**7,662,242**	1,242,988
Balance at the end of the year	**86,671,926**	79,478,552

Notes to the financial statements

Changes in unearned and deferred revenue (contract liabilities) are as follows:

(in Uruguayan Pesos)

	Year ended December 31, 2024	Year ended December 31, 2023
Balance at the beginning of the year	**37,780,263**	55,257,080
Revenue recognised that was incl uded in the unearned and deferred revenue at the beginning of the year.	**(37,553,455)**	(53,199,831)
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year.	**23,162,509**	37,968,511
Translation exchange difference	**232,553**	(2,245,497)
Balance at the end of the year	**23,621,871**	37,780,263

12. OPERATING EXPENSES RECOGNITION

Costs and expenses are recognised when incurred and have been classified according to their primary functions in the following categories:

Cost of Revenue

The costs of the company are broadly categorized into employee benefits expenses, depreciation and amortization and other operating expenses. Employee benefits expenses include employee compensation, allowances paid, contribution to various funds and staff welfare expenses. Other operating expenses mainly include fees to external consultants, facility expenses, travel expenses, communication expenses, and other expenses.

Selling, general and administrative expenses

Selling costs primarily include employee compensation for sales and marketing personnel, travel expenses, advertising, business promotion expenses, bad debts and advances written off, allowance for expected credit losses and doubtful advances (net), facility expenses for sales and marketing offices and market research costs.

General and administrative costs primarily include employee compensation for administrative, supervisory, managerial and practice management personnel, depreciation and amortisation expenses of non-production equipment and software, facility expenses for administrative offices, communication expenses, fees to external consultants and other general expenses.

(in Uruguayan Pesos)

Expenses by nature	Year ended December 31, 2024	Year ended December 31, 2023
Communication	**14,522,746**	15,331,633
Facility running expenses	**60,216,583**	55,640,331
Fees to external consultants	**10,732,315**	9,310,542
Other expenses	**95,963,564**	70,051,857
Travel expenses	**47,027,457**	36,642,153
Cost of equipment and software licenses	**447,992**	-
	228,910,657	186,976,516

Notes to the financial statements

(in Uruguayan Pesos)

Expenses by function	Year ended December 31, 2024	Year ended December 31, 2023
Cost of revenue	**3,254,338,382**	2,847,502,704
Selling, general and administrative expenses	**591,964,132**	520,967,392
	3,846,302,514	3,368,470,096

13. OTHER INCOME

a. Finance and other income

Dividend income is recorded when the right to receive payment is established. Interest income is recognised using effective interest method.

(in Uruguayan Pesos)

	Year ended December 31, 2024	Year ended December 31, 2023
Interest revenue - Bank deposits	**7,302,908**	2,982,800
Interest revenue - Other Deposits	**236,719**	584,422
Interest revenue- loan to related parties (Refer Note 17)	**1,538,412**	2,983,132
Dividends received - Subsidiaries (Refer note 17)	**1**	10
Total	**9,078,040**	6,550,364

b. Finance costs

(in Uruguayan Pesos)

	Year ended December 31, 2024	Year ended December 31, 2023
Finance costs - Interest on loans other than banks	**-**	1,687,224
Interest on lease liabilities	**13,811,923**	10,649,123
Total	**13,811,923**	12,336,347

c. Other gains / (losses) net

(in Uruguayan Pesos)

	Year ended December 31, 2024	Year ended December 31, 2023
Gain/(loss) on disposal of property, plant and equipment	**(6,309)**	91,844
Net foreign exchange gains/(losses)	**94,234,124**	(15,161,889)
Others	**0**	45,720
Total	**94,227,815**	(15,024,325)

Notes to the financial statements

14. INCOME TAXES

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current income taxes

Current tax is based on the taxable profit for the year and is calculated using tax rates that have been enacted by the end of the reporting period.

Advance taxes and provisions for current income taxes are presented in the statement of financial position after off setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying unit intends to settle the asset and liability on a net basis.

Deferred tax

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination, affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax liabilities are recognised for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

The income tax expense consists of the following:

(in Uruguayan Pesos)

	Year ended December 31, 2024	Year ended December 31, 2023
Current income tax expense		
Domestic	**38,986,596**	22,124,369
Overseas	**1,039,729**	15,122,557
Deferred income tax expense / (benefit)	**40,026,325**	37,246,926
Domestic	**2,340,483**	(482,865)
	2,340,483	(482,865)
Total income tax expense	**42,366,808**	36,764,061

The reconciliation of income tax expense and book net income is as follows:

Notes to the financial statements

(in Uruguayan Pesos)

	Year ended December 31, 2024	Year ended December 31, 2023
Income before income taxes	**726,761,886**	529,691,109
Federal income tax rate	**25%**	25%
Expected income tax expense	**181,690,471**	132,422,777
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Income exempt from tax	**(963,074,920)**	(787,229,196)
Tax pertaining to prior years:		
Current tax	**(3,061,298)**	592,038
Fixed assets of SEZ/STP	**(1,104,054)**	286,083
Disallowable expenses:		
Income exempt related disallowed expenses	**803,508,573**	692,784,641
Other permanent differences:		
Other adjustments	**24,408,036**	(2,092,283)
Total income tax expense	**42,366,808**	36,764,061

Significant components of net deferred tax assets and liabilities for the period ended December 31, 2024 are as follows:

(in Uruguayan Pesos)

	Year ended December 31, 2023	Recognized / reversed through profit or loss	Recognised through retained earnings	Year ended December 31, 2024
Originated by:				
Property, plant and equipment	**430,941**	**(630,980)**	**-**	**(200,039)**
Lease liabilities	**64,764**	**(1,634,889)**	**-**	**(1,570,125)**
Provisions	**267,728**	**(74,614)**	**-**	**193,114**
	763,433	**(2,340,483)**	**-**	**(1,577,050)**

Significant components of net deferred tax assets and liabilities for the year ended December 31, 2023 are as follows:

(in Uruguayan Pesos)

	Year ended December 31, 2022	Recognized / reversed through profit or loss	Recognised through retained earnings	Year ended December 31, 2023
Originated by:				
Property, plant and equipment	(280,592)	711,533	-	430,941
Lease liabilities	326,541	(261,776)	-	64,764
Provisions	234,619	33,109	-	267,728
	280,568	482,865	-	763,433

Back to content

Notes to the financial statements

Investment tax credit

On June 25, 2014 the Ministry of Economy and Finance determined to give a tax benefit to TCS Uruguay S.A. under regulatory Decree 455/07 of Law 16.906 of Promotion and protection of investments. This benefit grants an exemption of 20.277.929 IU from IRAE (Corporate income tax) for 40.71% of the eligible investment to be used in a 6-year term and an exemption from IP (Net worth tax) on movable fixed assets for the whole of their useful lives and on civil works for a term of 8 years.

Direct tax contingencies

There are no contingency in relation to Direct tax matters.

15. EMPLOYEE BENEFITS

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Compensated absences

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as undiscounted liability at the date of statement of financial position.

Employee cost consist of the following:

(in Uruguayan Pesos)

	Year ended December 31, 2024	Year ended December 31, 2023
Salaries, incentives and allowances	**3,109,027,463**	2,755,678,970
Contributions to provident and other funds	**374,951,524**	303,930,254
Staff welfare	**55,429,678**	38,091,512
	3,539,408,665	3,097,700,736

Employee benefit obligations consist of the following:

Employee benefit obligations – Current

(in Uruguayan Pesos)

	As at December 31, 2024	As at December 31, 2023
Benefits to employees	**371,656,403**	311,376,581
Other employee benefit obligations	**1,682,182**	1,328,132
Total	**373,338,585**	312,704,713

Notes to the financial statements

16. COMMITMENTS AND CONTINGENCIES

Capital commitments

The company has contractually committed (net of advances) UYU 6.397.010 and UYU 7.541.193 as at December 31, 2024 and December 31, 2023 respectively, for purchase of property, plant and equipment.

Contingencies

- **Direct tax matters**

  Refer note 14.

- **Indirect tax matters**

  There are no contingency in relation to Indirect tax matters.

- **Other claims**

  Claims aggregating UYU Nil and UYU Nil as at December 31, 2024 and December 31, 2023 respectively, against the company have not been acknowledged as debts.

17. RELATED PARTY TRANSACTIONS AND BALANCES

company's principal related parties consist of its ultimate holding company Tata Consultancy Services Limited and its subsidiaries, affiliates and key managerial personnel. The company's material related party transactions and outstanding balances are with related parties with whom the company routinely enter into transactions in the ordinary course of business.

Transactions with related parties are as follows:

(in Uruguayan Pesos)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Revenue from operations		
Tata Consultancy Services Limited	**3,776,188,864**	3,252,225,411
Subsidiaries of Tata Consultancy Services Limited		
Tata Consultancy Services Canada Inc.	**142,510,389**	146,531,366
Tata Consultancy Services Chile S.A.	**-**	448,434
Tata Consultancy Services Deutschland GmbH	**115,649,575**	115,850,072
Tata Consultancy Services Do Brasil Ltda	**6,975,008**	8,262,981
Tata Consultancy Services France SA	**65,543,412**	82,032,918
Tata Consultancy Services Ireland Limited	**4,155,409**	-
TCS Iberoamerica SA	**-**	1,736,678
TCS Solution Center S.A.	**369,485**	-
Tata Consultancy Services Switzerland Ltd.	**182,199,026**	145,729,030
Tata Consultancy Services Argentina S.A.	**-**	2,593,992
Tata Consultancy Services Belgium	**53,200,842**	42,336,451
Tata Consultancy Services De Espana S.A.	**17,978,727**	10,576,369
Tata Consultancy Services De Mexico S.A., De C.V.	**28,257,018**	20,367,556
Total	**616,838,889**	576,465,846

Notes to the financial statements

(in Uruguayan Pesos)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Interest income		
Subsidiaries of Tata Consultancy Services Limited		
Tata Consultancy Services Guatemala S.A	**1,538,412**	2,983,132
Total	**1,538,412**	2,983,132
Loan Recoverd		
Subsidiaries of Tata Consultancy Services Limited		
Tata Consultancy Services Guatemala S.A	**56,635,769**	22,279,164
Total	**56,635,769**	22,279,164
Other income		
Subsidiaries of Tata Consultancy Services Limited		
TCS Inversiones Chile Limitada	**1**	10
Total	**1**	10
Purchases of goods and services (including reimbursements)		
Tata Sons Private Limited, its subsidiaries and associates		
Tata Communications (America) Inc.	**1,218,129**	2,636,923
Tata AIG General Insurance company Limited	**20,976,027**	-
Tata Communications Limited	**170,568**	-
Tata Consultancy Services Limited	**213,345,610**	171,316,839
Subsidiaries of Tata Consultancy Services Limited		
Tata America International Corporation	**(386,141)**	(332,831)
Tata Consultancy Services De Mexico S.A.,De C.V.	**6,260,593**	4,496,498
TCS Inversiones Chile Limitada	**16,043,617**	18,176,926
TCS Colombia S.A.	**(62,266)**	29
Tata Consultancy Services Do Brasil Ltda	**-**	3,856,789
Tata Consultancy Services Canada Inc.	**24,696**	(385,601)
Total	**21,880,499**	25,811,810
Brand equity contribution		
Tata Sons Private Limited, its subsidiaries and associates		
Tata Sons Private Limited	**230,112**	237,701
Total	**230,112**	237,701
Dividend paid		
Subsidiaries of Tata Consultancy Services Limited		
TCS Iberoamerica SA	**606,307,850**	347,290,800
Total	**606,307,850**	347,290,800

Notes to the financial statements

(in Uruguayan Pesos)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Loan repaid		
Subsidiaries of Tata Consultancy Services Limited		
TCS Iberoamerica SA	-	75,080,000
Total	-	75,080,000
Interest Paid		
Subsidiaries of Tata Consultancy Services Limited		
TCS Iberoamerica S.A.	-	1,681,137
Total	-	1,681,137

Balances receivable from related parties are as follows:

(in Uruguayan Pesos)

	As at December 31, 2024	As at December 31, 2023
Trade receivables and contract assets		
Tata Consultancy Services Limited	**1,197,314,408**	955,405,743
Subsidiaries of Tata Consultancy Services Limited		
Tata America International Corporation	**807,669**	340,077
Tata Consultancy Services Canada Inc.	**16,015,784**	12,620,543
Tata Consultancy Services Deutschland GmbH	**22,905,172**	30,004,103
Tata Consultancy Services Do Brasil Ltda	**1,774,201**	2,251,158
Tata Consultancy Services France SA	**6,415,672**	47,234,145
Tata Consultancy Services Ireland Limited	**2,047,017**	-
Tata Consultancy Services Switzerland Ltd.	**36,337,527**	40,476,292
Tata Consultancy Services Belgium	**5,006,013**	3,664,053
Tata Consultancy Services De Espana S.A.	**1,841,453**	5,375,097
Tata Consultancy Services De Mexico S.A.,De C.V.	**(2,482,567)**	8,322,659
Tata Consultancy Services Argentina S.A.	**6,459,406**	5,720,032
TCS Colombia S.A.	**1**	(40)
Total	**97,127,347**	156,008,119
Loans, other financial assets and other assets		
Subsidiaries of Tata Consultancy Services Limited		
TCS Guatemala S.A.	-	54,307,342
Total	-	54,307,342

Notes to the financial statements

Balances payable to related parties are as follows:

(in Uruguayan Pesos)

	As at December 31, 2024	As at December 31, 2023
Trade payables, unearned and deferred revenue, other financial liabilities and other liabilities		
Tata Sons Private Limited, its subsidiaries and associates		
Tata Sons Private Limited	**171,757**	162,010
Tata Communications (America) Inc.	**178,035**	510,522
Tata Communications Limited	**170,568**	-
Tata AIG General Insurance company Limited	**5,937,372**	-
Total	**6,457,732**	672,533
Tata Consultancy Services Limited	**62,501,034**	73,150,687
Subsidiaries of Tata Consultancy Services Limited		
TCS Inversiones Chile Limitada	**4,023,270**	6,041,671
Tata Consultancy Services Canada Inc.	**3,596,834**	2,828,454
Tata Consultancy Services De Mexico S.A.,De C.V.	**206,936**	(110,699)
MGDC S.C.	**-**	(1,654)
Tata Consultancy Services France SA	**8,749**	-
Tata Consultancy Services Ireland Limited	**46,604**	-
Tata Consultancy Services Do Brasil Ltda	**653,249**	483,853
Tata America International Corporation	**4**	4
Total	**8,535,646**	9,241,630

Compensation to key management personnel

(in Uruguayan Pesos)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Short-term benefits	**12,061,200**	14,995,813
Total	**12,061,200**	14,995,813

18. SUBSEQUENT EVENT

There were no subsequent events that meet disclosure.

TCS SOLUTION CENTER S.A.

FINANCIAL STATEMENTS

For the year ended December 31, 2024

FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2024

CONTENT	PAGE
Independent auditors' report	42.2
Statement of financial position as at December 31, 2024	42.4
Statement of profit or loss and other comprehensive income for the year ended December 31, 2024	42.5
Statement of changes in equity for the year ended December 31, 2024	42.6
Statement of cash flows for the year ended December 31, 2024	42.7
Notes to the financial statements as at December 31, 2024	42.8

Back to main content

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS AND BOARD OF DIRECTORS OF TCS SOLUTION CENTER S.A.

Opinion

We have audited the financial statements of TCS Solution Center S.A. (the "Company"), which comprise the statement of financial position as of December 31st, 2024, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of TCS Solution Center S.A. as of December 31st, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Uruguay, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether TCS Solution Center S.A.'s 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 ISAs 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 financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicated with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

Montevideo, Uruguay
February 24th, 2025

Statement of Financial Position

(in Uruguayan Pesos)

	Note	As at December 31, 2024	As at December 31, 2023
ASSETS:			
Current assets:			
Cash and cash equivalents	8 (a)	**628.135.244**	727.869.556
Trade receivables			
Billed	8 (c)	**711.473.021**	881.282.870
Unbilled		**144.409.259**	162.244.095
Other financial assets	8 (d)	**11.201.502**	16.771.351
Income tax assets (net)		**102.900.471**	-
Other assets	10 (c)	**32.060.578**	46.845.318
Total current assets		**1.630.180.075**	1.835.013.190
Non-current assets:			
Investments	8 (b)	**914**	914
Other financial assets	8 (d)	**4.960.505**	2.148.589
Deferred tax assets (net)	14	**55.058.260**	60.374.006
Property, plant and equipment	10 (a)	**209.050.588**	324.488.109
Right-of-use assets	9	**155.120.615**	205.967.008
Intangible assets	10 (b)	**-**	260.705
Trade receivables			
Unbilled		**-**	406.556
Other assets	10 (c)	**6.551.406**	12.023.454
Total non-current assets		**430.742.288**	605.669.341
TOTAL ASSETS		**2.060.922.363**	2.440.682.531
LIABILITIES AND EQUITY:			
Liabilities:			
Current liabilities:			
Trade payables	8 (e)	**81.716.030**	90.494.285
Lease liabilties		**65.212.523**	56.978.947
Other financial liabilities	8 (f)	**128.210.681**	134.788.609
Unearned and deferred revenue		**35.712.983**	43.456.964
Employee benefit obligations	15	**172.921.148**	170.182.325
Income tax liabilities (net)		**237.161**	41.054.890
Provisions		**335.830**	1.684.423
Other liabilities	10 (d)	**165.116.175**	159.449.230
Total current liabilities		**649.462.531**	698.089.673
Non-current liabilities:			
Lease liabilties		**93.291.635**	146.418.620
Total non-current liabilities		**93.291.635**	146.418.620
TOTAL LIABILITIES		**742.754.166**	844.508.293
Equity:			
Share capital	8 (j)	**359.244.073**	359.244.073
Legal reserves		**71.848.815**	71.848.815
Other equity		**(89.050.741)**	(72.321.612)
Retained earnings		**976.126.050**	1.237.402.962
TOTAL EQUITY		**1.318.168.197**	1.596.174.238
TOTAL LIABILITIES AND EQUITY		**2.060.922.363**	2.440.682.531

SEE ACCOMPANYING NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Statement of profit or loss and other comprehensive income

(in Uruguayan Pesos)

	Note	Year ended December 31, 2024	Year ended December 31, 2023
Revenues:			
Revenue from operations	11	**4.333.946.563**	4.466.175.800
TOTAL REVENUES		**4.333.946.563**	4.466.175.800
Operating expenses:			
Employee benefits expenses	15	**3.219.458.262**	3.161.633.116
Depreciation and amortisation expense	9&10	**211.595.845**	224.619.805
Other operating expenses	12	**498.822.755**	495.445.736
TOTAL OPERATING EXPENSES		**3.929.876.862**	3.881.698.657
Operating income		**404.069.701**	584.477.143
Other income / (expense)			
Finance and other income	13 (a)	**63.950.480**	82.600.253
Other gains / (losses), net	13 (c)	**40.269.369**	(46.323.959)
Finance costs	13 (b)	**(16.259.719)**	(23.356.310)
OTHER INCOME / (EXPENSES) (NET)		**87.960.130**	12.919.984
Profit before taxes		**492.029.831**	597.397.127
Income tax	14	**155.413.068**	211.584.227
Profit for the year		**336.616.763**	385.812.900
OTHER COMPREHENSIVE INCOME (OCI):			
Items that will be reclassified subsequently to profit or loss:			
Translation adjustment		**(16.729.129)**	263.287.648
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**319.887.634**	649.100.548

SEE ACCOMPANYING NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Statement of Changes in Equity

(in Uruguayan Pesos)

	Equity share capital	Legal reserves	Other equity	Retained earnings	Total equity
Balance as at December 31, 2022	359.244.073	71.848.815	(335.609.260)	1.342.350.425	1.437.834.053
Other comprehensive income	-	-	263.287.648	-	263.287.648
Profit for the year	-	-	-	385.812.900	385.812.900
Total comprehensive income / (losses)	-	-	263.287.648	385.812.900	649.100.548
Dividend (Note 5)	-	-	-	(490.760.363)	(490.760.363)
Balance as at December 31, 2023	359.244.073	71.848.815	(72.321.612)	1.237.402.962	1.596.174.238
Other comprehensive income	**-**	**-**	**(16.729.129)**	**-**	**(16.729.129)**
Profit for the year	**-**	**-**	**-**	**336.616.763**	**336.616.763**
Total comprehensive income / (losses)	**-**	**-**	**(16.729.129)**	**336.616.763**	**319.887.634**
Dividend (Note 5)	**-**	**-**	**-**	**(597.893.675)**	**(597.893.675)**
Balance as at December 31, 2024	**359.244.073**	**71.848.815**	**(89.050.741)**	**976.126.050**	**1.318.168.197**

SEE ACCOMPANYING NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Statement of Cash Flows

(in Uruguayan Pesos)

	Note	Year ended December 31, 2024	Year ended December 31, 2023
CASH FLOWS FROM OPERATING ACTIVITIES:			
Profit for the year		**336.616.763**	385.812.900
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortisation expense	9&10	**211.595.845**	224.619.805
Income tax expense	14	**155.413.068**	211.584.227
Unrealised foreign exchange (gain) / loss		**(6.635.268)**	10.046.446
Loss on disposal of property, plant and equipment	13(c)	**(692.496)**	230.151
Bad debts and advances written off, expected credit losses trade receivables		**3.660.889**	(485.823)
Net change in:			
Trade receivables			
Billed		**157.935.167**	75.724.453
Unbilled		**9.320.119**	3.522.160
Other financial assets		**2.566.946**	(249.980)
Other assets		**26.759.599**	(12.796.390)
Trade and other payables		**(8.055.969)**	(3.617.664)
Other financial liabilities		**(5.243.377)**	10.321.923
Unearned and deferred revenues		**(7.300.666)**	9.944.838
Employee benefit obligations		**3.538.812**	20.289.521
Other liabilities		**6.761.392**	12.664.221
Provisions		**(1.347.692)**	(5.820.162)
Cash generated from operations		**884.893.132**	941.790.627
Taxes paid (net of refunds)		**(292.376.486)**	(199.025.084)
Net cash provided by operating activities		**592.516.646**	742.765.543
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property and equipment	10(a)	**(29.932.010)**	(189.238.568)
Proceeds from sale of property and equipment	10(a)	**1.081.525**	66.429
Loan given to Fellow Subsidiary		**-**	-
Loan recovered		**-**	32.056.800
Net cash used in investing activities		**(28.850.485)**	(157.115.339)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Repayment of lease liabilities		**(68.252.915)**	(63.262.438)
Dividends paid	5	**(597.893.675)**	(490.760.363)
Net cash used in financing activities		**(666.146.590)**	(554.022.801)
Net change in cash		**(102.480.429)**	31.627.403
Exchange difference on translation of foreign currency cash and cash equivalents		**2.746.117**	111.119.778
Cash and cash equivalents, beginning of the year		**727.869.556**	585.122.375
Cash and cash equivalents, end of the year	8(a)	**628.135.244**	727.869.556
Supplementary cash flow information:			
Interest paid		**16.259.719**	23.356.310
Interest received		**39.230.791**	65.084.134
Dividend Received		**114.194.089**	19.195.523

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

Notes to the financial statements

1. GENERAL INFORMATION

TCS Solution Center S.A. (the Company) is a private company whose headquarter is located on Monte Caseros 2600, in Montevideo, Uruguay.

The Company has a branch office offshore, TCS Solution Center (Colombia Branch) in Bogotá D.C., incorporated on August 15, 2006 in accordance with Colombian law.

These financial statements have been consolidated with such branch.

The Company's main activities are the development of software, provision of IT services and process outsourcing services aimed at both local and foreign markets.

The financial statements have been approved by the Entity´s Board of Directors for their issuance on February 24th, 2025 and will be submitted to the Shareholders meeting for approval.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with International Financial Reporting Standards (hereinafter "IFRS") adopted by the International Accounting Standards Board (IASB), translated into Spanish, and interpretations prepared by the Interpretations Committee of the International Financial Reporting Standards or the previous Interpretations Committee, in accordance with the Appropriate Accounting Standards in Uruguay pursuant to Decrees 291/014, 292/014 and 124/011.

3. BASIS OF PREPARATION

These financial statements have been prepared on historical cost basis except for certain financial instruments which are measured at fair value or amortised cost at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for 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. All assets and liabilities have been classified as current and non¬current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

The Statement of Cash flow have been prepared using the indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The Company classifies interest paid and interest and dividend received as cash flow from operating activities. The cash flows from operating, investing and financing activities of the company are segregated. The company considers all highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value to be cash equivalents.

The functional currency of the Company is the Uruguayan peso. Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are retranslated at the exchange rate prevailing on the dates of statement of financial position and exchange gains and losses arising on settlement and restatement are recognised in profit or loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

The material accounting policies related to preparation of the financial statements have been discussed in the respective notes.

4. USE OF ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with the recognition and measurement principles of International Financial Reporting Standards (IFRS) requires management to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures of contingent liabilities at the date of the financial statements and the reported amounts of income and expenses for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Notes to the financial statements

The Company uses the following critical accounting estimates in preparation of its financial statements:

a. Revenue Recognition

Revenue for fixed-price contracts is recognised using percentage-of-completion method. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.

b. Useful lives of property, plant and equipment and intangibles

The Company reviews the useful life of property, plant and equipment and intangibles at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

c. Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

d. Impairment of financial assets (other than at fair value)

Measurement of impairment of financial assets require use of estimates and judgements, which have been explained in the note on financial assets, financial liabilities and equity instruments, under impairment of financial assets (other than at fair value).

e. Provision for income tax and deferred tax assets

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

f. Provisions and contingent liabilities

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Company uses significant judgement to assess contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

g. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of IFRS 16. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

Notes to the financial statements

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

5. NATURE AND PURPOSE OF RESERVES

Legal reserve

The legal reserve is a reserve fund created in compliance with article 93 of Law 16.060 for commercial companies, which establishes that no less than 5% of the net profit for the year should be used to increase the mentioned reserve, until it reaches 20% of the paid-in capital.

Retained earnings

On March 01, 2024 it was determined to distribute dividends in advanced for a total of $ 162.191.302 Uruguayan Pesos in accordance to article 100 of Law 16.060, which have been cancelled at year end.

On June 03, 2024 it was determined to distribute dividends in advanced for a total of $ 121.903.860 Uruguayan Pesos in accordance to article 100 of Law 16.060, which have been cancelled at year end.

On September 06, 2024 it was determined to distribute dividends in advanced for a total of $ 146.912.953 Uruguayan Pesos in accordance to article 100 of Law 16.060, which have been cancelled at year end.

On December 19, 2024 it was determined to distribute dividends in advanced for a total of $ 166.885.560 Uruguayan Pesos in accordance to article 100 of Law 16.060, which have been cancelled at year end.

On September 22, 2023 it was determined to distribute dividends in advanced for a total of $ 112.418.212 Uruguayan Pesos in accordance to article 100 of Law 16.060, which have been cancelled at year end.

On June 21, 2023 it was determined to distribute dividends in advanced for a total of $ 177.807.280 Uruguayan Pesos in accordance to article 100 of Law 16.060, which have been cancelled at year end.

On December 01, 2023 it was determined to distribute dividends in advanced for a total of $ 200.534.871 Uruguayan Pesos in accordance to article 100 of Law 16.060, which have been cancelled at year end.

Other equity

The balance of the account corresponds to the difference of exchange rate in the Colombia branch with functional currency Colombian Pesos, within an equity account as set forth in IAS 21.

6. REGISTRATION OF FINANCIAL STATEMENTS

According to Decree 156/16 dated May 30, 2016, commercial companies will not be able to distribute dividends as long as they do not comply with the obligation to register, within the established terms, the financial statements to the Auditoría Interna de la Nación (AIN), institution that regulates the commercial companies.

To date, the Company has complied with this obligation for the year ended on December 31, 2023. For the year ended on December 31, 2024 the Company has time to comply until June 30, 2025.

7. RECENT ACCOUNTING STANDARDS

The Company has not applied the following new and revised IFRSs that have been issued but are not yet effective.

Amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates[1]

Amendments to IFRS 9 and IFRS 7[2]

IFRS 18 – Presentation and Disclosures in Financial Statements[3]

IFRS 19 – Subsidiaries without Public Accountability: Disclosures[3]

[1]Effective for annual periods beginning on or after January 1, 2025.

[2]Effective for annual periods beginning on or after January 1, 2026.

[3]Effective for annual periods beginning on or after January 1, 2027.

Notes to the financial statements

IAS 21 – The Effects of Changes in Foreign Exchange Rates

In August 2023, the IASB issued 'Lack of Exchangeability (Amendments to IAS 21)' to provide guidance to specify which exchange rate to use when the currency is not exchangeable. An entity must estimate the spot exchange rate as the rate that would have applied to an orderly transaction between market participants at the measurement date and that would faithfully reflect the economic conditions prevailing. The Company does not expect this amendment to have any significant impact in its financial statements.

IFRS 9 and IFRS 7 – Financial Instruments and Financial Instruments: Disclosure

In May 2024, the IASB issued "Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) to address matters identified during the post-implementation review of IFRS 9. The amendments relate to derecognition of a financial liability settled through electronic transfer, classification of financial assets and disclosures of certain financial assets and financial liabilities. The Company will evaluate the amendments and implement them accordingly.

IFRS 18 – Presentation and Disclosures in Financial Statements

In April 2024, the IASB issued its new standard IFRS 18 – Presentation and Disclosures in Financial Statements that will replace IAS 1 – Presentation of Financial Statements. The new standard aims at improving how entities communicate in their financial statements. The Company will evaluate the standard and implement it accordingly.

IFRS 19 – Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued a new standard IFRS 19 - Subsidiaries without Public Accountability: Disclosures. The standard allows a subsidiary which does not have public accountability and has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards, to elect IFRS 19. Such an entity applies the requirements in other IFRS Accounting Standards, except for the disclosure requirements, instead the entity applies the requirements in IFRS 19.

The company has applied IFRIC 23 effective for annual periods beginning on or after January 1, 2019 as below:

IFRIC 23 Interpretation Uncertainty over Income Tax Treatment

IFRIC 23 interpretation addresses the accounting for income taxes when there is uncertainty over tax treatments. It clarifies that an entity must consider the probability that the tax authorities will accept a treatment retained in its income tax filings, assuming that they have full knowledge of all relevant information when making their examination. In such a case, the income taxes shall be determined in line with the income tax filings.

Application of IFRIC 23

The company reviewed its income tax treatments in order to determine whether IFRIC 23 interpretation could have an impact on the financial statements. In that respect, the Company observed that there are no continuous instances of any uncertain tax treatment in the past and on that basis, it is reasonable to conclude that all the tax treatments are accepted by the tax officer and hence IFRIC-23 is not applicable.

8. FINANCIAL ASSETS, FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

The Company derecognises a financial asset only 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 entity. The Company derecognises financial liabilities when, and only when, the Company´s obligations are discharged, cancelled or have expired.

Notes to the financial statements

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

The Company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in other comprehensive income.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received net of direct issue cost.

Impairment of financial assets (other than at fair value)

The Company assesses at each date of statement of financial position whether a financial asset or a group of financial assets is impaired. IFRS 9 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. In determining the allowances for expected credit losses the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

a. Cash and cash equivalents

Cash and cash equivalents consist of the following:

(in Uruguayan Pesos)

	As at December 31, 2024	As at December 31, 2023
Cash in hand	**67.745**	70.407
Current account balances with banks	**628.067.499**	727.799.149
Total	**628.135.244**	727.869.556

Notes to the financial statements

b. Investments

Investments consist of the following:

Investments – Non current

(in Uruguayan Pesos)

	As at December 31, 2024	As at December 31, 2023
Investments carried at Cost		
Fully paid equity shares		
i. Tata Consultancy Services De México S.A. De C.V	**906**	906
ii. TCS do Brazil Ltda	**8**	8
Total Investments - Non current	**914**	914

c. Trade receivables - Billed

Trade receivables – Billed consist of the following:

Trade receivables – Billed – Current

(in Uruguayan Pesos)

	As at December 31, 2024	As at December 31, 2023
Trade receivables - Billed	**722.782.725**	887.786.567
Less: Allowance for expected credit losses - Billed	**(3.705.044)**	-
Less: Provision for volume discount	**(7.604.660)**	(6.503.697)
Total	**711.473.021**	881.282.870

Trade receivables – Billed include balances with related parties amounting to UYU 295.180.196 and UYU 315.453.122 for the period ended on December 31, 2024 and December 31, 2023 respectively. (Refer Note 17)

d. Other financial assets

Other financial assets consist of the following:

Other financial assets – Current

(in Uruguayan Pesos)

	As at December 31, 2024	As at December 31, 2023
Employee advances (*)	**9.360.336**	11.595.333
Accrued Interest	**1.796.166**	5.171.022
Loans to employees	**45.000**	-
Others	**-**	4.996
Total	**11.201.502**	16.771.351

(*) Include recoverable advances to foreign employees deputed in Uruguay and Colombia.

Notes to the financial statements

Other financial assets – Non-current

(in Uruguayan Pesos)

	As at December 31, 2024	As at December 31, 2023
Deposits for premises	**2.537.528**	2.148.589
Others	**2.422.976**	-
Total	**4.960.505**	2.148.589

e. Trade payables

(in Uruguayan Pesos)

	As at December 31, 2024	As at December 31, 2023
Trade payables	**63.766.066**	68.915.065
Accrued expenses	**17.949.964**	21.579.220
Total	**81.716.030**	90.494.285

f. Other financial liabilities

Other financial liabilities consist of the following:

Other financial liabilities – Current

(in Uruguayan Pesos)

	As at December 31, 2024	As at December 31, 2023
Accrued payroll	**126.127.220**	134.188.609
Capital Creditors	**1.613.461**	-
Security deposits	**470.000**	600.000
Total	**128.210.681**	134.788.609

g. Financial instruments by category

The carrying value of financial instruments by categories as at December 31, 2024 is as follows:

(in Uruguayan Pesos)

	Amortized cost	Total carrying value
Financial assets		
Cash and cash equivalents	**628.135.244**	**628.135.244**
Trade receivables		
Billed	**711.473.021**	**711.473.021**
Unbilled	**144.409.259**	**144.409.259**
Other financial assets	**16.162.007**	**16.162.007**
Total	**1.500.179.531**	**1.500.179.531**

Notes to the financial statements

	Amortized cost	Total carrying value
Financial liabilities		
Trade payables	**81.716.030**	**81.716.030**
Lease liabilties	**158.504.158**	**158.504.158**
Other financial liabilities	**128.210.681**	**128.210.681**
Total	**368.430.869**	**368.430.869**

The carrying value of financial instruments by categories as at December 31, 2023 is as follows:

(in Uruguayan Pesos)

	Amortized cost	Total carrying value
Financial assets		
Cash and cash equivalents	727.869.556	727.869.556
Trade receivables		
Billed	881.282.870	881.282.870
Unbilled	162.650.651	162.650.651
Other financial assets	18.919.940	18.919.940
Total	1.790.723.017	1.790.723.017
Financial liabilities		
Trade payables	90.494.285	90.494.285
Lease liabilties	203.397.567	203.397.567
Other financial liabilities	134.788.609	134.788.609
Total	428.680.461	428.680.461

Carrying amounts of cash and cash equivalents, trade receivables and trade payables as at December 31, 2024 and December 31, 2023 approximate at the fair value due to their nature. Carrying amounts of other financial assets, other financial liabilities and borrowings which are subsequently measured at amortized cost also approximates the fair value due to their nature in each of the periods presented. Fair value measurement of lease liabilities is not required.

h. 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.

i. Financial risk management

The Company is exposed primarily to fluctuations in foreign currency exchange rates, credit, liquidity and interest rate risks, which may adversely impact the fair value of its financial instruments.

Notes to the financial statements

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company´s exposure to market risk is primarily on account of foreign currency exchange rate risk.

- **Foreign currency exchange rate risk**

  The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries.

  The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

  The foreign exchange rate sensitivity is calculated by aggregation of the net foreign exchange rate exposure and a simultaneous parallel foreign exchange rates shift of all the currencies by 10% against the respective functional currency of the Company.

  The following analysis has been worked out based on the net exposures for Company as at the date of statement of financial position which could affect the statement of profit or loss and other comprehensive income and equity.

  The following table sets forth information relating to unhedged foreign currency exposure as at December 31, 2024 and December 31,2023:

(in Uruguayan Pesos)

December 31, 2024	USD	GBP	CAD	COP	MXN	ARS	AUD	EUR	DKK	BRL	CLP
Net financial assets	**336.787.890**	**(432.806)**		**1.132.216.774**	**1.640.364**	**105.399**	**(1.290.849)**	**13.013.698**	**7.387.395**	**(95.819)**	**929.971**
Net financial liabilitites	**64.671.282**		**(110)**	**288.746.900**	**2.222**	**-**	**3.854**	**(14.759)**	**(608)**		

(in Uruguayan Pesos)

December 31, 2023	USD	GBP	CAD	COP	MXN	ARS	AUD	EUR	DKK	BRL	CLP
Net financial assets	409.683.400	(1.653.927)		1.327.130.378	10.617.075	118.592	(1.499.661)	11.702.417	3.625.818	385.269	706.327
Net financial liabilities	98.653.182		(4.185)	314.257.944	111.571	-	2.060	(128)	(1.133)		

10% appreciation / depreciation of the respective foreign currencies with respect to functional currency of the Company would result in decrease / increase in the Company's profit before taxes by approximately UYU 113.685.324 for the period ended December 31, 2024 and UYU 135.913.244 for the year ended December 31, 2023 respectively.

- **Interest rate risk**

  The Company is not exposed to interest rate risk.

Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of

Notes to the financial statements

deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, cash and cash equivalents and other financial assets. Cash and cash equivalents include an amount of 42.853.926 Uruguayan Pesos held with a bank in Uruguay and 572.470.722 Uruguayan Pesos held with banks in Colombia having high quality credit rating which are individually in excess of 10% or more of the Company's total cash and cash equivalents as at December 31, 2024 (an amount of 66.885.560 Uruguayan Pesos held with a bank in Uruguay and 652.152.134 Uruguayan Pesos held with banks in Colombia as at December 31, 2023). None of the other financial instruments of the Company result in material concentration of credit risk.

- **Exposure to credit risk**

  The carrying amount of financial assets and contract assets represents the maximum credit exposure. The maximum exposure to credit risk was UYU 1.507.493.538 and UYU 1.802.059.081 as at December 31, 2024 and December 31, 2023, respectively, being the total of the carrying amount of balances with banks, trade receivables, contract assets and other financial assets.

  Company's exposure to customers is diversified, and single customer which contributes individually to more than 10% of outstanding trade receivable and contract assets as at December 31, 2024 and December 31, 2023, respectively are as follows:

(in Uruguayan Pesos)

	As at December 31, 2024		As at December 31, 2023	
	Total trade receivables and contract assets	Percentage	Total trade receivables and contract assets	Percentage
Customer A	**330.756.092**	**38%**	269.318.548	26%
Customer B	**226.443.219**	**26%**	330.255.974	31%
Customer C	**94.059.873**	**11%**	125.462.106	12%

Geographic concentration of credit risk

Geographic concentration of trade receivables (net of allowances) and contract assets is as follows:

	As at December 31, 2024	As at December 31, 2023
	Net %	Net %
America	**94%**	94%
Europe	**2%**	4%
Others	**4%**	2%

Geographical concentration of trade receivables and contract assets is allocated based on the location of the customers.

Notes to the financial statements

The allowance for lifetime expected credit loss on trade receivables for the period ended December 31, 2024 and December 31, 2023 was UYU NIL and UYU NIL, respectively. The reconciliation of allowance for expected credit losses is as follows:

(in Uruguayan Pesos)

	Year ended December 31, 2024	Year ended December 31, 2023
Balance at the beginning of the Year	**-**	35.466.345
Changes during the year	**3.660.613**	-
Bad Debts written off	**-**	(37.472.228)
Provision written back	**-**	(476.761)
Translation Exchnage difference	**44.431**	2.482.644
Balance at the End of the Year	**3.705.044**	-

Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company consistently generated sufficient cash flows from operations to meet its financial obligations including lease liabilities as and when they fall due.

The tables below provide details regarding the contractual maturities of significant financial liabilities as at:

(in Uruguayan Pesos)

December 31, 2024	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5 years	Total
Non-derivative financial liabilities:					
Trade payables	**81.716.030**	**-**	**-**	**-**	**81.716.030**
Lease Liabilities (*)	**74.608.577**	**41.713.919**	**66.344.793**	**-**	**182.667.289**
Other financial liabilities	**128.210.681**	**-**	**-**	**-**	**128.210.681**
Total	**284.535.288**	**41.713.919**	**66.344.793**	**-**	**392.594.000**

(in Uruguayan Pesos)

December 31, 2023	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5 years	Total
Non-derivative financial liabilities:					
Trade payables	90.494.285	-	-	-	90.494.285
Lease Liabilities (*)	72.918.165	67.432.414	100.901.135	-	241.251.714
Other financial liabilities	134.788.609	-	-	-	134.788.609
Total	298.201.059	67.432.414	100.901.135	-	466.534.608

(*) Amounts are presented at nominal value and not book value.

Notes to the financial statements

j. Equity instruments

The authorised, issued, subscribed and fully paid up share capital consists of the following:

(in Uruguayan Pesos)

	As at December 31, 2024	As at December 31, 2023
Authorised		
Equity shares of uruguayan pesos 1 each (500.000.000 shares)	**500.000.000**	500.000.000
Total	**500.000.000**	500.000.000
Issued, Subscribed and Fully paid up		
Outstanding balance of Equity shares of uruguayan pesos 1 each (359.244.073 shares)	**359.244.073**	359.244.073
Total	**359.244.073**	359.244.073

Details of shares held by shareholders in the Company Equity Shares

(in Uruguayan Pesos)

	As at December 31, 2024	As at December 31, 2023
TCS Iberoa merica S.A. (Holding Company)	**359.244.073**	359.244.073
% Holding in class	**100%**	100%

Fully paid equity shares, which have a par value of 359.244.073 Uruguayan pesos (UYU 1 each) carry one vote per share and have a right to dividend. In the event of liquidation of the Company, the holders of shares are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

The Company's objective for capital management is to maximize shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. The Company is not subject to any externally imposed capital requirements.

9. LEASES

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non¬lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in profit or loss.

Notes to the financial statements

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease-by-lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and profit or loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the remeasurement in profit or loss.

The Company has elected not to apply the requirements of IFRS 16 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

The details of the right-of-use asset held by the Company is as follows:

(in Uruguayan Pesos)

	Additions for the year ended December 31, 2024	Net carrying amount as at December 31, 2024
ROU Leasehold Building	**22.218.006**	**128.414.753**
ROU Leasehold office equipment	**-**	**-**
ROU Leasehold improvements	**-**	**26.705.862**
Total	**22.218.006**	**155.120.615**

(in Uruguayan Pesos)

	Additions for the year ended December 31, 2023	Net carrying amount as at December 31, 2023
ROU Leasehold Building	79.859.404	171.403.292
ROU Leasehold office equipment	-	65.335
ROU Leasehold improvements	-	34.498.381
Total	79.859.404	205.967.008

Depreciation on right-of-use asset is as follows:

(in Uruguayan Pesos)

	Year ended December 31, 2024	Year ended December 31, 2023
ROU Leasehold Building	**63.405.505**	55.861.580
ROU Leasehold office equipment	**63.913**	356.878
ROU Leasehold improvements	**7.361.599**	6.715.255
Total	**70.831.017**	62.933.713

Notes to the financial statements

Interest on lease liabilities is UYU 16.259.719 for the period ended on December 31, 2024 (UYU 17.746.431 for the year ended on December 31, 2023).

The Company incurred UYU 17.129.765 for the period ended December 31, 2024 (UYU 12.516.904 for the year ended December 31, 2023) towards expenses relating to short-term leases and leases of low-value assets.

The total cash outflow is UYU 101.592.785 for the period ended December 31, 2024 for long term and short term leases (UYU 93.525.773 for the year ended December 31, 2023).

Lease contracts entered by the Company majorly pertains for buildings taken on lease to conduct its business in the ordinary course. The Company does not have any lease restrictions and commitment towards variable rent as per the contract.

10. NON-FINANCIAL ASSETS AND LIABILITIES

a. Property, plant and equipment

Property, plant and equipment are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use, less accumulated depreciation (other than freehold land) and impairment loss, if any.

Depreciation is provided for property, plant and equipment on a straight line basis so as to expense the cost less residual values over their estimated useful lives based on a technical evaluation. The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

The estimated useful lives are as mentioned below:

Type of asset	Useful lives
Leasehold improvements	Lease term
Computer equipment	4 years
Furniture, fixtures, office equipment and other assets	4-10 years

Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use. Capital work-in-progress includes capital advances.

Property, plant and equipment with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss.

Notes to the financial statements

Property, plant and equipment consist of the following:

(in Uruguayan Pesos)

	Leasehold improvements	Computer equipments	Furniture and fixtures	Office equipments	Electrical Installations	Total
Gross block as at December 31, 2023	**113.903.313**	**1.627.059.626**	**13.725.422**	**27.001.815**	**23.152.278**	**1.804.842.454**
Purchases	**448.813**	**23.745.616**	**1.843.059**	**3.102.093**	**280.294**	**29.419.875**
Disposals	**-**	**(18.464.713)**	**(1.191.596)**	**-**	**-**	**(19.656.309)**
Effect of foreign currency translations	**(750.459)**	**(15.387.378)**	**(47.297)**	**(159.995)**	**(212.021)**	**(16.557.150)**
Gross block as at December 31, 2024	**113.601.667**	**1.616.953.151**	**14.329.588**	**29.943.913**	**23.220.551**	**1.798.048.870**
Accumulated depreciation as at December 31, 2023	**113.903.301**	**1.314.495.954**	**12.475.770**	**20.161.482**	**19.317.838**	**1.480.354.345**
Disposals	**-**	**(18.400.357)**	**(866.922)**	**-**	**-**	**(19.267.279)**
Depreciation for the year	**136.776**	**136.062.841**	**687.328**	**2.577.614**	**1.039.564**	**140.504.123**
Effect of foreign currency translations	**(754.247)**	**(10.981.810)**	**(59.759)**	**(110.325)**	**(174.631)**	**(12.080.772)**
Accumulated depreciation as at December 31, 2024	**113.285.830**	**1.421.176.628**	**12.236.417**	**22.628.771**	**20.182.771**	**1.589.510.417**
Net carrying amount as at December 31, 2024	**315.837**	**195.776.523**	**2.093.171**	**7.315.142**	**3.037.780**	**208.538.453**
Capital work-in-progress *	**-**	**512.135**	**-**	**-**	**-**	**512.135**
Total						**209.050.588**

(in Uruguayan Pesos)

	Leasehold improvements	Computer equipments	Furniture and fixtures	Office equipments	Electrical Installations	Total
Gross block as at December 31, 2022	100.297.002	1.187.784.539	12.126.176	19.685.360	18.221.127	1.338.114.204
Purchases	-	183.458.485	499.356	4.132.025	1.148.702	189.238.568
Disposals	-	(9.962.886)	(122.916)	(33.653)	-	(10.119.455)
Effect of foreign currency translations	13.606.311	265.779.488	1.222.806	3.218.083	3.782.449	287.609.137
Gross block as at December 31, 2023	113.903.313	1.627.059.626	13.725.422	27.001.815	23.152.278	1.804.842.454
Accumulated depreciation as at December 31, 2022	100.296.990	955.152.162	10.770.244	14.964.321	13.999.616	1.095.183.333
Disposals	-	(9.666.306)	(122.916)	(33.653)	-	(9.822.875)
Depreciation for the year	-	155.177.073	666.030	2.959.322	2.140.878	160.943.303
Effect of foreign currency translations	13.606.311	213.833.025	1.162.412	2.271.492	3.177.344	234.050.584
Accumulated depreciation as at December 31, 2023	113.903.301	1.314.495.954	12.475.770	20.161.482	19.317.838	1.480.354.345
Net carrying amount as at December 31, 2023	12	312.563.672	1.249.652	6.840.333	3.834.440	324.488.109
Capital work-in-progress*	-	-	-	-	-	-
Total						324.488.109

b. Other intangible assets

Intangible assets purchased including acquired in business combination, are measured at cost as at the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

Intangible assets consist of rights under licensing agreement and software licences.

Notes to the financial statements

Following table summarises the nature of intangibles and their estimated useful lives:

Type of asset	Useful lives
Rights under licensing agreement and software licences	Lower of licence period and 2-5 years

Intangible assets are amortised on a straight line basis over the period of its economic useful life.

Intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss.

Intangible assets consist of the following:

Intangible assets

(in Uruguayan Pesos)

	Software Licences
Gross block as at December 31, 2023	**2.977.286**
Purchases	**-**
Disposals	**-**
Effect of foreign currency translations	**-**
Gross block as at December 31, 2024	**2.977.286**
Accumulated depreciation as at December 31, 2023	**2.716.581**
Disposals	**-**
Amortisation for the year	**260.705**
Effect of foreign currency translations	**-**
Accumulated depreciation as at December 31, 2024	**2.977.286**
Net carrying amount as at December 31, 2024	**0**

(in Uruguayan Pesos)

	Software Licences
Gross block as at December 31, 2022	2.977.286
Purchases	-
Disposals	-
Effect of foreign currency translations	-
Gross block as at December 31, 2023	2.977.286
Accumulated depreciation as at December 31, 2022	1.973.792
Disposals	-
Amortisation for the year	742.789
Effect of foreign currency translations	-
Accumulated depreciation as at December 31, 2023	2.716.581
Net carrying amount as at December 31, 2023	260.705

Notes to the financial statements

The estimated amortisation for the years subsequent to December 31, 2024 is as follows:

Intangible assets

	(in Uruguayan Pesos)
2025	-
2026	-
Total	-

c. Other assets

Other assets consist of the following:

Other assets – Current

(in Uruguayan Pesos)

	As at December 31, 2024	As at December 31, 2023
Prepaid expenses	**8.326.266**	8.133.934
Advance to suppliers	**-**	487.508
Indirect tax recoverable	**2.242.328**	2.303.462
Other current assets	**454.717**	-
Contract assets	**7.145.573**	9.731.609
Contract fulfillment costs (*)	**13.891.694**	26.188.805
Total	**32.060.578**	46.845.318

Other assets – Non Current

(in Uruguayan Pesos)

	As at December 31, 2024	As at December 31, 2023
Prepaid expenses	**587.528**	832.620
Contract assets	**168.434**	1.604.457
Contract fulfillment costs (*)	**5.795.444**	9.586.377
Total	**6.551.406**	12.023.454

(*) Contract fulfillment costs of UYU 34.996.202,47 and UYU 20.282.893 for the period ended December 31, 2024 and December 31, 2023, respectively, have been amortised in the profit or loss.

Refer note 11 for changes in contract assets.

d. Other liabilities

Other liabilities consist of the following:

Other liabilities – Current

(in Uruguayan Pesos)

	As at December 31, 2024	As at December 31, 2023
Advance received from customers	**-**	2.789.899
Indirect tax payable and other statutory liabilities	**165.061.475**	156.659.331
Others	**54.700**	-
Total	**165.116.175**	159.449.230

Notes to the financial statements

11. REVENUE RECOGNITION

The Company earns revenue primarily from providing IT services, consulting and business solutions. The Company offers a consulting-led, cognitive powered, integrated portfolio of IT, business and engineering services and solutions.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.
- In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract cost incurred determining the degree of completion of the performance obligation. The contract cost used in computing the revenues include cost of fulfilling warranty obligations.
- Revenue from the sale of distinct internally developed software and manufactured systems and third party software is recognised upfront at the point in time when the system / software is delivered to the customer. In cases where implementation and / or customisation services rendered significantly modifies or customises the software, these services and software are accounted for as a single performance obligation and revenue is recognised over time on a POC method .
- Revenue from the sale of distinct third party hardware is recognised at the point in time when control is transferred to the customer.
- The solutions offered by the Company may include supply of third-party equipment or software. In such cases, revenue for supply of such third party products are recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent of the customer. The Company recognises revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

The Company´s contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract and to ascribe the transaction price to each distinct performance obligation. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Notes to the financial statements

Such costs are amortised over the contractual period or useful life of the licence, whichever is less. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

The billing schedules agreed with customers could include periodic performance based payments and/or milestone based progress payments. Invoices are payable within contractually agreed credit period.

In accordance with IAS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Company disaggregates revenue from contracts with customers by nature of services, industry verticals, and geography.

Revenue disaggregation by nature of services is as follows:

(in Uruguayan Pesos)

	Year ended December 31, 2024	Year ended December 31, 2023
Consultancy services	**4.317.690.949**	4.425.704.834
Sale of equipment and software licences	**16.255.614**	40.470.966
Total	**4.333.946.563**	4.466.175.800

Revenue disaggregation by industry vertical is as follows:

(in Uruguayan Pesos)

	Year ended December 31, 2024	Year ended December 31, 2023
Banking, Financial and Insurance	**2.667.666.472**	2.753.295.083
Manufacturing	**45.626.044**	52.376.705
Retail and Consumer Products	**596.025.497**	543.884.709
Communication, Media and Technology	**318.329.848**	356.214.660
Others	**706.298.702**	760.404.643
Total	**4.333.946.563**	4.466.175.800

Revenue disaggregation by geography is as follows:

(in Uruguayan Pesos)

	Year ended December 31, 2024	Year ended December 31, 2023
America	**4.091.600.943**	4.186.071.396
Others	**242.345.620**	280.104.404
Total	**4.333.946.563**	4.466.175.800

Geographical revenue is allocated based on the location of the customers.

Notes to the financial statements

While disclosing the aggregate amount of transaction price yet to be recognized as revenue towards unsatisfied or partially satisfied performance obligations, along with the broad time band for the expected time to recognize those revenues, the Company has applied the practical expedient in IFRS 15. Accordingly, the Company has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognized corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts.

Unsatisfied (or partially satisfied) performance obligations are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc). The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is 1.781.660.658 Uruguayan Pesos out of which 53.72% is expected to be recognized as revenue within the next year and the balance thereafter. No consideration from contracts with customers is excluded from the amount mentioned above.

Changes in contract assets are as follows:

(in Uruguayan Pesos)

	Year ended December 31, 2024	Year ended December 31, 2023
Balance at the beginning of the year	**11.336.066**	11.492.990
Increase due to revenue recognized during the year, excluding amounts billed during the year	**4.072.804**	5.629.856
Invoice raised that was included in the contract asset balance at the beginning of the period	**(8.750.466)**	(6.697.025)
Translation exchange difference	**655.603**	910.245
Balance at the end of the year	**7.314.007**	11.336.066

Changes in unearned and deferred revenue (contract liabilities) are as follows:

(in Uruguayan Pesos)

	Year ended December 31, 2024	Year ended December 31, 2023
Balance at the beginning of the year	**43.456.964**	27.658.836
Revenue recognised that was included in the unearned and deferred revenue at the beginning of the year	**(30.669.681)**	(28.479.020)
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	**22.342.528**	43.335.638
Translation exchange difference	**583.172**	941.510
Balance at the end of the year	**35.712.983**	43.456.964

12. OPERATING EXPENSES RECOGNITION

Costs and expenses are recognised when incurred and have been classified according to their primary functions in the following categories:

The costs of the Company are broadly categorized into employee benefits expenses, depreciation and amortisation and other Operating Expenses. Employee benefit expenses include employee compensation, allowances paid, contribution to various funs and staff welfare expenses. Other operating expenses mainly include fees to external consultants, facility expenses, travel costs, cost of equipment and software licenses, communication expenses and other expenses.

Notes to the financial statements

Other operating expenses

(in Uruguayan Pesos)

	Year ended December 31, 2024	Year ended December 31, 2023
	Cost of sales	Selling and administrative expenses
Fees to External consultants	**111.583.842**	98.243.250
Facility Running Expenses	**30.101.768**	45.171.830
Travel Expenses	**28.907.618**	34.012.272
Communication	**11.912.834**	22.482.054
Cost of equipment and software licenses	**12.087.874**	32.672.539
Other Expenses	**304.228.819**	262.863.791
	498.822.755	495.445.736

Expenses by function

(in Uruguayan Pesos)

	Year ended December 31, 2024	Year ended December 31, 2023
Cost of revenue	**3.067.891.824**	3.062.460.816
Selling and administrative expenses	**861.985.038**	819.237.841
Total	**3.929.876.862**	3.881.698.657

13. OTHER INCOME

a. Finance and other income

Dividend income is recorded when the right to receive payment is established. Interest income is recognised using effective interest method.

(in Uruguayan Pesos)

	Year ended December 31, 2024	Year ended December 31, 2023
Dividends received - Subsidiaries (Refer note 17)	**24.719.689**	19.195.523
Interest revenue - Bank deposits and Other deposits	**39.230.791**	62.780.301
Interest revenue - Subsidiary	**-**	624.428
Total	**63.950.480**	82.600.253

b. Finance costs

(in Uruguayan Pesos)

	Year ended December 31, 2024	Year ended December 31, 2023
Other interest expenses	**-**	5.609.879
Lease interest	**16.259.719**	17.746.431
Total	**16.259.719**	23.356.310

Notes to the financial statements

c. Other gains / (losses), net

(in Uruguayan Pesos)

	Year ended December 31, 2024	Year ended December 31, 2023
Gain/(loss) on disposal of property, plant and equipment	**692.496**	(230.151)
Net foreign exchange gains/(losses)	**39.036.053**	(47.361.510)
Others	**540.820**	1.267.702
Total	**40.269.369**	(46.323.959)

14. INCOME TAXES

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

TCS Solution Center S.A. is tax by a current Income tax at a 25%.

TCS Colombia branch is tax by a current Income tax at a 35%.

Current tax

Current tax is based on the taxable profit for the year and is calculated using tax rates that have been enacted by the end of the reporting period.

Advance taxes and provisions for current income taxes are presented in the statement of financial position after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying unit intends to settle the asset and liability on a net basis.

Deferred tax

The Company accounts for the deferred income taxes using the balance sheet approach. Deferred income taxes are provided for the temporary differences between the tax base of assets and liabilities and their reported amounts in the financial statements.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Notes to the financial statements

The income tax expense consists of the following:

(in Uruguayan Pesos)

	Year ended December 31, 2024	Year ended December 31, 2023
Current income tax expense		
Domestic	**31.652.052**	19.611.778
Overseas	**119.096.132**	192.064.148
	150.748.184	211.675.926
Deferred income tax expense / (benefit)		
Domestic	**188.724**	(124.235)
Overseas	**4.476.160**	32.536
	4.664.884	(91.699)
Total income tax expense	**155.413.068**	211.584.227

The reconciliation of income tax expense and book net income is as follows:

(in Uruguayan Pesos)

	Year ended December 31, 2024	Year ended December 31, 2023
Income before income taxes	**492.029.831**	597.397.127
Income tax rate Uruguay	**25%**	25%
Expected income tax expense	**123.007.458**	149.349.282
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Tax on transfer of foreign subsidiary overseas branches	**19.449.238**	17.700.860
Operating losses carry forwards		
Income exempt from tax	**(333.684.747)**	(371.252.086)
Tax pertaining to prior years:	**5.466.402**	-
Branch income tax	**119.096.132**	192.064.148
Deferred Tax	**4.664.884**	(91.699)
Fixed Assets of SEZ/STP	**(1.967.156)**	(685.130)
Disallowable expenses:		
Direct cost associated to income exempt of tax	**172.540.174**	182.315.720
Indirect Administrative cost associated to income exempt of tax	**43.011.118**	44.219.288
Other permanent differences:		
Wealth Tax	**211.992**	333.877
Interest and other gain related leases (IFRS 16 accounting)	**872.681**	(1.992.091)
Indirect Financial cost associated to income exempt of tax	**1.036.907**	(377.942)
Expenses abroad and disallowable	**1.707.985**	-
Total income tax expense	**155.413.068**	211.584.227

Notes to the financial statements

Significant components of net deferred tax assets and liabilities for the period ended December 31, 2024 are as follows:

	Year ended December 31, 2023	Recognised / reversed through profit or loss	Unrealized translation adjustment	Year ended December 31, 2024
Originated by:				
Property, plant and equipment	**53.240.301**	**(5.208.307)**	**(587.654)**	**47.444.340**
Lease liabilities	**(1.076.066)**	**767.618**	**20.404**	**(288.044)**
Other	**8.209.771**	**(224.195)**	**(83.612)**	**7.901.964**
	60.374.006	**(4.664.884)**	**(650.862)**	**55.058.260**

Significant components of net deferred tax assets and liabilities for the year ended December 31, 2023 are as follows:

	Year ended December 31, 2022	Recognised / reversed through profit or loss	Unrealized translation adjustment	Year ended December 31, 2023
Originated by:				
Property, plant and equipment	42.340.916	1.549.821	9.349.564	53.240.301
Lease liabilities	39.698	(1.008.385)	(107.379)	(1.076.066)
Other	7.161.414	(449.737)	1.498.094	8.209.771
	49.542.028	91.699	10.740.279	60.374.006

Direct tax contingencies

The Company has contingent liability of UYU NIL as at December 31, 2024 and December 31, 2023, respectively, in respect of tax demands which are being contested by the Company based on the management evaluation and advice of tax consultants. The Company has evaluated and concluded that this tax demand by authorities will not succeed on ultimate resolution.

15. EMPLOYEE BENEFITS

Defined contribution plans

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits.

The Company provides retirement benefits such as pension (other than Company managed fund) and foreign defined contribution plans to its employees which are treated as defined contribution plans.

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Compensated absences

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as undiscounted liability at the date of statement of financial position.

Notes to the financial statements

Employee cost consist of the following:

(in Uruguayan Pesos)

	Year ended December 31, 2024	Year ended December 31, 2023
Salaries, incentives and allowances	**2.825.064.056**	2.772.828.509
Contributions to Provident and Other Funds	**321.894.434**	321.226.841
Staff Welfare	**72.499.772**	67.577.766
	3.219.458.262	3.161.633.116

Employee benefit obligations consist of the following:

Employee benefit obligations – Current

(in Uruguayan Pesos)

	As at December 31, 2024	As at December 31, 2023
Benefits to employees	**171.331.219**	168.509.169
Other employee benefit obligations	**1.589.929**	1.673.156
Total	**172.921.148**	170.182.325

16. COMMITMENTS AND CONTINGENCIES

Capital commitments

The Company has contractually committed (net of advances) UYU 25.283.246 and UYU 5.487.740 as at December 31, 2024 and December 31, 2023, respectively, for purchase of property, plant and equipment.

Contingencies

- **Direct tax matters**

  Refer to Note No.14

- **Indirect tax matters**

  There is no contingency in relation to Indirect tax matters.

- **Other claims**

  Claims aggregating UYU 93.690 and UYU 8.155.133 as at December 31, 2024 and December 31, 2023, respectively, against the Company have not been acknowledged as debts.

17. RELATED PARTY TRANSACTIONS AND BALANCES

Company's principal related parties consist of its ultimate holding company Tata Consultancy Services Limited and its subsidiaries, affiliates and key managerial personnel. The company's related party transactions and outstanding balances are with related parties with whom the Company routinely enter into transactions in the ordinary course of business.

Notes to the financial statements

Transactions with related parties are as follows:

(in Uruguayan Pesos)

	Year ended December 31, 2024	Year ended December 31, 2023
Revenue from operations		
Tata Consultancy Services Limited	**1.678.226.446**	968.414.500
Subsidiaries of Tata Consultancy Services Limited		
Tata Consultancy Services Asia Pacific Pte Ltd.	**7.094.624**	8.765
Tata Consultancy Services Belgium	**32.741.715**	27.144.243
Tata Consultancy Services Chile S.A.	**8.727.398**	2.609.835
Tata Consultancy Services De Mexico S.A.,De C.V.	**41.557.780**	4.713.000
Tata Consultancy Services France SA	**26.452.586**	50.021.794
Tata Consultancy Services Netherlands BV	**4.982.371**	741.083
Tata Consultancy Services Switzerland Ltd.	**25.876.472**	1.429.188
Tata Solution Center S.A.	**10.705.005**	6.055
Tata Consultancy Services do Brasil Ltda	**2.067.084**	2.298.354
Tata Consultancy Services Sucursal del Peru	**-**	1.980
Total	**1.838.431.480**	1.057.388.796
Interest income		
Subsidiaries of Tata Consultancy Services Limited		
MGDC S.C.	**-**	624.428
Total	**-**	624.428
Dividend income		
Subsidiaries of Tata Consultancy Services Limited		
Tata Consultancy Services De Mexico S.A.,De C.V.	**24.719.689**	19.195.523
Tata Consultancy Services Do Brasil Ltda.	**10**	-
Total	**24.719.699**	19.195.523
Loan Recovered		
Subsidiaries of Tata Consultancy Services Limited		
MGDC S.C.	**-**	30.929.600
Total	**-**	30.929.600
Purchases of goods and services (including reimbursements)		
Tata Sons Private Limited, its subsidiaries and associates		
Tata AIG General Insurance Company Limited	**8.313.180**	-
Tata Consultancy Services Limited	**220.161.748**	76.861.214
Subsidiaries of Tata Consultancy Services Limited		
MGDC S.C.	**-**	5
Tata America International Corporation	**(107.102)**	(4.519)
Tata Consultancy Services Canada Inc.	**(15.889)**	-
Tata Consultancy Services De Mexico S.A.,De C.V.	**38.702.324**	32.091
Tata Consultancy Services Do Brasil Ltda	**2.788.071**	3.824

Notes to the financial statements

Transactions with related parties are as follows:

(in Uruguayan Pesos)

	Year ended December 31, 2024	Year ended December 31, 2023
TCS Inversiones Chile Limitada	**15.558.666**	5.052.950
TCS France SA	**-**	377
TCS Uruguay S. A.	**432.091**	-
Tata Solution Center S.A.	**-**	(49)
Tata Consultancy Services Sucursal del Peru	**2.869.158**	2.029.006
Tata Consultancy Services De Espana S.A.	**(160.478)**	-
Total	**288.541.769**	83.974.901
Brand equity contribution		
Tata Sons Private Limited, its subsidiaries and associates		
Tata Sons Private Limited	**6.242.718**	3.447.491
Total	**6.242.718**	3.447.491
Dividend paid		
Subsidiaries of Tata Consultancy Services Limited		
TCS Iberoamerica SA	**597.893.675**	490.760.363
Total	**597.893.675**	490.760.363

Balances receivable from related parties are as follows:

(in Uruguayan Pesos)

	As at December 31, 2024	As at December 31, 2023
Trade receivables and contract assets		
Tata Consultancy Services Limited	**345.863.398**	232.932.205
Subsidiaries of Tata Consultancy Services Limited		
Tata America International Corporation	**122.102**	4.541
Tata Consultancy Services Argentina S.A.	**22.502.683**	19.728
Tata Consultancy Services Asia Pacific Pte Ltd.	**1.252.115**	692
Tata Consultancy Services Belgium	**3.181.081**	2.399.658
Tata Consultancy Services Chile S.A.	**1.088.227**	419.351
Tata Consultancy Services De Mexico S.A.,De C.V.	**2.837.044**	1.013.344
Tata Consultancy Services Netherlands BV	**778.591**	127.126
Tata Consultancy Services Switzerland Ltd.	**2.155.915**	2.842
Tata Solution Center S.A.	**1.173.663**	1.844
Tata Consultancy Services France SA	**4.547.335**	19.412.200
Tata Consultancy Services Do Brasil Ltda	**44.333**	202.967
Total	**385.546.487**	256.536.498

Notes to the financial statements

Balances receivable from related parties are as follows:

(in Uruguayan Pesos)

	As at December 31, 2024	As at December 31, 2023
Loans, other financial assets and other assets		
Tata Consultancy Services Limited	**4.060.637**	2.612
Tata Consultancy Services Sucursal del Peru	**-**	489
Total	**4.060.637**	3.101

Balances payable to related parties are as follows:

(in Uruguayan Pesos)

	As at December 31, 2024	As at December 31, 2023
Trade payables, unearned and deferred revenue, other financial liabilities and other liabilities		
Tata Sons Private Limited, its subsidiaries and associates		
Tata Sons Private Limited	**6.242.718**	5.003.247
Tata Consultancy Services Limited	**62.585.842**	16.055.605
Subsidiaries of Tata Consultancy Services Limited		
Tata Consultancy Services De Mexico S.A.,De C.V.	**6.478.316**	5.912
Tata Consultancy Services Do Brasil Ltda	**394.301**	221
TCS Inversiones Chile Limitada	**3.740.043**	1.628.151
Tata Consultancy Services Switzerland Ltd.	**286.047**	222.024
Tata Consultancy Services Asia Pacific Pte Ltd.	**-**	144
TCS Belgium S.A./N.V.	**-**	24.659
Tata Consultancy Services Sucursal del Peru	**266.511**	437.733
Total	**79.993.778**	23.377.696

Compensation to key management personnel

(in Uruguayan Pesos)

	Year ended December 31, 2024	Year ended December 31, 2023
Short-term benefits	**42.311.006**	33.702.789
Total	**42.311.006**	33.702.789

18. SUBSEQUENT EVENTS

There were no subsequent events that meet disclosure.

Translation from the original prepared in Spanish
for publication in Argentina

TATA CONSULTANCY SERVICES ARGENTINA S.A.

**Letter to shareholders and financial statements
for regular fiscal period beginning
January 01, 2024 and ended December 31, 2024**

FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

CONTENTS **PAGE**

Letter to shareholders

- Regular financial period from January 01, 2024 to December 31, 2024 presented in comparative with the prior year 43.2

Basic financial statements

- Balance sheet 43.6
- Statement of profit or loss 43.7
- Statement of changes in shareholders' equity 43.8
- Statement of cash flows 43.9

Supplementary information

- Notes 1 to 10 43.10
- Exhibits I to IV 43.23

Independent auditors' report 43.27

Supervisory auditors' report 43.29

Back to main content

LETTER TO SHAREHOLDERS

FOR THE REGULAR FISCAL PERIOD FROM JANUARY 01, 2024 TO DECEMBER 31, 2024
(INFORMATION NOT COVERED BY THE INDEPENDENT AUDITORS' REPORT)

To the shareholders of
Tata Consultancy Services Argentina S.A.

In compliance with legal provisions in force and the bylaws, the Board of Directors is pleased to submit for your consideration the following documentation for the regular fiscal period of 12 months ended December 31, 2024: the letter to shareholders, balance sheet, statements of profit or loss, changes in shareholders' equity and cash flows, notes 1 to 10 and exhibits I to IV, the independent auditors' report and supervisory auditor's report.

1. MAIN CONTENTS OF BUSINESS POLICIES AND OBJECTIVES

a. Company's business, background and structure

The Company's main business is to services in the information technology sector.

b. Financial position and business development

Net sales for the fiscal year ended December 31, 2024 totaled $7,330,455,455, representing an increase of 4.4% over net sales generated during the previous fiscal year, which totaled $7,020,591,019 (both periods adjusted for inflation). Costs have decreased by 3.2% and expenses by 17.9%. As of December 31, 2024, current assets are higher than current liabilities. Non-current assets are lower than non-current liabilities, the latter corresponding mostly to debts with related companies.

c. Decision taking and internal control

As it relates to decision taking, the Company is ruled by decisions adopted at meetings of directors and shareholders.

However, various systems have been implemented in relation to strategic planning, administrative procedures, IT and communication, personnel assessment and management and quality control, contributing to a proper internal control, to ensure that objectives are achieved efficiently and effectively, based on reliable financial information and in compliance with laws and regulations in force.

2. COMPARATIVE FINANCIAL STATEMENT RATIOS

	Description	As at December 31, 2024	As at December 31, 2023
1	Solvency (1)	**0.21**	(0.01)
2	Current liquidity (2)	**4.23**	4.93
3	Non current assets (3)	**0.09**	0.07
4	Profitability (4)	**1.06**	(15.79)

(1) Shareholders' equity/total liabilities

(2) Current assets / Current liabilities

(3) Non current assets / Total assets

(4) Net income or loss/shareholders' equity

According to my report of:
February 24, 2025

Pablo Gustavo Traini
Regular Supervisory Auditor

Back to content

3. RELATED COMPANIES (ART. 33 LAW 19550, AS AMENDED)

As described in note 6 to the financial statements, balances as of December 31 and December 31, 2024 with related companies are as follows:

(Amount in ARS)

Receivables	As at December 31, 2024	As at December 31, 2023
For services		
Tata Consultancy Services Limited	**234.465.301**	106.515.168
Tata Consultancy Services France	**17.568.903**	25.910.632
Tata Consultancy Services Deutschland GmbH	**-**	29.785.660
Tat America International Corporation	**31**	8.483.710
Tata Consultancy Services Chile S.A	**-**	1.238.483
Total	**252.034.235**	171.933.653
Other receivable		
Tata Consultancy Services Limited	**-**	6.921.883
Tata Consultancy Services de México, S.A. de C.V.	**-**	4.962.985
Tata Consultancy Services do Brasil Ltda.	**504.250**	
Total	**504.250**	11.884.868
Payables		
Trade		
TCS Solution Center Sucursal Colombia	**526.129.629**	899.305.042
Tata Consultancy Services Limited	**1.127.948.567**	1.614.549.168
Tata Consultancy Services de México, S.A. de C.V.	**782.365.267**	1.128.737.570
TCS Uruguay	**151.082.755**	257.910.031
Tata Consultancy Services do Brasil Ltda.	**-**	289.245
Tata Consultancy Services France	**16.168.562**	29.366.830
Tata Sons Private Limited	**6.377.998**	6.718.489
Total	**2.610.072.777**	3.936.876.375

4. PROFIT OR LOSS STRUCTURE COMPARATIVE WITH THE PRIOR YEAR:

a. Comparative balance sheet structure

(Amount in ARS)

	As at December 31, 2024	As at December 31, 2023
Current assets	**4.200.068.842**	4.508.303.870
Non current assets	**413.715.740**	330.657.879
Total assets	**4.613.784.582**	4.838.961.749
Current liabilities	**994.089.912**	914.076.903
Non-current liabilities	**2.646.202.557**	3.980.906.009
Total liabilities	**3.640.292.469**	4.894.982.912
Shareholders' equity	**973.492.113**	(56.021.163)
Total liabilities + shareholders' equity	**4.613.784.582**	4.838.961.749

b. Comparative consolidated financial position

(Amount in ARS)

	Year ended December 31, 2024	Year ended December 31, 2023
Net sales	**7.330.455.455**	7.020.591.019
Cost of services	**(4.240.495.261)**	(4.380.358.864)
Gross Profit	**3.089.960.194**	2.640.232.155
Selling expenses	**(414.528.691)**	(483.199.487)
Administrative expenses	**(1.515.640.828)**	(1.960.979.819)
Other operating expenses	**(252.140.747)**	(214.954.787)
Other net income	**(201.117)**	(3.570.101)
Financial gains/losses (including gain or loss on net monetary position - RECPAM)	**108.918.432**	(875.113.584)
Gain/Loss before income tax	**1.016.367.243**	(897.585.623)
Income tax	**13.146.033**	12.860.022
Net gain/loss	**1.029.513.276**	(884.725.601)

c. Cash flow structure

(Amount in ARS)

	Year ended December 31, 2024	Year ended December 31, 2023
Cash at beginning of the year		
Ordinary operating activities	**1.009.501.301**	1.639.425.114
Investing activities	**(287.017.544)**	(959.223)
Financing activities	**-**	-
RECPAM of cash	**(1.488.532.226)**	(2.355.418.816)
Cash at year-end	**1.986.577.141**	2.752.625.611
Net decrease	**(766.048.470)**	(716.952.925)

5. INCOME/LOSS FOR THE REGULAR FISCAL PERIOD

During this regular fiscal period, the Company recorded a loss in the amount of $1.029.513.276.

6. DIRECTORS' AND SUPERVISORY AUDITORS' COMPENSATION

The members of the Board of Directors and the Supervisory Auditors have communicated, as in prior years, their decision not to receive any compensation for their performance during the year under analysis, in each of their related positions, with the exception of Alberto Arana, who has been assigned fees for his services to the Company during the year.

7. COMPANY'S PROSPECTS AND OBJECTIVES FOR NEXT FISCAL YEAR

Prospects for this year are encouraging, considering the substantial improvement in the results of each project.

Finally, we wish to express our gratitude to our customers, suppliers, advisors and financial entities that have supported us and, particularly, to all our staff for the commitment and cooperation shown.

City of Buenos Aires, February 24, 2025

THE BOARD OF DIRECTORS

According to my report of:
February 24, 2025

Pablo Gustavo Traini
Regular Supervisory Auditor

TATA Consultancy Services Argentina S.A.

Legal address: Uspallata 3046, City of Buenos Aires, Argentina

Financial Statement No. 24

Started on January 01, 2024

Financial statements december 31, 2024 comparative with the prior year

Main activity: Services in the information technology sector.

Date of registration with the Public Registry of Commerce: November 29, 2001

Registration date of the latest amendment to the bylaws: October 19, 2021

Registration with the Supervisory Board of Companies (I.G.J.): 1702305

Expiration date of the Corporation: November 29, 2100

Parent Company's information: (Note 5):

Name: TCS Iberoamérica S.A.

Legal address: Monte Caseros 2.600, Montevideo, Uruguay

Main activity: Holding Company

Ownership interest: 99.99%

Voting stock: 99.99%

CAPITAL STRUCTURE AT NOMINAL VALUE (Note 5)

Quantity	Type	No. of votes per share	Subscribed, paid-in and registered $
47.127.769	Non-endorsable, registered, common shares with a nominal value of $1 each, one vote per share	**1**	**47.127.769**

According to our report of
February 24, 2025

Adler, Hasenclever & Asociados S.R.L.
Contadores Públicos
C.P.C.E.C.A.B.A T° 1 – F° 68

Leonardo Fraga (Partner)
Public Accountant (U.B.A.)
C.P.C.E.C.A.B.A. T° 166 – F ° 183

Pablo Gustavo Traini
Regular Supervisory Auditor

BALANCE SHEET

As at December 31, 2024 comparative with the prior fiscal year (in pesos - constant currency) (Note 2.1)

(Amount in ARS)

	Note	As at December 31, 2024	As at December 31, 2023
ASSETS			
Current assets			
Cash and banks	3.1	**1.661.577.141**	2.317.115.761
Short term investments	3.2	**325.000.000**	435.509.851
Accounts receivable	3.3	**2.050.125.709**	1.288.679.719
Other receivables	3.4.1	**163.365.992**	466.998.539
Total current assets		**4.200.068.842**	4.508.303.870
Non current assets			
Investments subsidiary		**1.640**	3.571
Other receivables	3.4.2	**75.727.839**	202.650.022
Fixed assets	(Exhibit I)	**337.986.261**	128.004.286
Total non current assets		**413.715.740**	330.657.879
TOTAL ASSETS		**4.613.784.582**	4.838.961.749
LIABILITIES			
Current liabilities			
Trade payables	3.5.1	**215.279.387**	129.885.475
Payroll and social security contributions	3.6	**668.366.018**	594.649.780
Taxes payables	3.7.1	**108.064.797**	185.211.471
Customer advances		**-**	3.116.657
Other liabilities		**2.379.710**	1.213.520
Total current liabilities		**994.089.912**	914.076.903
Non current liabilities			
Trade payables	3.5.2	**2.610.072.777**	3.929.319.632
Taxes payable	3.7.2	**25.464.816**	39.836.940
Allowances	(Exhibit II)	**10.664.964**	11.749.437
Total non-current liabilities		**2.646.202.557**	3.980.906.009
TOTAL LIABILITIES		**3.640.292.469**	4.894.982.912
SHAREHOLDERS' EQUITY (as per related statement)		**973.492.113**	(56.021.163)
Total liabilities and shareholders' equity		**4.613.784.582**	4.838.961.749

The accompanying notes and exhibits are an integral part of these financial statements.

According to our report of
February 24, 2025

Adler, Hasenclever & Asociados S.R.L.
Public Accountants
C.P.C.E.C.A.B.A T° 1 – F° 68

Leonardo Fraga (Partner)
Public Accountant (U.B.A.)
C.P.C.E.C.A.B.A. T° 166 - F° 183

According to my report of
February 24, 2025

Alberto Luis Arana
President

Pablo Gustavo Traini
Regular Supervisory Auditor

Back to content

STATEMENT OF PROFIT OR LOSS

for the regular fiscal period of 12 months ended December 31, 2024, comparative with the prior year (in pesos- constant currency (Note 2.1)

(Amount in ARS)

	Note	For the year ended December 31, 2024	For the year ended December 31, 2023
Revenue from sales of services and equipment	4.1	**7.330.455.455**	7.020.591.019
Cost of services	(Exhibit IV)	**(4.240.495.261)**	(4.380.358.864)
GROSS PROFIT		**3.089.960.194**	2.640.232.155
Selling expenses	(Exhibit IV)	**(414.528.691)**	(483.199.487)
Administrative expenses	(Exhibit IV)	**(1.515.640.828)**	(1.960.979.819)
Other operating expenses	(Exhibit IV)	**(252.140.747)**	(214.954.787)
Financial gains/losses, including gain or (loss) on net monetary position - RECPAM (*)		**108.918.432**	(875.113.584)
Other income and (expenses) - net	(Note 4.2)	**(201.117)**	(3.570.101)
GAIN/ (LOSS) BEFORE INCOME TAX		**1.016.367.243**	(897.585.623)
Income tax benefit	8	**13.146.033**	12.860.022
NET GAIN/ (LOSS)		**1.029.513.276**	(884.725.601)

The accompanying notes and exhibits are an integral part of these financial statements.
* Net gain or loss on net monetary position

According to our report of
February 24, 2025

Adler, Hasenclever & Asociados S.R.L.
Public Accountants
C.P.C.E.C.A.B.A T° 1 – F° 68

Leonardo Fraga (Partner)
Public Accountant (U.B.A.)
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According to my report of
February 24, 2025

Alberto Luis Arana
President

Pablo Gustavo Traini
Regular Supervisory Auditor

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

for the regular fiscal period of 12 months ended December 31, 2024, comparative with the prior year (in pesos- constant currency (Note 2.1)

(Amount in ARS)

	Shareholders' contributions				Total equity as at	
	Subscribed capital (1)	Capital adjustment	Additional paid-in capital	Retained earnings	December 31, 2024	December 31, 2023
Balances at beginning of year	**47.127.769**	**8.716.226.718**	**12.969.645.510**	**(21.789.021.160)**	**(56.021.163)**	828.704.437
Net gain/loss	**-**	**-**	**-**	**1.029.513.276**	**1.029.513.276**	(884.725.601)
Balances at year-end	**47.127.769**	**8.716.226.718**	**12.969.645.510**	**(20.759.507.884)**	**973.492.113**	(56.021.163)

(1) For legal reasons, the Subscribed capital is presented at nominal value.

The accompanying notes and exhibits are an integral part of these financial statements.

According to our report of
February 24, 2025

Adler, Hasenclever & Asociados S.R.L.
Public Accountants
C.P.C.E.C.A.B.A T° 1 – F° 68

Leonardo Fraga (Partner)
Public Accountant (U.B.A.)
C.P.C.E.C.A.B.A. Tº 166 - Fº 183

According to my report of
February 24, 2025

Alberto Luis Arana
President

Pablo Gustavo Traini
Regular Supervisory Auditor

STATEMENT OF CASH FLOWS

for the regular fiscal period of 12 months ended December 31, 2024, comparative with the prior year (in pesos- constant currency (Note 2.1)

(Amount in ARS)

CHANGES IN CASH	Note	For year ended December 31, 2024	For year ended December 31, 2023
Cash at beginning of year		**2.752.625.611**	3.469.578.536
Cash at year-end	2.3.13	**1.986.577.141**	2.752.625.611
Net decrease in cash		**(766.048.470)**	(716.952.925)
CAUSES OF CHANGES IN CASH			
OPERATING ACTIVITIES			
Net gain/loss		**1.029.513.276**	(884.725.600)
Less: income tax accrued for the year		**(13.146.033)**	(12.860.022)
Adjustments to achieve net cash flows provided by operating activities:			
Depreciation of fixed assets		**77.037.504**	87.630.128
Net decrease in allowances		**(1.084.473)**	(25.459.052)
RECPAM(*) of cash and non-operating activities		**1.488.532.226**	2.355.418.816
Changes in operating assets and liabilities:			
(Increase) / Decrease in accounts receivable		**(761.445.990)**	365.295.978
Decrease in other receivables		**430.554.730**	203.904.469
Decrease in trade payables		**(1.233.852.949)**	(488.171.230)
Increase / (Decrease) in payroll and social security contributions		**73.716.238**	(55.668.650)
(Decrease) Increase in taxes payable		**(78.372.766)**	89.730.100
(Decrease) / Increase in customer advances		**(3.116.657)**	3.116.657
Increase in other liabilities		**1.166.195**	1.213.520
Net cash flows provided by operating activities		**1.009.501.301**	1.639.425.114
INVESTING ACTIVITIES			
Acquisition of fixed assets		**(287.019.475)**	(966.773)
Investements in subsidiaries		**1.931**	7.550
Net cash flows used in investing activities		**(287.017.544)**	(959.223)
FINANCING ACTIVITIES			
RECPAM(*) of cash		**(1.488.532.226)**	(2.355.418.816)
NET CASH FLOWS PROVIDED BY FINANCING ACTIVITIES		**(1.488.532.226)**	(2.355.418.816)
Net decrease in cash		**(766.048.470)**	(716.952.925)

The accompanying notes and exhibits are an integral part of these financial statements.
*Gain or loss on net monetary position

According to our report of
February 24, 2025

Adler, Hasenclever & Asociados S.R.L.
Public Accountants
C.P.C.E.C.A.B.A T° 1 – F° 68

Leonardo Fraga (Partner)
Public Accountant (U.B.A.)
C.P.C.E.C.A.B.A. T° 166 - F° 183

According to my report of
February 24, 2025

Alberto Luis Arana
President

Pablo Gustavo Traini
Regular Supervisory Auditor

Back to content

Notes forming part of the Financial Statements

1 - DESCRIPTION OF THE BUSINESS AND FINANCIAL POSITION

1.1 Description of the business

TATA Consultancy Services Argentina S.A. (hereinafter either "TATA Consultancy Services Argentina S.A." or "the Company") was duly organized under the laws of the Republic of Argentina, and its formation is documented by deed dated November 19, 2001.

The Company is mainly engaged in rendering IT and communications services.

Its registered office is located at Uspallata 3046, City of Buenos Aires, within the Technological District of the City of Buenos Aires.

2 - ACCOUNTING STANDARDS

The financial statements have been prepared in accordance with the professional accounting standards in force set forth by the Technical Resolutions issued by the Argentine Federation of Professional Councils of Economic Sciences (FACPCE) and approved by the Professional Council of Economic Sciences of the City of Buenos Aires (CPCECABA), and considering the provisions of the Companies Law and the regulations of the Supervisory Board of Companies (I.G.J.). The most significant accounting standards applied by the Company have been as follows:

2.1 Reporting currency

These financial statements have been prepared in constant currency (Argentine pesos purchasing power at the end of the current reporting period) in accordance with I.G.J. General Resolution 10/2018, effective December 28, 2018, and Resolution 107/2018 issued by the Steering Committee (CD) of the CPCECABA, as amended, which provided for the need to restate the financial statements for fiscal years ended on or after July 1, 2018 in constant currency, in line with Resolution 539/2018 issued on September 29, 2018 by the Governing Board (JG) of the FACPCE. Moreover, JG FACPCE Resolution No. 539

a. identified the existence of an inflationary context as from July 1, 2018, as the accumulated inflation rate estimated by the Internal Wholesale Price Index (IPIM) in the most recent three years had exceeded 100%; a necessary condition to restate the financial statement amounts in accordance with the guidelines set by RT 39 of the FACPCE "Professional accounting standards: amendments to RT Nos. 6 and 17. Restatement in constant currency", and

b. approved the general and particular standards to be considered in terms of restatement of financial statements in constant currency in accordance with the adjustment methods set forth by RT 6 "Financial statements in constant currency", including certain optional simplification.

Upon applying RT 6, the monetary restatement of accounting information (non-monetary assets and liabilities, equity items, and revenues and expenses) must be retroactive as if the economy had always been hyperinflationary, using indexation rates derived from a series of indexes resulting from the combination of the Consumer Price Index (IPC) at a general level, published by the National Institute of Statistics and Censuses (INDEC), with base month December 2016 = 100, with the IPIM at a general level, published by the INDEC for prior periods.

In addition, prior fiscal year figures presented for comparative purposes shall be restated for inflation, which does not imply changes in the decisions taken based on the financial information for such fiscal year.

2.2 Criteria for recognition, measurement and presentation of assets, liabilities, shareholders' equity, revenue and cash flows

These financial statements have been prepared in accordance with the presentation criteria set forth by the Technical Resolutions of the FACPCE.

For comparative purposes only, certain reclassifications were made to prior-year information in order to disclose the figures on a consistent basis. The modification of the comparative information does not imply changes in the decisions taken based thereon.

Using the simplification introduced by Resolution 11/2019 issued by the Steering Committee of the CPCECABA, the Company opted not to present the reconciliation required up to that date by accounting standards in force between the income tax charged to P&L and that resulting from applying the the prevailing tax rate to the income or loss for accounting purposes.

Notes forming part of the Financial Statements

2.3 Valuation criteria

The Company has consistently adopted the following recognition and measurement criteria in the preparation of the financial statements:

2.3.1 Revenue recognition

Revenues from the provision of services are recognized as services are provided.

Income derived from the provision of services relating to a project is recognized in the statement of profit or loss in proportion to the percentage of completion of the transaction at year-end. The percentage of completion is valued in accordance with the progress achieved.

Sales of equipment are recognized in the income statement when the significant risks and benefits of ownership of the goods are transferred to the buyer.

Revenue is shown net of discounts.

2.3.2 Short-term investments and investment in subsidiary.

Time deposits: at nominal value plus interest accrued at period-end.

2.3.3 Foreign currency (Exhibit III)

Transactions agreed in foreign currency are converted to Argentine pesos at the exchange rate prevailing to the date of the transaction.

The assets and liabilities stated in foreign currency are converted into Argentine pesos by applying the exchange rates prevailing at year-end.

Exchange gains/losses are recognized in Financial gains/losses (including RECPAM) of the Statement of profit or loss.

2.3.4 Fixed assets

They have been valued at acquisition cost restated under Note 2.1, net of the related accumulated depreciation. The acquisition cost includes all the necessary expenses required to bring the assets to a working condition for their intended use.

Depreciation is calculated by applying the straight line method at annual rates sufficient to extinguish assets value by the end of their estimated useful lives.

The net book value of fixed assets, taken as a homogenous group, does not exceed their estimated recoverable value based on information available at the date of issuance of these financial statements.

2.3.5 Allowances

Deducted from assets:

- For bad debts: it has been set up to reduce the valuation of accounts receivable to their probable recoverable value, based on the analysis of doubtful accounts.

Included in liabilities:

- For contingencies: it has been set up for contingent situations that might result in liabilities for the Company. The related amounts and likelihood of occurrence have been estimated considering expectations of Company's Management and the opinion of legal advisors.

2.3.6 Income tax

The income tax is recognized by applying the deferred tax method. Based on such method, besides the provision for the tax payable for the year, the future tax effect of the tax loss carryforwards, if any, and of the deductible temporary differences derived from the valuation of assets and liabilities for accounting purposes in constant currency and for tax purposes are recognized as deferred tax assets, to the extent of the recoverability thereof through future taxed earnings, and the future tax effects of the temporary differences between the valuation for accounting purposes in

Notes forming part of the Financial Statements

constant currency and for tax purposes of assets and liabilities are recognized as deferred tax liabilities.

Deferred tax assets and liabilities are stated at nominal value (not discounted), derived from applying to the recognized temporary differences the income tax rate effective at the date when reversal is expected, and presented in their net amount as non-current assets or liabilities, as applicable.

The annual variation in net deferred tax assets or liabilities is recorded as an income tax expense or benefit, as applicable.

Dated December 29th, 2017, the National Executive Power put in force by Decree N° 1112/2017 Law N° 27,430 that established different modifications to the tax system, including among others, the Income Tax, Value Added Tax and Internal Taxes.

Among the most important modifications introduced by the Law are the following: (i) the progressive reduction of the tax rate for Income Tax for certain companies, including the Limited Liabilities companies and Corporations from 35% to 30% for the fiscal years started on January 1st, 2018 and, from 30% to 25% for fiscal years started January 1st, 2020, (ii) the allocations of dividends and similar profits received by people and undivided successions as profits taxable in Income Tax with a rate of 7% and 13% for fiscal years started on January 1st, 2018 and January 1st, 2020 respectively, (iii) the possibility that the people, undivided successions and subjects included in article 49 of Income Tax Law, text ordered in 1997 and its modifications, residents in the country, revalue, for tax purposes, certain goods located or economically used in the country and that are affected to the generation of taxable profits in Income Tax.

Likewise, the mentioned Law 27,430 modified Art 95 of Income Tax Law by adding that the procedure for the inflation tax adjustment would be applicable in the fiscal year in which the percentage of variation of the prices index of the second paragraph of Art 89, accrued in the 36 months previous to the closing of the fiscal year, is over 100% with a transition regime for the determination of the accrued indexes since January 1st, 2018.

Law 27.430 was then amended by the current Law 27,468 that replaced the IPC (Consumers Price Index) for the IPIM (Wholesale Domestic Prices Index) and modified the transition regime, which will be in force for the first, second and third fiscal year started on January 1st, 2018, when the variation of the index calculated from the beginning as of the closing of each of those fiscal years is over 55%, 30% and 15 % respectively.

In addition, on December 23, 2019, Executive Order No. 58/2019 partially passed Law No. 27541 on social solidarity, which law modifies the application of inflation adjustment referred to in Chapter VI, Income Tax Act (restated text in accordance with Executive-Order 824/2019), for the first and second fiscal periods commencing as from January 1, 2019, to be computed when the requirements set forth in the last two paragraphs of Section 106, of the aforementioned Act are met; this amendments state that one sixth of the adjustment shall be applied to said fiscal period while the remaining five sixths shall be equally applied to the five following fiscal periods; this goes without prejudice to any outstanding third from previous periods, as stated in Section 194 of the aforementioned Act. Moreover, such Act established the suspension of section 86 provisions, subsections d) and e) of Law No. 27430 until the fiscal periods commencing on January 1, 2021 inclusive, establishing that for such suspension period the tax rate provided in subsections a) and b) of section 73 of the Income Tax Act, restated text in 2019, shall be of 30%.

On June 16, 2021, the Argentine Executive Branch passed and publish Law No. 27630, which abolished the generalized reduction of tax rates previously explained and introduced a new scale tax rates system, which shall be valid for the fiscal period commenced as from January 1, 2021, as follows:

Accumulated taxable net profit		$ to be paid	Plus %	Over $ surplus
From $	To $			
$ 0	$ 34.703.523	$ 0	25%	$ 0
$ 34.703.523	$ 347.035.231	$ 8.675.881	30%	$ 34.703.523
$ 347.035.231	from now on	$ 102.375.393	35%	$ 347.035.231

Notes forming part of the Financial Statements

The estimated amounts in this scale will be annually adjusted as from January 1, 2024, considering the annual variation of CPI (consumer price index) provided by INDEC (Argentine Statistics Bureau) for October of the year previous to the adjustment regarding the same month on the previous year. Amount determined that way shall be applied for the fiscal period starting after each update.

Moreover, as ordered by Law No. 27630, the rate applicable to dividends over generated income in fiscal periods commenced as from January 1, 2018 was unified in the 7%.

2.3.7 Use of estimates

The preparation of these financial statements requires that estimates and assessments be made about the assets and liabilities recorded, the contingent assets and liabilities disclosed to the date of issuance of these financial statements as well as income and expenses recorded during the year.

The Company's management makes estimates to calculate, among others, depreciation of fixed assets, the recoverable value of non-current assets, the income tax benefit and the allowances for contingencies and bad debts. The actual value of future results may differ from the estimates and assessments made to the date of preparation of these financial statements.

2.3.8 Profit and loss accounts

Original values have been restated in year-end currency, except for:

a) Depreciation

Depreciation and amortization expenses were calculated by applying the depreciation and amortization rates to restated amounts determined as indicated in Note 2.3.4.

b) Financial gains/(losses) (including gain or loss on net monetary position - RECPAM).

It is determined based on the difference between the income/loss for the year and the subtotal of the Statement of income accounts restated in constant currency. It includes:

- the gain or loss on net monetary position, and
- financial gains.

2.3.9 Lease agreements in force

The Company classifies its lease agreements into "financial" or "operating" leases in accordance with the provisions of Technical Resolution 18 of FACPCE, and pursuant to the economic substance thereof.

As of December 31, 2024, the Company does not have any financial lease in force. Operating leases costs are accrued over the term of the agreement.

2.3.10 Accounts receivable

Accounts receivable are stated according to their likelihood of recovery. When there is an intention and possibility of an early negotiation, they are stated at net realization value.

Receivables with related parties that do not accrue any interest are stated at nominal value.

Each time financial statements are prepared, the recoverability of accounts receivable is analyzed by estimating future collections and considering the existence of guarantees with a high likelihood of foreclosure An allowance for bad debts is recognized in the amount deemed non-recoverable; the changes in the allowance are recorded in Financial and holding gains/losses (including gain or loss on net monetary position - RECPAM) of the Statement of profit or loss.

2.3.11 Accounts receivables

Receivables are valued considering their probable destination. When there is the intention and feasibility of negotiating them in advance, they are

Notes forming part of the Financial Statements

2.3.12 Accounts payable

Payables are stated according to their likelihood of recovery. When there is an intention and possibility of an early settlement, they are stated at settlement value.

The remaining payables are stated at their original value plus interest calculated by applying the effective rate determined upon initial recognition, less payments made.

Payables with related parties that do not accrue any interest are stated at nominal value. Payables in foreign currency are stated in Argentine Pesos at the exchange rate prevailing at year-end.

2.3.13 Statement of cash flows

The Company presents the statement of cash flows by applying the indirect method. Cash includes cash and banks and cash equivalents. Cash equivalents include short-term and highly liquid investments that can be easily converted into cash known before hand, and are subject to insignificant exchange rate risks.

All the accounts of this statement are stated in constant currency at the end of the reporting period.

The monetary gain/loss provided by cash and cash equivalents is presented in the statement of cash flows segregated from the cash flows provided by operating, investing and financing activities, as a specific item of the reconciliation between cash and cash equivalents at the beginning and end of the fiscal year.

Balances included in Cash and cash equivalents are as follows:

(Amount in ARS)

	As at December 31, 2024	As at December 31, 2023
Cash and banks	**1.661.577.141**	2.317.208.357
Short-term investments	**325.000.000**	435.527.255
Total	**1.986.577.141**	2.752.735.612

2.3.14 Shareholders' equity

Shareholders' equity balance adjusted at beginning of year have been adjusted at year-end by applying the indexation rates described in Note 2.1.

The capital was restated in constant currency, as indicated in Note 2.1. The difference between the restated amount and the nominal value is disclosed as "Capital adjustment".

Retained earnings have been restated at year-end, under Note 2.1.

Income for the year was determined based on the difference between the algebraic sum of the equity at the beginning plus the quantitative movements of the equity and the equity at the closing, measured in constant currency as of December 31, 2024.

Notes forming part of the Financial Statements

3 - BREAKDOWN OF THE MAIN BALANCE SHEET ACCOUNTS

3.1 Cash and banks

(Amount in ARS)

		As at December 31, 2024	As at December 31, 2023
Banks in local currency		**810.481.561**	862.117.920
Banks in foreign currency	(Exhibit III)	**851.095.580**	1.454.997.841
Total		**1.661.577.141**	2.317.115.761

3.2 Short term investments

(Amount in ARS)

	As at December 31, 2024	As at December 31, 2023
Time deposit in local currency	**325.000.000**	435.509.851
Total	**325.000.000**	435.509.851

3.3 Accounts receivable

(Amount in ARS)

		As at December 31, 2024	As at December 31, 2023
Ordinary in local currency		**716.060.859**	566.144.885
Ordinary in foreign currency	(Exhibit III)	**384.023.810**	280.744.279
Other related parties in local currency	(Note 6)	**1.008.500**	-
Other related parties in foreign currency	(Note 6 and Exhibit III)	**152.026.654**	130.861.433
Services to be invoiced in local currency		**601.860.499**	269.857.023
Other related parties - services to be invoiced in foreign currency	(Note 6 and Exhibit III)	**98.999.050**	41.072.220
Services to be invoiced in foreign currency	(Exhibit III)	**96.146.337**	-
Total		**2.050.125.709**	1.288.679.719

Notes forming part of the Financial Statements

3.4 Other receivables

(Amount in ARS)

		As at December 31, 2024	As at December 31, 2023
3.4.1 Current			
Other related parties in foreign currency	(Notes 5, 6 and Exhibit III)	**504.260**	47.436
Other related parties in local currency			7.994
Income tax credit balance		**4.323.120**	22.046.075
Turnover tax credit balance		**32.003.465**	12.884.809
Value added tax credit balance		**-**	32.277.760
Tax on bank debits and credits - credit balance		**34.519.313**	33.891.947
Prepaid expenses		**4.705.894**	211.795
Prepaid expenses with other related parties	(Note 6)	**-**	11.829.438
Security deposits in local currency		**1.309.313**	804.387
Advances to directors		**40.469.430**	160.312.670
Accrued Interest		**34.313.425**	184.109.492
Bank accounts subject to attachment in local currency		**2.231.952**	5.213.493
Sundry		**8.985.819**	3.361.243
Total		**163.365.991**	466.998.539

(Amount in ARS)

		As at December 31, 2024	As at December 31, 2023
3.4.2 Non current			
Minimum presumed income tax credit balance		**1.921.737**	6.292.379
Prepaid expenses		**52.369.905**	-
Security deposits in foreign currency	(Exhibit III)	**21.436.197**	196.357.643
Total		**75.727.839**	202.650.022

Notes forming part of the Financial Statements

3.5 Accounts payable

(Amount in ARS)

		As at December 31, 2024	As at December 31, 2023
3.5.1 Current			
Suppliers in local currency		**90.646.378**	59.370.804
Suppliers in foreign currency	(Exhibit III)	**65.251.135**	16.996.963
Provision for invoices to be received in local currency		**53.558.256**	28.894.746
Other provisions		**-**	6.589.528
Other provisions in foreign currency	(Exhibit III)	**2.620.595**	5.782.452
Other provisions related parties in foreign currency	(Exhibit III)	**-**	7.556.743
Provision for invoices to be received in foreign currency	(Exhibit III)	**3.203.023**	4.694.239
Total		**215.279.387**	129.885.475

(Amount in ARS)

		As at December 31, 2024	As at December 31, 2023
3.5.2 Non current			
Other related parties in local currency	(Note 6)	**1.154.319.637**	1.131.216.571
Other related parties in foreign currency	(Note 6 and Exhibit III)	**1.339.127.814**	2.765.034.074
Other related parties-provision for invoices to be received	(Note 6)	**104.984.928**	33.068.987
Other related parties-provision for invoices to be received in foreign currency	(Note 6 and Exhibit III)	**11.640.398**	-
Total		**2.610.072.777**	3.929.319.632

3.6 Payroll and social security liabilities

(Amount in ARS)

	As at December 31, 2024	As at December 31, 2023
Salaries and wages	**250.373.813**	221.092.381
Social security contributions	**168.751.938**	133.926.957
Provision for vacations	**234.741.939**	230.176.729
Provision for bonuses	**14.498.328**	9.453.713
Total	**668.366.018**	594.649.780

Notes forming part of the Financial Statements

3.7 Taxes payable

(Amount in ARS)

	As at December 31, 2024	As at December 31, 2023
3.7.1 Current		
Withholdings to be deposited - Turnover tax	**47.385.851**	37.467.015
Withholdings to be deposited	**18.750.493**	146.413.878
Wealth tax	**-**	1.330.578
Value Added Tax	**41.928.453**	-
Total	**108.064.797**	185.211.471

(Amount in ARS)

		As at December 31, 2024	As at December 31, 2023
3.7.2 Non current			
Deferred tax liabilities	(Note 8)	**25.464.816**	39.836.940
Total		**25.464.816**	39.836.940

4 - BREAKDOWN OF THE MAIN STATEMENT OF PROFIT OR LOSS ACCOUNTS

4.1 Revenue from sales of services and equipment

(Amount in ARS)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Consulting and advisory services	**7.335.435.116**	7.034.787.852
Volume discount	**(4.979.661)**	(14.196.833)
Total	**7.330.455.455**	7.020.591.019

4.2 Other income and (expenses) -net

(Amount in ARS)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Sundry	**(201.117)**	(3.570.101)
Total	**(201.117)**	(3.570.101)

Notes forming part of the Financial Statements

5 - CAPITAL STOCK

As of December 31, 2024, the capital stock of the Company amounted to $ 47,127,769, which was fully subscribed and paid-in.

Ownership interests as of December 31 2024 and December 31, 2023 were as follows:

(Amount in ARS)

	As at December 31, 2024	As at December 31, 2023
TCS Iberoamérica S.A.	**99.99%**	99.99%
TCS Uruguay S.A.	**0.01%**	0.01%
Total	**100%**	100%

6 - TRANSACTIONS AND BALANCES WITH RELATED PARTIES: PARENT COMPANIES, SUBSIDIARIES AND RELATED COMPANIES (ART. 33, LAW 19550)

Balances and transactions with the parent company and the related companies are as follows:

(Amount in ARS)

	As at December 31, 2024	As at December 31, 2023
BALANCES		
Accounts receivable		
Tata Consultancy Services Limited	**234.465.301**	106.515.168
Tata Consultancy Services France	**17.568.903**	25.910.632
Tata Consultancy Services Deutschland GmbH	**-**	29.785.660
Tata America International Corporation	**31**	8.483.710
Tata Consultancy services Chile S.A	**-**	1.238.483
Total	**252.034.235**	171.933.653
Other receivable		
Tata Consultancy Services Limited	**-**	6.921.883
Tata Consultancy Services de México SA de CV	**-**	4.962.985
Tata Consultancy Services Do Brasil Ltda.	**504.250**	-
Total	**504.250**	11.884.868
Trade payables		
TCS Solution Center Sucursal Colombia	**526.129.629**	899.305.042
Tata Consultancy Services Limited	**1.127.948.567**	1.614.549.168
Tata Consultancy Services de México SA de CV	**782.365.267**	1.128.737.570
TCS Uruguay S.A	**151.082.755**	257.910.031
Tata Consultancy Services do Brasil Ltda.	**-**	289.245
Tata Consultancy Services France	**16.168.562**	29.366.830
Tata Sons Private Limited	**6.377.998**	6.718.489
Total	**2.610.072.777**	3.936.876.375

Notes forming part of the Financial Statements

(Amount in ARS)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Revenue from sales and services		
Tata Consultancy Services Deutschland GmbH	**13.282.505**	97.818.006
Tata Consultancy Services Limited	**319.296.290**	445.627.836
Tata Consultancy Services France	**108.953.763**	84.029.653
Total	**441.532.559**	627.475.495
Cost of sales and services		
Tata America International Corporation	**2.746.209**	(8.450.174)
TCS Uruguay S.A.	**8**	30.900.707
Tata Consultancy Services Limited	**632.472.962**	506.133.623
Tata Consultancy Services do Brasil Ltda	**(645.251)**	125.298
Tata Consultancy Services de México SA de CV	**126.740.812**	10.312.817
Tata Consultancy Services France	**-**	7.390.130
Tata Consultancy Services Chile S.A	**601.307**	(1.233.588)
Total	**761.916.046**	545.178.813
Brand equity contribution		
Tata Sons Private Limited	**14.489.070**	8.261.487
Total	**14.489.070**	8.261.487

7 - TERMS, INTEREST RATES AND ADJUSTMENT CLAUSES OF RECEIVABLES AND PAYABLES

7.1 Receivables

(Amount in ARS)

		As at December 31, 2024	As at December 31, 2023
a)	**Total amount of receivables overdue**	**29.502.222**	196.357.225
b)	**Total amount of receivables to become due**		
	Up to 3 months	**1.732.024.960**	1.566.427.825
	From 3 to 6 months	**251.426.799**	198.063.248
	More than twelve months	**75.727.839**	6.502.116
	Total receivables	**2.088.681.819**	1.967.350.414

Receivables do not accrue any interest nor do they have adjustment clauses as of December 31, 2024 and 2023.

7.2 Payables

(Amount in ARS)

		As at December 31, 2024	As at December 31, 2023
a)	**Total amount of payables to become due**		
	Up to 3 months	**994.089.912**	921.665.413
	More than twelve months	**2.635.537.593**	3.970.590.121
	Total payables	**3.629.627.505**	4.892.255.534

Payables do not accrue any interest nor do they have adjustment clauses as of December 31, 2024 and 2023.

Notes forming part of the Financial Statements

8 - INCOME TAX AND DEFERRED TAX

Deferred tax assets and liabilities are broken down as follows:

(Amount in ARS)

Deferred tax liabilities		As at December 31, 2024	As at December 31, 2023
Fixed assets		**24.705.671**	36.018.123
Inflation adjustment for tax purposes		**759.144**	3.818.817
Total deferred tax liabilities	(Note 3.7.2)	**25.464.816**	39.836.940

For reporting purposes, the breakdown of main deferred tax asset items is as follows:

(Amount in ARS)

Deferred tax assets	As at December 31, 2024	As at December 31, 2023
Tax loss carryforwards	**150.977.284**	381.455.065
Forecast Tax loss carryforwards	**(150.977.284)**	(381.455.065)
Total deferred tax assets	**-**	-

Due to the uncertainty regarding the generation of taxable profits in the future before its statute of limitations, the Company has not recognized the deferred tax asset as of December 31 2024.

The detail of historical accumulated tax loss carryforwards in the amount of $ 503.257.615 and the expiration of the limitation period thereof are as follows:

(Amount in ARS)

Expiration	Tax loss carryfoward	Rate	Computable total
2025	58.973.700	30%	17.692.110
2026	26.444.360	30%	7.933.308
2028	417.839.555	30%	125.351.866
	503.257.615		150.977.284

The income tax benefit is as follows:

(Amount in ARS)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Due to variation in deferred tax	**14.372.125**	13.912.083
Due to expiration of IGMP credit	**(1.226.089)**	(1.052.061)
Total income tax	**13.146.036**	12.860.022

The Company duly submitted to the tax authorities the determination of the tax result for the fiscal year ended December 31, 2023, without using the systematic and comprehensive inflation adjustment mechanism that, following the methodology provided for in the income tax law, would make it possible to update the losses and other concepts of the current and previous periods.

The aforementioned decision was due to the existence of remaining tax losses that allowed offsetting the tax result of the period, which is why a case of confiscation was not verified in said fiscal year.

During the fiscal year ended December 31, 2024, the Company's management estimated the current income tax in which a case of confiscation was verified, so the tax losses of previous years and other concepts were updated. To this end, the Board of Directors of the Company, together with its legal and tax advisors, evaluated the detailed results in light of the

Notes forming part of the Financial Statements

current tax regulations and the evolution of jurisprudence, in order to determine whether a case of confiscation could be configured in conflict with the guarantee of the inviolability of property enshrined in the National Constitution.

In this regard, it should be noted that the Supreme Court of Justice of the Nation has issued various rulings in favor of the application of the tax inflation adjustment and the updating of certain items under certain parameters, in order to safeguard the principle of non-confiscation that must govern tax regulations (ruling "Candy S.A. v. AFIP and others / Amparo Action", judgment of July 3, 2009, and others). Likewise, there are new jurisprudential precedents in line with what has been commented: on October 25, 2022, the Supreme Court of Justice of the Nation, in the case "Telefónica de Argentina S.A. and another c/ EN – AFIP – DGI s/ Dirección General Impositiva" ratified the opinion of the Attorney General of the Nation issued in the "Complaint Appeal No. 1, Telefónica de Argentina S.A. and Another c/ EN-AFIP DGI s/ Dirección General Impositiva" maintaining the inadmissibility of a tax that, in its application, is confiscatory for the taxpayer.

For all the reasons described, the Board of Directors concluded that the determination of the current tax for the year ended December 31, 2024 be made considering the update of losses and other items, up to the limit of the tax result generated before the computation of such concepts, while maintaining the remaining loss at nominal value. The Board of Directors of the Company, together with its legal and tax advisors, will promptly evaluate the procedure to follow in order to obtain recognition of this right in administrative and/or judicial proceedings.

In this order and in light of the evolution of the jurisprudential background, in the fiscal year ended December 31, 2024, the Board of Directors of the Company, together with management, re-evaluated the accounting decision taken at the close of the previous fiscal year, and concluded that the existing evidence and, in particular, the recent ruling of the Supreme Court of Justice of the Nation, configure a favorable position in the face of a possible controversy with the National Treasury. For all the details, they decided, following the guidelines established by the Argentine accounting standards, to recognize in accounting terms the right that assists the Company by the application of the aforementioned tax methodology.

As indicated by the Argentine Accounting Standards, once this right that is externalized in a deferred asset is recognized, the Board of Directors evaluated its real capacity for use taking into account that the accounting value of these assets cannot exceed their recoverable value; said value is determined on the basis of projected tax result flows. These flows are prepared on the basis of estimates regarding the future behavior of certain variables considering, among other aspects: i) that these assets have a legal prescription period, ii) that the estimates include premises with high volatility and instability due to the current macroeconomic context in which it conducts its business, iii) growth rates, inflation rates, exchange rates, among others, iv) that the consumption or not of these tax assets is also associated with eventual successes of ongoing projects (such as new ongoing business strategies, sales of relevant assets and restructuring of expenses); which implies some degree of uncertainty. The value of the deferred asset amounts to $ 150.977.284 and, out of prudence, it has been decided to establish an accounting provision for $ 150.977.284(value as of December 31, 2024).

9 - RECENT EVOLUTION OF THE FINANCIAL-ECONOMIC CONTEXT IN WHICH THE COMPANY OPERATES

The Company operates in a complex economic context, the main variables of which have been highly volatile, both nationally and internationally. In December 2023, a new government took office in Argentina, which implemented a series of measures to promote economic deregulation. Through Decree of Necessity and Urgency (DNU) 70/2023, a public emergency was declared in the economic, financial, fiscal, administrative, social security, tariff, health and social areas until December 31, 2025. This DNU came into force on December 29, 2023, although certain articles were suspended after various judicial presentations. On March 14, 2024, the Senate rejected DNU 70/2023, and its continuity must still be debated in the Chamber of Deputies .

On December 22, 2023, Decree 72/2023 on Bonds for the Reconstruction of a Free Argentina (BOPREAL) was published, which extends Communication "A" 7918 of the Central Bank of the Argentine Republic (BCRA) to facilitate the payment of debt for imports of goods with customs entry registration and services until December 12, 2023, as well as the cancellation of certain tax and customs obligations.

Subsequently, on July 8, 2024, Law 27,742 "Bases and Starting Points for the Freedom of Argentines" (Bases Law) was enacted, which introduces reforms in the tax, labor, criminal, energy, contractual, administrative, regulatory and corporate areas, among others; and Law 27,743 "Law on Palliative and Relevant Fiscal Measures" (Fiscal Package), which reinstates the income tax for employees in a dependent relationship and introduces a new asset regularization regime and a moratorium on tax, customs and social security debts due until March 31, 2024.

During July and August 2024, the National Government regulated the aspects of the Fiscal Package related to the personal property tax, the income tax, the tax moratorium and the asset regularization regime, which was extended by Decree 864/2024 until October 31, 2024.

Finally, in September 2024, the labor reform provided for in the Basic Law was partially regulated by Decree 847/2024, which establishes the guidelines for the regularization of labor relations in the private sector and for the re-implementation of a system of termination of employment, among other aspects. In line with this decree, the Customs Collection and Control Agency (formerly the Federal Public Revenue Administration) issued General Resolution 5577/2024, which defines the requirements for employers who adhere to the labor regularization regime, offering the forgiveness of debts for contributions and employer contributions accrued until July 31, 2024.

The Company's management constantly controls the evolution of the variables that affect their business in order to define their action course and identify the potential impact over their equity position. The Company's financial statements should be read in consideration of these circumstances.

10 – SUBSEQUENT EVENTS

No events or transactions have occurred from year-end to the date of issuance of these financial statements that would have a material effect on the financial position of the Company or the results of its operations at year-end.

EXHIBIT I

FIXED ASSETS

For the regular fiscal period of 12 months ended December 31, 2024, comparative with the prior year (in pesos- constant currency (Note 2.1)

Main account	Original Cost				Accumulated depreciation					Net Result	
	At beginning year-end	Increases	Decreases	At year-end	At beginning year-end	Rate	Amount (Exhibit IV)	Decreases	At year-end	December 31, 2024	December 31, 2023
Leasehold improvements	1.556.015.864	53.749.248	-	1.609.765.112	1.556.015.864	10	5.560.267	-	1.561.576.131	48.188.981	-
Furniture and fixtures	2.707.968	-	-	2.707.968	657.783	20	256.863	-	914.646	1.793.322	2.050.185
Facilities	111.714.351	5.256.322	-	116.970.673	111.325.387	10	505.750	-	111.831.137	5.139.536	388.964
Computers	1.098.799.094	167.921.148	(225.918.146)	1.040.802.096	973.233.954	25	70.714.624	(225.918.146)	818.030.432	222.771.664	125.565.140
Software	23.633.774	-	-	23.633.774	23.633.774	20	-	-	23.633.774	-	-
Work in progress	-	60.092.757		60.092.757	-	-	-		-	60.092.757	-
Total as at December 31, 2024	2.792.871.051	287.019.475	(225.918.146)	2.853.972.380	2.664.866.762	-	77.037.504	(225.918.146)	2.515.986.120	337.986.261	-
Total as at December 31, 2023	2.791.904.277	966.773	-	2.792.871.050	2.577.236.634	-	87.630.128	-	2.664.866.762	-	128.004.288

Notes forming part of the Financial Statements

EXHIBIT II

ALLOWANCES

For the regular fiscal period of 12 months ended December 31, 2024, comparative with the prior year (in pesos- constant currency (Note 2.1)

(Amount in ARS)

Items	Balances at beginning of the year	Increases	Uses	(Gain)/loss due to changes in currency purchasing power	Balances at year-end
Included in liabilities:					
Non current					
Allowance for contingencies	**11.749.437**	**7.144.910**	**(1.875.662)**	**(6.353.721)**	**10.664.964**
Total as at December 31, 2024	**11.749.437**	**7.144.910**	**(1.875.662)**	**(6.353.721)**	**10.664.964**
Total as at December 31, 2023	37.208.490	-	(199.045)	(25.260.007)	11.749.437

EXHIBIT III

ASSETS AND LIABILITIES IN FOREIGN CURRENCY

For the regular fiscal period of 12 months ended December 31, 2024, comparative with the prior year (in pesos- constant currency (Note 2.1)

(Amount in ARS)

	As at December 31, 2024				As at December 31, 2023
	Type and amount of foreign currency		Prevailing exchange rate	Amount in local currency	Amount in local currency
ASSETS					
CURRENT ASSETS					
Cash and banks					
Banks	**USD**	**825.757**	**1.030.68**	**851.095.580**	1.454.997.841
Accounts receivable					
Ordinary	**USD**	**268.867**	**1.030.68**	**277.117.222**	280.756.458
Other related parties	**EUR**	**99.648**	**1.072.84**	**106.906.588**	42.740.978
Other related parties	**USD**	**142.043**	**1.030.68**	**146.401.981**	88.120.388
Services to be invoiced	**USD**	**164.778**	**1.030.68**	**169.834.361**	28.108.607
Subtotal				**700.260.152**	439.726.431
Other receivable					
Other related parties	**USD**	**489**	**1.030.68**	**504.250**	47.436
Subtotal				**504.250**	47.436
Total current assets				**1.551.859.982**	1.894.771.708
NON CURRENT ASSETS					
Security deposits	**USD**	**20.798**	**1.030.68**	**21.436.197**	196.354.072
Total non current assets				**21.436.197**	196.354.072
Total assets				**1.573.296.179**	2.091.125.780

USD: United States Dollars
EUR: Euros
INR: Indian rupee

Back to content

Notes forming part of the Financial Statements

EXHIBIT III

ASSETS AND LIABILITIES IN FOREIGN CURRENCY

For the regular fiscal period of 12 months ended December 31, 2024, comparative with the prior year (in pesos- constant currency (Note 2.1)

(Amount in ARS)

	As at December 31, 2024				As at December 31, 2023
	Type and amount of foreign currency		Prevailing exchange rate	Amount in local currency	Amount in local currency
LIABILITIES					
CURRENT LIABILITIES					
Trade payables					
Suppliers	**USD**	**63,309**	**1,030.68**	**65.251.135**	16.996.963
Provision customer	**INR**	**-**	**12,05**	**-**	5.782.452
Provision customer related parties	**USD**	**5.650**	**1.030,68**	**5.823.618**	7.556.743
Provision supplier	**USD**	**-**	**1.030,68**	**-**	4.694.239
Total current liabilities				**71.074.753**	35.030.397
NON CURRENT LIABILITIES					
Trade payables					
Related parties	**USD**	**1.285.267**	**1.030.68**	**1.334.599.650**	2.735.676.168
Related parties	**EUR**	**15.069**	**1072.84**	**16.168.562**	29.357.909
Total non current liabilities				**1.350.768.212**	2.765.034.077
Total liabilities				**1.421.842.965**	2.800.064.474

USD: United States Dollars
EUR: Euros
INR: Indian rupee

Notes forming part of the Financial Statements

EXHIBIT IV

INFORMATION REQUIRED BY ART. 64, CLAUSE b) OF LAW 19550

For the regular fiscal period of 12 months ended December 31, 2024, comparative with the prior year
(in pesos- constant currency (Note 2.1)

(Amount in ARS)

Items	Cost of services	Selling expenses	Administrative expenses	Other operating expenses	Total for the fiscal year ended	
					December 31, 2024	December 31, 2023
Salaries and wages	**3.161.288.959**	**80.919.682**	**928.377.671**	**136.763.744**	**4.307.350.056**	4.570.114.227
Project expenses	**1.051.661.649**	**-**	**-**	**-**	**1.051.661.649**	936.016.184
Rentals and common expenses	**-**	**-**	**90.325.417**	**-**	**90.325.417**	294.089.357
Turnover tax	**-**	**316.709.250**	**-**	**-**	**316.709.250**	347.580.445
Severance payments	**-**	**-**	**-**	**41.359.495**	**41.359.495**	86.361.656
Fees and compensation for services	**-**	**-**	**117.028.064**	**-**	**117.028.064**	155.372.368
Taxes, rates and contributions	**-**	**-**	**10.646.798**	**-**	**10.646.798**	54.157.984
Surveillance	**-**	**-**	**30.815.826**	**-**	**30.815.826**	161.202.913
Bank commissions and expenses	**-**	**-**	**55.408.524**	**-**	**55.408.524**	55.443.372
Internet, communication and mail expenses	**534.370**	**-**	**31.085.757**	**-**	**31.620.127**	71.674.850
Cleaning expenses	**-**	**-**	**1.235.571**	**-**	**1.235.571**	63.141.869
Expenses			**17.965.411**	**-**	**17.965.411**	
Brand usage	**-**	**16.899.759**	**-**		**16.899.759**	
Fees to directors	**-**	**-**	**48.090.433**	**-**	**48.090.433**	51.514.067
Recruitment and training	**-**	**-**	**32.600.907**	**-**	**32.600.907**	5.455.299
Depreciation of fixed assets (Exhibit I)	**23.568.625**	**-**	**53.468.879**	**-**	**77.037.504**	87.315.827
Travel expenses	**1.417.990**	**-**	**7.079.290**	**-**	**8.497.280**	8.933.683
Repair and maintenance	**-**	**-**	**78.512.836**	**-**	**78.512.836**	13.273.241
Insurance	**-**	**-**	**4.404.881**	**-**	**4.404.881**	18.252.203
Office expenses	**-**	**-**	**522.434**	**-**	**522.434**	5.695.199
Sundry	**37.327**	**-**	**5.774.912**	**-**	**5.812.239**	28.091.483
Marketing expenses	**-**	**-**	**-**	**-**	**-**	13.939.288
Labor lawsuits	**-**	**-**	**-**	**67.142.667**	**67.142.667**	6.477.850
Labor lawsuits – Provision	**-**	**-**	**-**	**6.874.841**	**6.874.841**	-
Mobility expenses	**1.986.341**	**-**	**2.297.218**	**-**	**4.283.559**	5.389.591
Total as at December 31, 2024	**4.240.495.261**	**414.528.691**	**1.515.640.828**	**252.140.747**	**6.422.805.527**	-
Total as at December 31, 2023	4.380.358.864	483.199.487	1.960.979.819	214.954.787	-	7.039.492.957

INDEPENDENT AUDITORS' REPORT

To the President and Directors of
Tata Consultancy Services Argentina S.A.
Legal address: Uspallata 3046
City of Buenos Aires
Taxpayer Identification Number: 30-70784821-5

Opinion

We have audited the financial statements of **Tata Consultancy Services Argentina S.A.**, which comprise the balance sheet as of December 31, 2024, the income statement, statement of changes in shareholders´ equity and cash flows for the year then ended, and notes to the financial statements set out in notes 1 to 10, which includes a summary of the significant accounting policies, and annexes I to IV.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **Tata Consultancy Services Argentina S.A.** as of December 31, 2024, as well as its results, the evolution of its equity and its cash flow corresponding to the year ended on that date, in accordance with Argentine Professional Accounting Standards.

Basis for the opinion

We conducted our audit in accordance with the auditing standards established in Technical Resolution No. 37 of the Argentine Federation of Professional Councils of Economic Sciences (FACPCE) adopted by Resolution C.D. No. 46/2021 of the Professional Council of Economic Sciences of the Autonomous City of Buenos Aires (CPCECABA).

Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of this report.

We are independent of **Tata Consultancy Services Argentina S.A.** and we have fulfilled the other ethical responsibilities in accordance with the requirements of the Code of Ethics of the Professional Council of Economic Sciences of the Autonomous City of Buenos Aires and Technical Resolution No. 37 of the FACPCE adopted by Resolution C.D. No. 46/2021 of the CPCECABA. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the management of Tata Consultancy Services Argentina S.A in relation to the financial statements

The management of **Tata Consultancy Services Argentina S.A.** is responsible for the preparation and fair presentation of the accompanying financial statements in accordance with Argentine professional accounting standards, and for such internal control that it considers necessary to enable the preparation of financial statements that are free of material misstatements due to fraud or error.

In preparing the financial statements, management is responsible for evaluating the ability of **Tata Consultancy Services Argentina S.A.** to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities in relation to the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement and to issue an audit report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with FACPCE Technical Resolution No. 37 adopted by Resolution C.D. No. 46/2021 of the CPCECABA will always detect a material misstatement when it exists. Misstatements 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 financial statements.

As part of an audit in accordance with Technical Resolution No. 37 of the FACPCE adopted by Resolution C.D. No. 46/2021 of the CPCECABA, we apply our professional judgment and maintain an attitude of professional skepticism throughout the audit. Also:

a) We identify and evaluate the risks of material misstatement of the financial statements and perform audit procedures to respond to such risks and obtain sufficient and appropriate evidence to provide a basis for our opinion.

b) We obtain knowledge of the internal control relevant to the audit to design audit procedures that are appropriate in the circumstances and not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

c) We evaluate whether the accounting policies applied are appropriate, as well as the reasonableness of the accounting estimates and the corresponding information revealed by the management of **Tata Consultancy Services Argentina S.A.**

d) We conclude on the appropriateness of the use by the management of **Tata Consultancy Services Argentina S.A.**, of the going concern accounting principle and, based on the elements of judgment obtained, we conclude on whether or not there is a significant uncertainty related to facts or conditions that may cast doubts about the capacity of **Tata Consultancy Services Argentina S.A.** to continue as a going concern. If we conclude that a significant uncertainty exists, we are required to draw attention in our auditor's report to the information set forth in the financial statements or, if such disclosure is inappropriate, to express a modified opinion. Our conclusions are based on the elements of judgment obtained up to the date of our audit report. However, future events or conditions may cause the Company to cease to be a going concern.

e) We evaluate the overall presentation, structure and content of the financial statements, including the information disclosed, and whether the financial statements represent the underlying transactions and events in a manner that achieves a fair presentation.

f) We communicate with the management of **Tata Consultancy Services Argentina S.A.** regarding, among other matters, the overall audit strategy and significant audit findings, as well as any significant deficiencies in internal control identified during the audit.

We also provide the management of **Tata Consultancy Services Argentina S.A.** with a statement that we have complied with applicable ethical requirements related to my independence.

Report on other legal and regulatory requirements

a) the accompanying financial statements arise from the Company's accounting records, and their transcription into the Journal and Inventory Book is pending;

b) As it appears from the entity's accounting records, the liability accrued as of December 31, 2024 in favor of the Argentine Integrated Pension System in respect of contributions and pension contributions amounted to $131.394.395 and was not due on that date;

c) We have applied the procedures on prevention of money laundering of criminal origin and financing of terrorism for **Tata Consultancy Services Argentina S.A.** provided for in Resolution J.G. 420/11 of the FACPCE, adopted by Resolution C.D. No. 77/2011 of the Professional Council of Economic Sciences of the Autonomous City of Buenos Aires (CPCECABA)

City of Buenos Aires, February 24, 2025

Adler, Hasenclever & Asociados S.R.L.
Public Accountants
C.P.C.E.C.A.B.A T° 1 – F° 68

Leonardo Fraga (Partner)
Public Accountant (U.B.A.)
C.P.C.E.C.A.B.A. T° 166 – F ° 183

SUPERVISORY AUDITOR'S REPORT

To the Shareholders of
TATA CONSULTANCY SERVICES ARGENTINA S.A.

Uspallata 3647,
City of Buenos Aires
Taxpayer Identification Number: 30-70784821-5

In my capacity as Regular Supervisory Auditor of **Tata Consultancy Services Argentina S.A.**, based on the provisions of subsection 5, section 294 of the Companies Law, I have examined the documents described in paragraph 1. Based on the documents referred to above, my responsibility is to report on such documentation, based on the work mentioned in paragraph 2.

1. DOCUMENTS UNDER EXAMINATION

a) Balance Sheet as of December 31, 2024

b) Statement of profit or loss for the regular fiscal period of 12 months ended December 31, 2024.

c) Statement of changes in shareholders' equity for the regular fiscal period of 12 months ended December 31, 2024.

d) Statement of cash flows for the regular fiscal period of 12 months ended December 31, 2024.

e) Notes 1 to 10 and Exhibits I to IV.

2. SCOPE OF EXAMINATION

My examination was made in compliance with the supervisory auditors' standards in force Those standards require that the financial statements be examined in conformity with the auditing standards in force, including the verification of the consistency of the documents examined with the information on corporate decisions recorded in the minutes of the Board of Directors' meetings as well as the compliance of such decisions with the law and the bylaws in their formal and documentary aspects. An audit requires that the auditor plans and performs the procedures to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit also includes examining, on a test basis, evidence supporting the disclosures in the financial statements, as well as evaluating the accounting principles used, the significant estimates made by the Board of Directors, and the overall presentation of the financial statements taken as a whole. As it is not the supervisory auditor's responsibility to exercise management control, I have not considered in my examination the business criteria and decisions adopted by the Company to prepare my report.

In addition, I have verified that the Letter to Shareholders for the year ended December 31, 2024 contains the information required by section 66 of the Companies Law and that its figures agree with the Company's accounting records and other relevant documentation.

3. OPINION

Based on the examination conducted, in my opinion, the financial statements described in paragraph 1 present fairly, in all material respects, the financial position of **Tata Consultancy Services Argentina S.A.** as of December 31, 2024, the results of its operations, the changes in shareholders' equity and cash flows for the year then ended, in conformity with professional accounting principles in force.

With regard to the Board of Directors' Letter to Shareholders, I have no comments to make as it relates to my area of responsibility. The assertions on future events stated therein are the Board of Directors' exclusive responsibility.

These accompanying financial statements and the related inventory arise from the accounting records which, in their formal aspects, are kept pursuant to the legislation in force.

City of Buenos Aires, February 24, 2025

Pablo Gustavo Traini
Regular Supervisory Auditor

Back to content

TATA CONSULTANCY SERVICES DO BRASIL LTDA.

Statement of financial position
as at December 31, 2024

FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2024

CONTENT	PAGE
Independent auditors' report in the financial statements	44.2
Statement of financial position	44.4
Statement of profit or loss and other comprehensive income	44.5
Statement of changes in equity	44.6
Statement of cash flows	44.7
Notes to financial statements	44.8

Back to main content

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

TO

The Shareholders and Management of

Tata Consultancy Services do Brasil Ltda.

São Paulo – SP

Opinion

We have audited the accompanying financial statements of Tata Consultancy Services do Brasil Ltda. ("company"], which comprise the balance sheet as of December 31, 2024, and the related statements of statement of profit or loss and other comprehensive income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Tata Consultancy Services do Brasil Ltda, as of December 31, 2024 and its operating performance and cash flows for the year then ended in accordance with International Financial Reporting Standards [IFRS].

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs]. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the company in accordance with the relevant ethical requirements set forth in the Code of Ethics for Professional Accountants and the professional standards issued by the Federal Accounting Council and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibility of management and those charged with governance for the financial statements

The company's Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards [IFRS], and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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 in preparing the financial statements, unless Management either intends to liquidate the company or to cease operations, or has no realistic alternative to avoid doing so. Those charged with governance are those individuals responsible for overseeing the company's financial reporting process.

Auditor's responsibility for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements taken 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 Brazilian and International Standards on Auditing 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 financial statements.

As part of an audit in accordance with Brazilian and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. In addition, we:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve override of internal control, collusion, forgery, intentional omissions or misrepresentations;
- Obtain an understanding of the internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control;

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management;
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements, including those regarding independence, and communicate to them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, related safeguards.

São Paulo, February 24, 2025

Grant Thornton Auditores Independentes Ltda.
CRC 2SP-025.583/O-1

Ricardo Akira Matsunaga

Accountant CRC 1SP-296.382/O-1

Statement of Financial Position

(In thousands BRL Reais)

	Note	As at December 31, 2024	As at December 31, 2023
ASSETS			
Current assets			
Cash and cash equivalents	6(a)	**108,589**	26,137
Trade receivables			
Billed	6(b)	**193,032**	185,006
Unbilled		**68,563**	56,257
Other financial assets	6(c)	**717**	1,666
Income tax assets (net)		**-**	20,170
Other assets	8(d)	**24,446**	18.060
Total current assets		**395,347**	307,296
Non-current assets			
Deferred tax assets (net)	12	**11,312**	18,559
Property, plant and equipment	8(a)	**32,206**	35,687
Right-of-use assets	7	**33,641**	29,004
Goodwill	8(b)	**33,106**	33,106
Other assets	8(d)	**3,590**	3,739
Total non-current assets		**113,855**	120.095
TOTAL ASSETS		**509,203**	427.391
LIABILITIES AND EQUITY			
Liabilities			
Current liabilities			
Trade payables	6(d)	**19,550**	11,783
Lease liabilities	7	**5,834**	7,999
Other financial liabilities	6(e)	**42,040**	31,579
Unearned and deferred revenue	9	**11,524**	12,181
Employee benefit obligations	13	**58,254**	52,333
Provisions	8(f)	**7,054**	6,042
Income tax liabilities (net)		**5,232**	-
Other liabilities	8(e)	**47,921**	43,300
Total current liabilities		**197,409**	165,217
Non-current liabilities			
Lease liabilities	7	**36,067**	29.749
Total non-current liabilities		**36,067**	29.749
TOTAL LIABILITIES		**233.476**	194.966
Equity			
Share capital	6(i)	**175,802**	175,802
Retained earnings		**99,925**	56,623
TOTAL EQUITY		**275,727**	232,425
TOTAL LIABILITIES AND EQUITY		**509.203**	427.391

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

Statement of Profit or Loss and Other Comprehensive Income

(In thousands BRL Reais)

	Note	Year ended December 31, 2024	Year ended December 31, 2023
Revenue	9	**1,214,338**	1,024,713
Operating expenses			
Employee benefits expenses	13	**935,532**	875,002
Depreciation and amortisation expense	7 and 8	**22,783**	22,742
Other operating expenses	10	**120,770**	100,216
TOTAL OPERATING EXPENSES		**1,079,085**	997,960
operating profit		**135,253**	26,753
Other (expense) / income			
Finance and other income	11(a)	**6,332**	2,064
Finance costs	11(b)	**(3,599)**	(4,423)
Other Income/(losses) (net)	11(c)	**6,190**	(4,426)
OTHER INCOME/(EXPENSE) (NET)		**8,923**	(6,785)
Profit before taxes		**144,176**	19,968
Income tax expense	12	**47,960**	10,548
PROFIT FOR THE YEAR		**96,216**	9,420
Other comprehensive income, net of taxes		**-**	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**96,216**	9,420

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

Statement of Changes in Equity

(In thousands BRL Reais, except share data)

	Number of shares	Share capital	Retained earnings	Total equity
Balance as at January 1, 2024	175,802	175,802	56,623	232,425
Profit for the period	-	-	96,216	96,216
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	96,216	96,216
Dividends	-	-	(52,913)	(52,913)
Balance as at December 31, 2024	175,802	175,802	99,925	275,727
Balance as at January 1, 2023	**175,802**	**175,802**	**54,703**	**230,505**
Profit for the period	**-**	**-**	**9,420**	**9,420**
Other comprehensive income	**-**	**-**	**-**	**-**
Total comprehensive income	**-**	**-**	**9,420**	**9,420**
Dividends	**-**	**-**	**(7,500)**	**(7,500)**
Balance as at December 31, 2023	**175,802**	**175,802**	**56,623**	**232,425**

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

Statemement of Cash Flows

(In thousands BRL Reais)

	Note	Year ended December 31, 2024	Year ended December 31, 2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the period/ year		**96,216**	9,420
Adjustment for:			
Depreciation and amortisation expense	7 and 8	**22,783**	22,742
Bad debts and advances written off, allowances for expected credit loss and advances (net)		**-**	(19)
Income tax expense	12	**47,960**	10,548
Unrealised foreign exchange (gain) / loss		**(4)**	-
Net (gain) / loss on modification of Lease		**(368)**	-
Net (gain) / loss on disposal of property, plant and equipment		**47**	11
Operating profit before working capital changes		**166,634**	42,702
Net change in			
Trade receivables			
Billed		**(8,026)**	(12,759)
Unbilled		**(12,306)**	(3,857)
Other financial assets		**949**	(700)
Other assets		**(6,237)**	978
Trade payables		**6,968**	(2,749)
Unearned and deferred revenue		**(657)**	(2,253)
Other financial liabilities		**10,460**	(798)
Employee benefit obligations		**5,921**	13,110
Other liabilities and provisions		**5,633**	10,641
Cash generated from operations		**169,339**	44,315
Taxes paid (net of refunds)		**(15,310)**	(31,577)
Net cash generated by operating activities		**154,029**	12,738
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for purchase of property, plant and equipment		**(10,750)**	(16,383)
Net cash generated by / (used in) investing activities		**(10,750)**	(16,383)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid (including tax on dividend)		**(52,913)**	(7,500)
Repayment of lease liabilities		**(7,914)**	(7,453)
Net cash generated by / (used in) financing activities		**(60,827)**	(14,953)
Net change in cash and cash equivalents		**82,452**	(18,598)
Cash and cash equivalents at the beginning of the period		**26,137**	44,735
Cash and cash equivalents at the end of the period	**6(a)**	**108,589**	26,137
Supplementry cash flow information			
Interest paid		**3,599**	4,423
Interest received		**6,332**	2,064

SEE ACCOMPANYING NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Notes forming part of the Financial Statements

1. CORPORATE INFORMATION

Tata Consultancy Services do Brasil Ltda, ("the company") is headquartered in the City of Barueri, State of Sao Paulo, and is engaged mainly in the provision of information technology services, involving: (a) IT consulting services, such as provision of computer program, software, computer system project and IT technical project development services, information technology-related implementation services, including study, support, infrastructure, research, creation, adaptation, design, preparation, data warehousing, training, data processing, systematization, automated management, database, data retrieval, installation, technical maintenance and support; (b) business process outsourcing (BPO), such as provision of labor in administrative, accounting, payroll, tax department routines, human resource management, financial department routines, controllership and other administrative service and customer service areas; (c) sale of computer programs, software, either materialized or not, recorded computer programs and the assignment and licensing and use of systems.

To provide services to specific customers, the company has branches in Aracaju/SE, Belo Horizonte/MG, Brasflia/DF, Campinas/SP, Corumba/MS, Itabira/MG, Joinville/SC, Londrina/PR, Macae/RJ, Mariana/MG, Nova Lima/MG, Parauapebas/PA, Rio de Janeiro/RJ, Santos/SP, Sao Luis/MA, Sao Paulo/SP and Vitoria/ES.

The company is incorporated and domiciled in Brazil. The address of its corporate office is Alameda Madeira, 328 - 13-andar - Alphaville Industrial, Barueri - SP, Postal Code 06454-010.

The Executive Committee authorized the issuance of these financial statements at the meeting held on February 24, 2025.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB).

3. BASIS OF PREPARATION

These financial statements have been prepared on a historical cost basis except for certain financial instruments which are measured at fair value or amortised cost at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for 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. All assets and liabilities have been classified as current and non¬current as per the company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realization in cash and cash equivalents of the consideration for such services rendered, the company has considered an operating cycle of 12 months.

The statement of cash flow has been prepared under indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals, or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The company classifies interest paid and interest and dividend received as cash flow from operating activities. The cash flows from operating, investing and financing activities of the company are segregated. The company considers all highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value to be cash equivalents.

The functional currency of the company is the Brazilian Real (R$). Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are retranslated at the exchange rate prevailing on the dates of statement of financial position and exchange gains and losses arising on settlement and restatement are recognised in profit or loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

The material accounting policy information related to preparation of the financial statements have been discussed in the respective notes.

4. USE OF ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with the recognition and measurement principles of International Financial Reporting Standards (IFRS) requires management of company to make estimates and judgments that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of the financial statements and the reported amounts of income and expenses for the periods presented.

Notes forming part of the Financial Statements

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The company uses the following critical accounting judgements, estimates and assumptions in preparation of its financial statements:

a. Revenue Recognition

Revenue for fixed-price contracts is recognised using percentage-of-completion method. The company estimates the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.

The company exercises judgement for identification of performance obligations, determination of transaction price, ascribing the transaction price to each distinct performance obligation and in determining whether the performance obligation is satisfied at a point in time or over a period of time. These judgements have been explained in detail under the revenue recognition note [refer Note 9].

b. Useful lives of property, plant and equipment

The company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods (refer Note 8(a)).

c. Impairment of goodwill

The company estimates the value-in-use of the cash generating units [CGUs] based on the future cash flows after considering current economic conditions and trends, estimated future operating results and growth rate and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The discount rates used for the CGUs represent the weighted average cost of capital based on the historical market returns of comparable companies (refer Note 8(b)).

d. Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

e. Impairment of financial assets (other than at fair value)

Measurement of impairment of financial assets require use of estimates, which have been explained in the note on financial assets, financial liabilities and equity instruments, under impairment of financial assets (other than at fair value) [refer Note 6].

f. Deferred tax assets

A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Accordingly, the company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

g. Provisions and contingent liabilities

The company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The company uses significant judgement to assess contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

Notes forming part of the Financial Statements

h. Leases

The company evaluates if an arrangement qualifies to be a lease as per the requirements of IFRS 16. Identification of a lease requires significant judgment The company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the company is reasonably certain not to exercise that option. In assessing whether the company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

5. RECENT ACCOUNTING STANDARDS

The company has not applied the following new and revised IFRSs that have been issued but are not yet effective.

- Amendments to IAS 21 - The Effects of Changes in Foreign Exchange Rates **(i);**
- Amendments to IFRS 9 and IFRS 7 **(ii);**
- IFRS 18 - Presentation and Disclosures in Financial Statements **(iii);**
- IFRS 19 - Subsidiaries without Public Accountability: Disclosures **(iii).**

(i) Effective for annual periods beginning on or after January 1, 2025.

(ii) Effective for annual periods beginning on or after January 1, 2026.

(iii) Effective for annual periods beginning on or after January 1, 2027.

IAS 21 - The Effects of Changes in Foreign Exchange Rates

In August 2023, the IASB issued 'Lack of Exchangeability (Amendments to IAS 21)' to provide guidance to specify which exchange rate to use when the currency is not exchangeable. An entity must estimate the spot exchange rate as the rate that would have applied to an orderly transaction between market participants at the measurement date and that would faithfully reflect the economic conditions prevailing. The company does not expect this amendment to have any significant impact in its financial statements.

IFRS 9 and IFRS 7 - Financial Instruments and Financial Instruments: Disclosure

In May 2024, the IASB issued "Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) to address matters identified during the post-implementation review of IFRS 9. The amendments relate to derecognition of a financial liability settled through electronic transfer, classification of financial assets and disclosures of certain financial assets and financial liabilities. The company will evaluate the amendments and implement them accordingly.

IFRS 18 - Presentation and Disclosures in Financial Statements

In April 2024, the IASB issued its new standard IFRS 18 - Presentation and Disclosures in Financial Statements that will replace IAS 1 - Presentation of Financial Statements. The new standard aims at improving how entities communicate in their financial statements. The company will evaluate the standard and implement it accordingly.

IFRS 19 - Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued a new standard IFRS 19 - Subsidiaries without Public Accountability: Disclosures. The standard allows a subsidiary which does not have public accountability and has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards, to elect IFRS 19. Such an entity applies the requirements in other IFRS Accounting Standards, except for the disclosure requirements, instead the entity applies the requirements in IFRS 19.

The company has applied IFRIC 23 effective for annual periods beginning on or after January 1, 2019 as below:

Notes forming part of the Financial Statements

IFRIC 23 Interpretation Uncertainty over Income Tax Treatment

IFRIC 23 interpretation addresses the accounting for income taxes when there is uncertainty over tax treatments. It clarifies that an entity must consider the probability that the tax authorities will accept a treatment retained in its income tax filings, assuming that they have full knowledge of all relevant information when making their examination. In such a case, the income taxes shall be determined in line with the income tax filings.

Application of IFRIC 23

The company reviewed its income tax treatments in order to determine whether IFRIC 23 interpretation could have an impact on the financial statements. In that respect, the company observed that there are no continuous instances of any uncertain tax treatment in the past and on that basis, it is reasonable to conclude that all the tax treatments are accepted by the tax officer and hence IFRIC-23 is not applicable.

6. FINANCIAL ASSETS, FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS

Financial assets and liabilities are recognised when the company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

The company derecognizes a financial asset only 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 entity. The company derecognizes financial liabilities when, and only when, the company's obligations are discharged, cancelled or have expired.

Cash and cash equivalents

The company considers all highly liquid financial investments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

The company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in other comprehensive income.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the company are recognised at the proceeds received net of direct issue cost

Notes forming part of the Financial Statements

Impairment of financial assets (other than at fair value]

The company assesses at each date of statement of financial position whether a financial asset or a group of financial assets is impaired. IFRS 9 requires expected credit losses to be measured through a loss allowance. The company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. In determining the allowances for expected credit loss, the company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

a. Cash and cash equivalents

Cash and cash equivalents consist of the following:

(In thousands BRL Reais)

	As at December 31, 2024	As at December 31, 2023
Cash at bank	**1,591**	1,126
Cash in hand	**7**	-
Bank deposits (original maturity less than three months)	**106,991**	25,011
Total	**108,589**	26,137

b. Trade receivables - Billed

Trade Receivable - Billed consist of the following:

(In thousands BRL Reais)

	As at December 31, 2024	As at December 31, 2023
Trade receivables - billed	**193,032**	185,006
Less: Allowance for doubtful trade receivables - billed	**-**	-
Total	**193,032**	185,006

Trade Receivable - Billed include balances with related parties amounting to 49,375 thousands BRL reais (26,824 thousands BRL reais for 2023) (refer Note 15).

c. Other financial assets

Other financial assets consist of the following:

Other financial assets - Current

(In thousands BRL Reais)

	As at December 31, 2024	As at December 31, 2023
Loan and advances to employee	**620**	1,621
Security deposits	**66**	56
Others	**31**	(11)
Total	**717**	1,666

Notes forming part of the Financial Statements

d. Trade Payables

Trade payables consist of the following:

(In thousands BRL Reais)

	As at December 31, 2024	As at December 31, 2023
Trade payables	**11,012**	4,987
Accrued expenses	**8,538**	6,796
Total	**19,550**	11,783

Trade payables include balances with related parties amounting to 8,161 thousands BRL reais [3,168 thousands BRL reais for 2023) (refer Note 15).

e. Other financial liabilities

Other financial liabilities consist of the following:

Other financial liabilities - Current

(In thousands BRL Reais)

	As at December 31, 2024	As at December 31, 2023
Capital creditors	**1,213**	299
Liabilities towards customer contracts	**6,177**	5,033
Accrued payroll	**33,634**	25,410
Caution money	**1,016**	837
Total	**42,040**	31,579

f. Financial instruments by category

The carrying value of financial instruments by categories as at December 31, 2024 is as follows:

(In thousands BRL Reais)

	Amortised cost	Total carrying value
Financial assets		
Cash and cash equivalents	**108,589**	**108,589**
Trade receivables		
Billed	**193,032**	**193,032**
Unbilled	**68,563**	**68,563**
Other financial assets	**717**	**717**
Total	**370,901**	**370,901**
Financial liabilities		
Trade payables	**19,550**	**19,550**
Lease liabilities	**41,901**	**41,901**
Other financial liabilities	**42,040**	**42,040**
Total	**103,491**	**103,491**

Notes forming part of the Financial Statements

The carrying value of financial instruments by categories as at December 31, 2023 is as follows:

(In thousands BRL Reais)

	Amortised cost	Total carrying value
Financial assets		
Cash and cash equivalents	26,137	26,137
Trade receivables		
Billed	185,006	185,006
Unbilled	56,257	56,257
Other financial assets	1,666	1,666
Total	269,066	269,067
Financial liabilities		
Trade payables	11,783	11,783
Lease liabilities	37,749	37,749
Other financial liabilities	31,579	31,579
Total	81,111	81,111

Carrying amounts of cash and cash equivalents, trade receivables and trade payables as at December 31, 2024 and December 31, 2023 approximate at the fair value due to their nature. Carrying amounts of other financial assets and other financial liabilities which are subsequently measured at amortised cost also approximates the fair value due to their nature in each of the periods presented. Fair value measurement of lease liabilities is not required.

g. 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.

h. Financial risk management

The company is exposed primarily to fluctuations in foreign currency exchange rates, credit, liquidity and interest rate risks, which may adversely impact the fair value of its financial instruments. The company has a risk management policy which covers risks associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors. The focus of the risk management committee is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the company.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

Notes forming part of the Financial Statements

- **Foreign currency exchange rate risk**

  The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the entity. Considering the economic environment in which the company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries.

  The company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

  The foreign exchange rate sensitivity is calculated by aggregation of the net foreign exchange rate exposure and a simultaneous parallel foreign exchange rates shift of all the currencies by 10% against the respective functional currency of the company.

  The following analysis has been worked out based on the net exposures for the company as at the date of statement of financial position which could affect the statement of profit or loss and other comprehensive income and equity.

  The following table sets forth information relating to foreign currency exposure as at December 31, 2024:

(In thousands BRL Reais)

	USD	GBP	EUR	Others*
Net financial assets	**56,224**	**1,846**	**11,648**	**1,019**
Net financial liabilitites	**6,919**	**2,725**	**730**	**449**

10% appreciation / depreciation of the respective foreign currencies with respect to functional currency of the company would result in decrease / increase in the company's profit before taxes by approximately 5,991 thousands BRL reais for the year ended December 31, 2024

The following table sets forth information relating to foreign currency exposure as at December 31, 2023:

(In thousands BRL Reais)

	USD	GBP	EUR	Others*
Net financial assets	27,416	99	2,245	543
Net financial liabilitites	2,483	468	61	161

10% appreciation / depreciation of the respective foreign currencies with respect to functional currency of the company would result in decrease / increase in the company's profit before taxes by approximately 2,713 thousands BRL reais for the period ended December 31, 2023.

*Others include currencies such as Swiss Franc, Swedish Krona, Uruguayan Peso, Mexican Peso, Peruvian Nuevo Sol, Norwegian Krone, Indian Rupee and Canadian Dollar.

- **Interest rate risk**

  The company's investments are primarily in fixed rate interest-bearing investments. Hence, the company is not significantly exposed to interest rate risk.

Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Refer note 4 for methods, assumptions and information used to measure expected credit losses.

Notes forming part of the Financial Statements

Financial instruments that are subject to credit risk consist of trade receivables, investments, cash and cash equivalents and other financial assets. Cash and cash equivalents include an amount of 108,582 thousands BRL reais held with bank in Brasil having high quality credit rating which are individually in excess of 10% or more of the company's total cash and cash equivalents as at December 31, 2024-. None of the other financial instruments of the company result in material concentration of credit risk.

- **Exposure to credit risk**

  The carrying amount of financial assets and contract assets represents the maximum credit exposure. The maximum exposure to credit risk was 321,443 thousand BRL reais and 281,783 thousand BRL reais as at December 31, 2024 and as at December 31, 2023, respectively, being the total of the carrying amount of balances with banks, trade receivables, contract assets and other financial assets.

  company's exposure to customers is diversified and single customer contributes to more than 10% of outstanding trade receivable and contract assets as at December 31, 2024 and as at December 31, 2023 as follows:

(In thousands BRL Reais)

	As at December 31, 2024		As at December 31, 2023	
	Trade receivables and Contract assets	Percentage	Trade receivables and Contract assets	Percentage
Customer C	**89,184**	**32%**	82,251	32%
Customer B	**45,767**	**16%**	32,480	13%

- **Geographic concentration of credit risk**

  Geographic concentration of trade receivables (gross and net of allowances) and contract assets is as follows:

	As at December 31, 2024	As at December 31, 2023
	Net %	Net %
Ibero America	**72%**	84%
America	**22%**	13%
Others	**6%**	3%

Geographical concentration of trade receivables (gross and net of allowances) and contract assets is allocated based on the location of the customers.

The allowance for lifetime expected credit loss on trade receivables for the years ended December 31, 2024, and 2023 was Nil reais and Nil reais respectively. The reconciliation of allowance for expected credit loss is as follows:

(In thousands BRL Reais)

	Year ended December 31, 2024	Year ended December 31, 2023
Balance at the beginning of the year	**-**	1,269
Charge to profit and loss account	**-**	(20)
Provision written off	**-**	(1,249)
Balance at the end of the year	**-**	-

Notes forming part of the Financial Statements

Liquidity risk

Liquidity risk refers to the risk that the company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The company consistently generated sufficient cash flows from operations to meet its financial obligations including lease liabilities as and when they fall due.

The tables below provide details regarding the contractual maturities of significant financial liabilities as at:

(In thousands BRL Reais)

December 31, 2024	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5 years	Total
Non-derivative financial liabilities:					
Trade payables	**19,550**	**-**	**-**	**-**	**19,550**
Lease liabilities	**13,256**	**13,276**	**24,392**	**5,047**	**55,971**
Other financial liabilities	**42,040**	**-**	**-**	**-**	**42,040**
Total	**74,846**	**13,276**	**24,392**	**5,047**	**117,561**

(In thousands BRL Reais)

December 31, 2023	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5 years	Total
Non-derivative financial liabilities:					
Trade payables	11,783	-	-	-	11,783
Lease liabilities	11,568	9,838	20,871	6,786	49,063
Other financial liabilities	31,579	-	-	-	31,579
Total	54,930	9,838	20,871	6,786	92,425

i. Equity instruments

The authorized, issued, subscribed and fully paid up share capital consist of the following:

(In thousands BRL Reais)

	As at December 31, 2024	As at December 31, 2023
(a) Authorized		
Equity shares of BRL reais 1 each (175,801,586 shares)	**175,802**	175,802
	175,802	175,802
(b) Issued, Subscribed and Paid up		
Equity shares of BRL reais 1 each (175,801,586 shares)	**175,802**	175,802
Total	**175,802**	175,802

Details of shares held by shareholders in the company Equity Shares

	As at December 31, 2024	As at December 31, 2023
TCS Iberoamerica Sociedad Anonima (Holding company)	**175,802**	175,802
TCS Solution Center S.A. *	**-**	-
% Holding in class	**100%**	100%

*TCS Solution Center S.A. holds one share of the company, amount is zero because of rounding off.

Notes forming part of the Financial Statements

Fully paid equity shares, which have a par value of 175,802 thousands BRL reais (BRL 1 each) carry one vote per share and have a right to dividend. In the event of liquidation of the company, the holders of shares are eligible to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion of their shareholding.

The company's objective for capital management is to maximize shareholder value, safeguard business continuity and support the growth of the company. The company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. The company is not subject to any externally imposed capital requirements.

7. LEASES

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

company as a lessee

The company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative standalone price of the lease component and the aggregate stand-alone price of the non-lease components.

The company recognizes right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in profit or loss.

The company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the company uses an incremental borrowing rate. For leases with reasonably similar characteristics, the company, on a lease-by-lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognizes the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and profit or loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the company recognizes any remaining amount of the re-measurement in profit or loss.

The company has elected not to apply the requirements of IFRS 16 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

Notes forming part of the Financial Statements

The details of the right-of-use asset held by the company is as follows:

(In thousands BRL Reais)

	Additions for the year ended December 31, 2024	Net carrying amount as at December 31, 2024
Buildings	**14,462**	**31,924**
Leasehold Improvements	**-**	**1,717**
Total	**14,462**	**33,641**

(In thousands BRL Reais)

	Additions for the year ended December 31, 2023	Net carrying amount as at December 31, 2023
Buildings	266	25,793
Leasehold Improvements	-	3,212
Total	266	29,004

Depreciation on right-of-use asset is as follows:

(In thousands BRL Reais)

	Year ended December 31, 2024	Year ended December 31, 2023
Buildings	**7,102**	7,290
Leasehold Improvements	**1,495**	1,589
Total	**8,597**	8,879

Interest on lease liabilities is 3,592 thousands BRL reais and 4,420 thousands BRL reais for the year ended on December 31, 2024 and 2023, respectively.

The company incurred 877 thousand BRL reais and 528 thousand BRL reais for the years ended December 31, 2024 and 2023, respectively, towards expenses relating to short-term leases and leases of low-value assets.

The total cash outflow for leases is 12,383 thousand BRL reais and 12,402 thousand BRL reais for the years ended December 2024 and 2023, respectively, including cash outflow for short-term leases and leases of low-value assets.

Lease contracts entered by the company majorly pertains for buildings taken on lease to conduct its business in the ordinary course.

The company does not have any lease restrictions and commitment towards variable rent as per the contract.

8. NON-FINANCIAL ASSETS AND LIABILITIES

a. Property, plant and equipment

Property, plant and equipment are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use, less accumulated depreciation [other than freehold land] and impairment loss, if any.

Notes forming part of the Financial Statements

Depreciation is provided for property, plant and equipment on a straight-line basis with highlighted portion so as to expense the cost less residual values over their estimated useful lives based on a technical evaluation. The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

The estimated useful lives are as mentioned below:

Type of asset	Useful lives
Leasehold improvements	Lease term
Computer equipment	4 years
Furniture, fixtures, office equipment and other assets	2-10 years

Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use. Capital work-in-progress includes capital advances.

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss.

Property, plant and equipment consist of the following:

(In thousands BRL Reais)

	Leasehold improvement	Computer equipment	Electrical installations	Furniture and fixtures	Office equipment	Total
Gross block as at January 1, 2024	**7,618**	**59,454**	**2,832**	**2,114**	**5,596**	**77,614**
Addition	**20**	**7,987**	**194**	**97**	**315**	**8,613**
Disposals	**-**	**(306)**	**-**	**-**	**-**	**(306)**
Gross block as at December 31, 2024	**7,638**	**67,135**	**3,026**	**2,211**	**5,911**	**85,921**
Accumulated depreciation as at January 1, 2024	**2,729**	**34,034**	**1,412**	**1,891**	**2,479**	**42,545**
Depreciation	**604**	**12,153**	**311**	**128**	**989**	**14,185**
Disposals	**-**	**(259)**	**-**	**-**	**-**	**(259)**
Accumulated depreciation as at December 31, 2024	**3,333**	**45,928**	**1,723**	**2,019**	**3,468**	**56,471**
Net carrying amount as at December 31, 2024	**4,305**	**21,207**	**1,303**	**192**	**2,443**	**29,450**
Capital work-in-progress						**2,756**
Total						**32,206**

Notes forming part of the Financial Statements

(In thousands BRL Reais)

	Leasehold improvement	Computer equipment	Electrical installations	Furniture and fixtures	Office equipment	Total
Gross block as at January 1, 2023	7,475	45,412	2,832	2,077	3,124	60,920
Addition	143	14,062	-	37	2,472	16,714
Disposals	-	(20)	-	-	-	(20)
Gross block as at December 31, 2023	7,618	59,454	2,832	2,114	5,596	77,614
Accumulated depreciation as at January 1, 2023	2,133	22,309	1,105	1,582	1,560	28,689
Depreciation	596	11,734	307	309	919	13,865
Disposals	-	(9)	-	-	-	(9)
Accumulated depreciation as at December 31, 2023	2,729	34,034	1,412	1,891	2,479	42,545
Net carrying amount as at December 31, 2023	4,889	25,420	1,421	224	3,117	35,069
Capital work-in-progress						618
Total						35,687

b. Goodwill

Goodwill represents the cost of acquired business as established at the date of acquisition of the business in excess of the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities less accumulated impairment losses, if any. Goodwill is tested for impairment annually or when events or circumstances indicate that the implied fair value of goodwill is less than its carrying amount.

CGUs to which goodwill has been allocated are tested for impairment annually, or more frequently when there is indication for impairment. The financial projections basis which the future cash flows have been estimated consider economic uncertainties, reassessment of the discount rates, revisiting the growth rates factored while arriving at terminal value and subjecting these variables to sensitivity analysis. If the recoverable amount of a CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

Goodwill consist of the following:

(In thousands BRL Reais)

	As at December 31, 2024	As at December 31, 2023
Balance at the beginning of the year	**33,106**	33,106
Translation exchange difference	**-**	-
Balance at the end of the year	**33,106**	33,106

Tata Consultancy services do Brasil Ltda, tests goodwill annually for impairment.

Goodwill of 33,106 thousands BRL Reais as at December 31, 2024 and December 31, 2023 has been allocated to the entity as a CGU. The company estimated the value-in-use of the CGU based on future cash flows using a 3.5% annual growth rate for periods subsequent to the forecast period of 10 years and discount rate of 23.57%. An analysis of the sensitivity of the computation to a change in key parameters (operating margin, discount rates and long-term average growth rate), based on reasonable assumptions, did not identify any probable scenario in which the recoverable amount of the CGU would below its carrying amount.

Notes forming part of the Financial Statements

c. Other Intangible assets

Intangible assets purchased including acquired in business combination, are measured at cost as at the date of acquisition, as applicable, less accumulated amortization and accumulated impairment, if any.

Intangible assets consist of rights under licensing agreement and software licenses.

Following table summarizes the nature of intangibles and their estimated useful lives:

Type of asset	Useful lives
Rights under licensing agreement and software licenses	Lower of license period and 2-5 years

Intangible assets are amortised on a straight-line basis over the period of its economic useful life.

Intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss.

Intangible assets consist of the following:

(In thousands BRL Reais)

	Software licences	Total
Cost as at January 1, 2024	**13**	**13**
Additions	**-**	**-**
Cost as at December 31, 2024	**13**	**13**
Accumulated amortisation as at January 1, 2024	**13**	**13**
Amortization for the period	**-**	**-**
Accumulated amortisation as at December 31, 2024	**13**	**13**
Net carrying amount as at December 31, 2024	**-**	**-**

(In thousands BRL Reais)

	Software licences	Total
Cost as at January 1, 2023	13	13
Additions	-	-
Cost as at December 31, 2023	13	13
Accumulated amortisation as at January 1, 2023	11	11
Amortization for the period	2	2
Accumulated amortisation as at December 31, 2023	13	13
Net carrying amount as at December 31, 2023	-	-

Notes forming part of the Financial Statements

d. Other assets

Other assets consist of the following:

(a) Other assets - Current

(In thousands BRL Reais)

	As at December 31, 2024	As at December 31, 2023
Advances to suppliers	**64**	4
Prepaid expenses	**5,373**	5,215
Contract assets	**18,435**	11,986
Contract fulfillment costs	**587**	855
Others	**(13)**	-
Total	**24,446**	18,832

(b) Other assets - Non Current

(In thousands BRL Reais)

	As at December 31, 2024	As at December 31, 2023
Prepaid expenses	**41**	120
Contract assets	**659**	731
Others	**2,890**	2,888
Total	**3,590**	3,739

Contract fulfilment cost of 2 thousands BRL reais and Nil thousands BRL reais for the year ended December 31, 2024 and 2023, respectively, have been amortised in the profit or loss. Refer note 9 for changes in contract assets.

e. Other liabilities

Other liabilities consist of the following:

Other liabilities – Current

(In thousands BRL Reais)

	As at December 31, 2024	As at December 31, 2023
Indirect tax payable and other statutory liabilities	**47,921**	43,300
Total	**47,921**	43,300

f. Provisions

Provisions consist of the following:

(In thousands BRL Reais)

	As at December 31, 2024	As at December 31, 2023
Provision towards legal claims (refer note 14)	**6,607**	5,894
Provision for forseeable losses	**447**	148
Total	**7,054**	6,042

Notes forming part of the Financial Statements

9. REVENUE RECOGNITION

The company earns revenue primarily from providing IT services, consulting and business solutions. The company offers a consulting-led, cognitive powered, integrated portfolio of IT, business and engineering services and solutions.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the company expects to receive in exchange for those products or services.

- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue related to fixed price maintenance and support services contracts where the company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.
- In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ("POC method"] of accounting with contract costs incurred determining the degree of completion of the performance obligation. The contract costs used in computing the revenues include cost of fulfilling warranty obligations.
- Revenue from the sale of distinct internally developed software and manufactured systems and third party software is recognised upfront at the point in time when the system / software is delivered to the customer. In cases where implementation and / or customization services rendered significantly modifies or customizes the software, these services and software are accounted for as a single performance obligation and revenue is recognised overtime on a POC method .
- Revenue from the sale of distinct third party hardware is recognised at the point in time when control is transferred to the customer.
- The solutions offered by the company may include supply of third-party equipment or software. In such cases, revenue for supply of such third party products are recorded at gross or net basis depending on whether the company is acting as the principal or as an agent of the customer. The company recognizes revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

The company's contracts with customers could include promises to transfer multiple products and services to a customer. The company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract and to ascribe the transaction price to each distinct performance obligation. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Notes forming part of the Financial Statements

Contract fulfilment costs are generally expensed as incurred except for certain software license costs which meet the criteria for capitalization. Such costs are amortised over the contractual period or useful life of the license, whichever is less. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as trade receivable - unbilled (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

The billing schedules agreed with customers could include periodic performance based payments and/or milestone based progress payments. Invoices are payable within contractually agreed credit period.

In accordance with IAS 37, the company recognizes an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. The company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The company disaggregates revenue from contracts with customers by nature of services, industry verticals and geography.

Revenue disaggregation by nature of services is as follows:

(In thousands BRL Reais)

	Year ended December 31, 2024	Year ended December 31, 2023
Consultancy services	**1,214,254**	1,024,381
Sale of equipment and software licences	**84**	331
Total	**1,214,338**	1,024,713

Revenue disaggregation by industry vertical is as follows:

(In thousands BRL Reais)

	Year ended December 31, 2024	Year ended December 31, 2023
Industry Vertical		
Banking, financial and insurance	**263,091**	222,754
Manufacturing	**262,523**	252,865
Retail and consumer products	**62,081**	67,380
Communication, media and technology	**54,859**	37,546
Others	**571,784**	444,168
Total	**1,214,338**	1,024,713

Notes forming part of the Financial Statements

Revenue disaggregation by geography is as follows:

(In thousands BRL Reais)

	Year ended December 31, 2024	Year ended December 31, 2023
Geography		
Ibero America	**886,961**	754,800
America	**270,376**	234,616
Europe	**56,753**	34,965
India	**2**	294
Others	**245**	38
Total	**1,214,338**	1,024,713

Geographical revenue is allocated based on the location of the customers.

While disclosing the aggregate amount of transaction price yet to be recognised as revenue towards unsatisfied or partially satisfied performance obligations, along with the broad time band for the expected time to recognize those revenues, the company has applied the practical expedient in IFRS 15. Accordingly, the company has not disclosed the aggregate transaction price allocated to unsatisfied [or partially satisfied] performance obligations which pertain to contracts where revenue recognised corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts.

Unsatisfied [or partially satisfied] performance obligations are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors [changes in currency rates, tax laws etc.]. The aggregate value of transaction price allocated to unsatisfied [or partially satisfied] performance obligations is 335,365 thousands BRL Reais out of which 56.98% is expected to be recognised as revenue within the next year and the balance thereafter. No consideration from contracts with customers is excluded from the amount mentioned above.

Changes in contract assets are as follows:

(In thousands BRL Reais)

	As at December 31, 2024	As at December 31, 2023
Balance at the beginning of the year	**12,717**	20,972
Invoices raised that were included in the contract assets balance at the beginning of the year	**14,453**	5,469
Increase due to revenue recognised during the year excluding amounts billed during the year	**(9,332)**	(13,026)
Translation exchange difference	**1,256**	(698)
Balance at the end of the year	**19,094**	12,717

Notes forming part of the Financial Statements

Changes in unearned and deferred revenue are as follows:

(In thousands BRL Reais)

	As at December 31, 2024	As at December 31, 2023
Balance at the beginning of the year	**12,181**	14,434
Revenue recongnized that was included in the unearned and deferred revenue balance at the beginning of the period	**(11,739)**	(13,908)
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year.	**10,677**	12,415
Translation exchange difference	**405**	(760)
Balance at the end of the year	**11,524**	12,181

10. COST RECOGNITION

Costs and expenses are recognised when incurred and have been classified according to their primary functions in the following categories:

Cost of revenue

The costs of the company are broadly categorized into employee benefits expenses, depreciation and amortization and other operating expenses. Employee benefits expenses include employee compensation, allowances paid, contribution to various funds and staff welfare expenses. Other operating expenses mainly include fees to external consultants, facility expenses, travel expenses, communication expenses, bad debts, and other expenses.

Selling, general and administrative expenses

Selling costs primarily include employee compensation for sales and marketing personnel, travel expenses, advertising, business promotion expenses, bad debts and advances written off, allowance for expected credit losses and doubtful advances [net], facility expenses for sales and marketing offices and market research costs.

General and administrative costs primarily include employee compensation for administrative, supervisory, managerial and practice management personnel, depreciation and amortization expenses of non-production equipment and software, facility expenses for administrative offices, communication expenses, fees to external consultants and other general expenses.

- **Expenses by nature**

(In thousands BRL Reais)

	Year ended December 31, 2024	Year ended December 31, 2023
Fees to external consultants and others	**59,778**	52,108
Facility expenses	**11,117**	8,524
Cost of equipment and software licenses	**(59)**	(43)
Travel expense	**10,956**	9,096
Communication expense	**1.690**	653
Bad debts and advances written off, allowance for doubtful trade receivable and advances (net)	**-**	(19)
Other expenses*	**37,288**	29,897
Total	**120,770**	100,216

Other expenses includes mainly project expenses amounting to 18,041 thousands BRL Reais for year ended December 31, 2024 and 13,942 thousands BRL Reais for year ended December 31, 2023.

Notes forming part of the Financial Statements

- **Expenses by function**

(In thousands BRL Reais)

	Year ended December 31, 2024	Year ended December 31, 2023
Cost of revenue	**897,106**	834,275
Selling, general and administrative expenses	**181,979**	163,685
Total	**1,079,085**	997,960

11. OTHER INCOME

a) Finance and other income

Dividend income is recorded when the right to receive payment is established. Interest income is recognised using effective interest method.

(In thousands BRL Reais)

	Year ended December 31, 2024	Year ended December 31, 2023
Interest income on bank deposits	**4,466**	1,797
Others	**1,866**	267
Total	**6,332**	2,064

b) Finance costs

(In thousands BRL Reais)

	Year ended December 31, 2024	Year ended December 31, 2023
Interest on Lease Liabilities	**3,592**	4,420
Other interest expense	**7**	3
Total	**3,599**	4,423

c) Other Gains / (Losses) (net)

(In thousands BRL Reais)

	Year ended December 31, 2024	Year ended December 31, 2023
Net (loss) on disposal of property, plant and eqiupment	**(47)**	(11)
Net foreign exchange gains (losses)	**5,791**	(4,415)
Others	**446**	-
Total	**6,190**	(4,426)

12. INCOME TAXES

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Notes forming part of the Financial Statements

Current income taxes

Current tax is based on the taxable profit for the year and is calculated using tax rates that have been enacted by the end of the reporting period.

Advance taxes and provisions for current income taxes are presented in the statement of financial position after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying unit intends to settle the asset and liability on a net basis.

Deferred income taxes

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination, affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax liabilities are recognised for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

The income tax expense consists of the following:

(In thousands BRL Reais)

	Year ended December 31, 2024	Year ended December 31, 2023
Current Tax		
Current tax expense for current year	**40,683**	7,511
Current tax benefit pertaining to prior years	**29**	152
	40,712	7,663
Deferred tax		
Deferred tax expense / (benefits) for current year	**7,236**	2,819
Deferred tax expense / (benefit) pertaining to prior years	**12**	66
	7,248	2,885
Total	**47,960**	10,548

Notes forming part of the Financial Statements

The reconciliation of estimated income tax expense at statutory income tax rate to income tax expense reported statement of profit or loss is as follows:

(In thousands BRL Reais)

	Year ended December 31, 2024	Year ended December 31, 2023
Profit before taxes	**144,176**	19,968
Federal income tax rate	**34%**	34%
Expected income tax expense	**49,020**	6,789
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense		
Tax pertaining to prior years	**41**	218
Others (net)	**(1,101)**	3,541
Total income tax expense	**47,960**	10,548
Effective tax rate	**33%**	53%

Significant components of net deferred tax assets and liabilities for the period ended December 31, 2024 are as follows:

(In thousands BRL Reais)

	Opening balance	Recognised in profit or loss	Closing balance
Deferred tax assets / (liabilities) in relation to			
Goodwill amortization	**(11,256)**	**-**	**(11,256)**
Accumulated losses (refer note a)	**13,263**	**(13,263)**	**-**
Lease liabilities (refer note 7)	**2,973**	**107**	**3,080**
Others	**13,579**	**5,909**	**19,488**
Total deferred tax asset / (liabilities)	**18,559**	**(7,246)**	**11,312**

Significant components of net deferred tax assets and liabilities for the period ended December 31, 2023 are as follows:

(In thousands BRL Reais)

	Opening balance	Recognised in profit or loss	Closing balance
Deferred tax assets / (liabilities) in relation to			
Goodwill amortization	(11,256)	-	(11,256)
Accumulated losses (refer note a)	16,616	(3,353)	13,263
Lease liabilities (refer note 7)	2,534	439	2,973
Others	13,550	29	13,579
Total deferred tax asset / (liabilities)	21,444	(2,885)	18,559

Note

a) As at December 31, 2024-, the company's accumulated tax loss carry forwards is Nil BRL reais (39,009 thousands BRL reais as at December 31, 2023). In accordance with the prevailing tax law, tax loss carry forwards may be carried forward indefinitely, but their utilization is limited to 30% of future annual taxable income.

Notes forming part of the Financial Statements

Direct tax Contingencies

The company has ongoing disputes with Tax authorities in Brasil. These mainly include utilization of tax credit by the company not validated by tax authority. As at December 31, 2024, the company has contingent liability of 23,670 thousands BRL reais (December 31, 2023: 22,006 thousands BRL reais) in respect of tax demands which ar being contested by the company based on the management evaluation and on the advice of tax consultants.

13. EMPLOYEE BENEFITS

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Compensated absences

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as undiscounted liability at the date of statement of financial position.

Employee costs consist of the following:

(In thousands BRL Reais)

	Year ended December 31, 2024	Year ended December 31, 2023
Salaries, incentives and allowances	**710,773**	671,673
Contribution to provident and other funds	**150,950**	140,468
Staff welfare expenses	**73,809**	62,861
Total	**935,532**	875,002

Employee benefit obligations consist of the following:

Employee benefit obligations – Current

(In thousands BRL Reais)

	Year ended December 31, 2024	Year ended December 31, 2023
Compensated absences	**58,028**	52,164
Other employee benefit obligations	**226**	169
Total	**58,254**	52,333

14. COMMITMENTS AND CONTINGENCIES

Capital commitments

The company has contractually committed (net of advances) 1,012 thousands BRL reais and 5,742 thousands BRL reais as at December 31 2024 and 2023 respectively, for purchase of property, plant and equipment.

Direct tax matters

Refer note 12.

Notes forming part of the Financial Statements

Indirect tax matters

The company has ongoing disputes with Tax authorities in Brasil. These mainly include utilization of tax credit by the company not validated by tax authority. As at December 31, 2024, the company has contingent liability of 4,613 thousands BRL reais (December 31, 2023: 3,960 thousands BRL reais) in respect of tax demands which are being contested by the company based on the management evaluation and on the advice of tax consultants.

Other claims

As at December 31, 2024, claims aggregating 16,875 thousands BRL reais (December 31, 2023: 12,170 thousands BRL reais) against the company have not been acknowledged as debts.

15. RELATED PARTY TRANSACTIONS

The company's principal related parties consist of its ultimate holding company Tata Consultancy Services Limited and its subsidiaries, affiliates and key managerial personnel, the company's material related party transactions and outstanding balances are with related parties with whom the company routinely enter into transactions in the ordinary course of business.

Transactions and balances with related parties are as follows:

(In Thousands BRL Reais)

	Year ended December 31, 2024	Year ended December 31, 2023
Revenue from operations		
Tata Consultancy Services Limited	**254,097**	227,709
Subsidiaries of Tata Consultancy Services Limited		
Tata Consultancy Services Sverige AB	**8,797**	759
Tata Consultancy Services Ireland Limited	**894**	2,383
Tata Consultancy Services Deutschland Gmbh	**8,308**	6,718
Tata Consultancy Services France S.A.	**5,910**	3,721
TATA Consultancy Services Italia srl	**852**	682
Tata Consultancy Services Netherlands B.V.	**2,820**	1,388
Tata Consultancy Services Sucursal del Peru	**9**	8
Tata Consultancy Services Switzerland Ltd	**9,186**	4,526
TCS Colombia	**373**	490
Tata Consultancy Services De Mexico S.A.,De C.V.	**2,498**	608
TCS Canada Inc.	**2,543**	1,818
Tata Consultancy Services Malaysia Sdn Bhd	**66**	38
Total	**42,256**	23,139

Notes forming part of the Financial Statements

(In Thousands BRL Reais)

	Year ended December 31, 2024	Year ended December 31, 2023
Purchases of goods and services (including reimbursements)		
Tata Consulatancy Services Limited	**47,080**	40,254
Subsidiaries of Tata Consultancy Services Limited		
TCS Colombia	**121**	255
TataSolution Center S.A.	**145**	-
Tata Consultancy Services De Mexico S.A.,De C.V.	**2,514**	2,394
TCS Uruguay S.A.	**889**	546
Tata America International Corporation	**1,658**	(748)
TCS Solution Center	**-**	289
Tata Consultancy Services Argentina S.A.	**1**	(1)
TCS Portugal Unipessoal Lda	**-**	13
TCS Deutschland GmbH	**189**	172
TCS France	**20**	105
TCS Sucursal Peru	**1**	(0)
TCS Italia srl	**17**	30
TCS Netherlands B.V.	**59**	41
TCS Switzerland Ltd.	**133**	38
TCS Sverige AB	**62**	99
Tata Consultancy Services Canada Inc.	**(20)**	-
Tata Consultancy Services Malaysia Sdn Bhd	**1**	1
Total	**5,790**	3,234
Brand equity contribution		
Tata Sons Private Limited	**2,295**	1,940
Dividend Paid		
Subsidiaries of Tata Consultancy Services Limited		
TCS Iberoamerica SA	**52,913**	7,500

Notes forming part of the Financial Statements

(In Thousands BRL Reais)

	As at December 31, 2024	As at December 31, 2023
Trade receivables and unbilled receivables and contract assets		
Tata Consultancy Services Limited	**45,767**	32,480
Subsidiaries of Tata Consultancy Services Limited		
Tata America International Corporation	**17,738**	60
Tata Consultancy Services Argentina S.A.	**-**	1
Tata Consultancy Services Canada Inc.	**452**	100
Tata Consultancy Services Sucursal del Peru	**1**	1
Tata Consultancy Services Ireland Limited	**216**	126
Tata Consultancy Services De Mexico S.A.,De C.V.	**-**	228
Tata Consultancy Services Deutschland GmbH	**1,300**	3,027
Tata Consultancy Services France SA	**829**	362
Tata Consultancy Services Malaysia Sdn Bhd	**-**	5
Tata Consultancy Services Netherlands BV	**374**	253
Tata Consultancy Services Switzerland Ltd.	**886**	477
TCS Italia SRL	**68**	78
Tata Consultancy Services Sverige AB	**6,134**	82
Tata Consultancy Services Portugal Unipessoal Limitada	**10**	8
TCS Colombia	**69**	30
Total	**28,077**	4,838
Other financial assets and other assets		
Tata Consulatancy Services Limited	**1,363**	-
Subsidiaries of Tata Consultancy Services Limited		
TCS Uruguay S. A.	**83**	-
TCS Colombia	**6**	4
Total	**89**	4
Trade payables, unearned and deferred revenue, other financial liabilities and other liabilities		
Tata Sons Private Limited	**1,767**	1,494
Tata Consulatancy Services Limited	**14,992**	12,706
Subsidiaries of Tata Consultancy Services Limited		
Tata America International Corporation	**2,302**	6
Tata Consultancy Services De Mexico S.A.,De C.V.	**235**	440
TCS Solution Center S.A.	**-**	24
Tata Consultancy Services France SA	**33**	22
Tata Consultancy Services Netherlands BV	**8**	40
Tata Consultancy Services Deutschland GmbH	**322**	32
Tata Consultancy Services Switzerland Ltd.	**1,095**	314

Notes forming part of the Financial Statements

(In Thousands BRL Reais)

	As at December 31, 2024	As at December 31, 2023
Tata Consultancy Services Ireland Limited	**16**	36
Tata Consultancy Services Sverige AB	**13**	4
TCS Italia SRL	**68**	46
TCS Uruguay S. A.	**226**	209
Tata Consultancy Services Portugal Unipessoal Limitada	**25**	21
Tata Consultancy Services Canada Inc.	**23**	
TCS Colombia	**-**	44
Total	**4,366**	1,238

(In thousands BRL Reais)

	Year ended December 31, 2023	Year ended December 31, 2022
Compensation to key management personnel		
Short-term benefits	**2,933**	4,062
Total	**2,933**	4,062

16. SUBSEQUENT EVENTS

There were no subsequent events that need disclosure.

TATA CONSULTANCY SERVICES DE MÉXICO, S.A. DE C.V.

FINANCIAL STATEMENTS WITH INDEPENDENT AUDITORS' REPORT THEREON

For the year ended
December 31, 2024 and 2023

TATA CONSULTANCY SERVICES DE MÉXICO, S.A. DE C.V.
(Subsidiary of TCS Iberoamérica, SA and TCS Solution Center, S.A.)

CONTENTS **PAGE**

Independent Auditors' Report	45.2
Statements of Financial Position as of December 31, 2024 and 2023	45.4
Statements of Profit or Loss and Other Comprehensive Income for the years ended December 31, 2024 and 2023	45.5
Statements of Changes in Equity for the years ended December 31, 2024 and 2023	45.6
Statements of Cash Flows for the years ended December 31, 2024 and 2023	45.7
Notes to the Financial Statements	45.8

Back to main content

INDEPENDENT AUDITOR'S REPORT

TO THE STOCKHOLDERS OF
TATA CONSULTANCY SERVICES DE MÉXICO, S.A. DE C.V.:

Opinion

We have audited the accompanying financial statements of TATA Consultancy Services de México, S.A. de C.V., (the "Company"), which comprise the statements of financial position as of December 31, 2024 and 2023, and the statements of comprehensive income, changes in stockholders' equity and of cash flows, for the years then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of TATA Consultancy Services de México, S.A. de C.V., as of December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended, in accordance with 'International financial reporting standard (IFRS)', as issued by the International Accounting Standards Board (IASB).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Mexico in accordance with the Instituto Mexicano de Contadores Públicos A.C.'s Code of Professional Ethics (IMCP Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA and IMCP Codes. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRSs, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the 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.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of TATA Consultancy Services de México, S.A. de C.V., 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 ISAs 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 financial statements.

A further description of our responsibilities for the audit of the financial statements is included in 'Exhibit of the Independent auditor's report' of this auditor's report. This description, which is located in the following page, forms part of our auditor's report.

SALLES, SAINZ – GRANT THORNTON, S. C.

Mexico City, Mexico
February 24, 2025

C.P.A. Fernando Robles Garibay

Back to content

EXHIBIT OF THE INDEPENDENT AUDITOR'S REPORT

Further description of our responsibilities regarding the audit of the financial statements

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statements of Financial Position As of December 31, 2024 and 2023

(In millions of Mexican Pesos)

	Note	As of December 31, 2024	As of December 31, 2023
ASSETS:			
Current assets			
Cash and cash equivalents	7 a	**1,117.60**	1,133.76
Trade receivables			
Billed	7 b	**281.89**	465.51
Unbilled	7 d	**256.24**	114.25
Related parties	7 c A	**1,843.20**	1,606.09
Other current financial assets	7 e a	**62.31**	99.49
Other current assets	9 b	**297.59**	146.54
Total current assets		**3,858.83**	3,565.64
Non-current assets			
Trade receivables Unbilled	7 d	**7.92**	1.00
Other non-current financial assets	7 e b	**16.72**	10.19
Income tax assets (net)	14	**205.44**	63.27
Deferred tax assets	14	**534.91**	456.42
Property, Plant and Equipment	9 a i	**258.62**	253.02
Right of use asset	8	**328.68**	276.56
Other non-current assets	9 b	**20.48**	17.46
Total non-current assets		**1,372.77**	1,077.92
TOTAL ASSETS		**5,231.60**	4,643.56
LIABILITIES AND EQUITY:			
Liabilities:			
Current liabilities			
Trade payables	9 c	**356.20**	305.16
Lease liability	8	**71.89**	65.78
Related parties	7 c B	**261.78**	372.09
Provisions		**2.29**	0.54
Other current liabilities	9 d	**534.65**	489.01
Other current financial liabilities	7 f	**52.69**	4.89
Unearned and deferred revenue	9 e	**132.96**	23.35
Employee benefit obligations	12	**696.72**	615.30
Income tax liabilities	14	**813.07**	359.60
Total current liabilities		**2,922.25**	2,235.72
Non-current liabilities:			
Employee benefit obligations	12	**366.22**	263.99
Lease liability	8	**258.09**	182.50
Total non-current liabilities		**624.31**	446.49
TOTAL LIABILITIES		**3,546.56**	2,682.21
Equity			
Share Capital	7 o	**2.61**	2.61
Legal reserves		**0.01**	0.01
Retained earnings		**1,639.18**	1,909.09
Other comprehensive income		**43.24**	49.64
Total Equity		**1,685.04**	1,961.35
TOTAL LIABILITIES AND EQUITY		**5,231.60**	4,643.56

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

Statements of Profit or Loss and Other Comprehensive Income
For the years ended December 31, 2024 and 2023

(In millions of Mexican Pesos)

	Note	For the years ended December 31, 2024	For the years ended December 31, 2023
Revenue from operations	10	**11,921.67**	10,639.80
Total revenue		**11,921.67**	10,639.80
Operating expenses			
Employee benefits expense	12	**9,292.45**	8,653.36
Other operating expense	11	**1,232.91**	1,038.48
Depreciation and amortisation expense	8 & 9 a	**189.82**	201.50
TOTAL OPERATING EXPENSE		**10,715.18**	9,893.34
Operating Profit		**1,206.49**	746.46
Other income (expense)			
Finance income	13 a	**27.78**	51.57
Finance costs	13 b	**(25.57)**	(23.48)
Other gains/(losses), net	13 c	**47.63**	(165.70)
		49.84	(137.61)
PROFIT BEFORE INCOME TAXES		**1,256.33**	608.85
Income tax expense	14	**401.04**	191.79
NET INCOME		**855.29**	417.06
OTHER COMPREHENSIVE INCOME			
Remeasurement in Defined Benefit Obligation	12	**(6.40)**	19.64
NET AND TOTAL COMPREHENSIVE INCOME		**848.89**	436.70

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

Statements of Changes in Equity
For the years ended December 31, 2024 and 2023

In millions of Mexican Pesos, except share data)

	Number of shares (Fixed and variable)	Equity share capital	Legal reserves	Retained earnings	Other Comprehensive Income	Total equity
Balance as of January 01, 2023	2,614,406	2.61	0.01	2,355.44	30.00	2,388.06
Net income for the year	-	-	-	417.06	-	417.06
Remeasurement in Defined Benefit Obligation	-	-	-	-	19.64	19.64
Total Comprehensive income of the year	-	-	-	417.06	19.64	436.70
Dividend distribution	-	-	-	863.41	-	863.41
Balance as of December 31, 2023	2,614,406	2.61	0.01	1,909.09	49.64	1,961.35

	Number of shares (Fixed and variable)	Equity share capital	Legal reserves	Retained earnings	Other Comprehensive Income	Total equity
Balance as of January 01, 2024	**2,614,406**	**2.61**	**0.01**	**1,909.09**	**49.64**	**1,961.35**
Net income for the year	**-**	**-**	**-**	**855.29**	**-**	**855.29**
Remeasurement in Defined Benefit Obligation	**-**	**-**	**-**	**-**	**(6.40)**	**(6.40)**
Total Comprehensive income of the year	**-**	**-**	**-**	**855.29**	**(6.40)**	**848.89**
Dividend distribution	**-**	**-**	**-**	**1,125.20**	**-**	**1,125.20**
Balance as of December 31, 2024	**2,614,406**	**2.61**	**0.01**	**1,639.18**	**43.24**	**1,685.04**

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

Statements of Cash Flows For the years ended December 31, 2024 and 2023

(In millions of Mexican Pesos)

	Year ended December 31, 2024	Year ended December 31, 2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	**855.29**	417.06
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortisation expense	**189.82**	201.50
Interest income	**(0.55)**	(0.65)
Income tax and Deferred tax expense	**401.04**	191.79
Unrealized exchange loss / (gain)	**0.01**	72.22
Allowances for doubtful trade receivables and bad debts written off	**0.07**	(0.32)
Net change in:		
Trade receivables		
Billed	**183.55**	126.12
Unbilled	**(148.91)**	(15.94)
Related parties	**(347.42)**	(51.26)
Other financial assets (current and non-current)	**30.65**	(14.55)
Other assets (current and non-current)	**(154.06)**	93.76
Trade payables	**51.04**	11.80
Other financial liabilities (current)	**49.54**	(12.03)
Unearned and deferred revenues	**109.61**	(35.50)
Other liabilities (current and non-current)	**222.90**	253.02
Cash generated from operations	**1,442.58**	1,237.02
Taxes paid	**(168.23)**	(288.76)
Net cash provided by operating activities	**1,274.35**	948.26
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	**(108.12)**	(69.23)
Net cash used in investing activities	**(108.12)**	(69.23)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Dividends paid	**(1,125.20)**	(863.41)
Repayment of lease liabilities	**(81.50)**	(72.43)
Net cash used in financing activities	**(1,206.70)**	(935.83)
Net (decrease) / increase in cash and cash equivalents	**(40.47)**	(56.80)
Effect of foreign exchange on cash	**24.31**	(88.70)
Cash and cash equivalents, beginning of the year	**1,133.76**	1,279.26
Cash and cash equivalents, end of the year	**1,117.60**	1,133.76

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

Notes to the Financial Statements for the years ended December 31, 2024 and 2023

1. Reporting entity

Tata Consultancy Services de Mexico, S.A. de C.V. (the "Company") is a subsidiary de TCS Iberoamerica, SA and is engaged in providing information technology and consultancy services, application development, IT infrastructure management, including services under contracts for software development, implementation and other related services. It was incorporated as a corporation with variable capital, in accordance with Mexican law, on April 9, 2003, with a duration of 99 years and with principal place of business in Avenida Insurgentes Sur, No. 1647, Piso 4 Colonia San Jose Insurgentes, Alcaldía Benito Juarez, C.P. 03900, México City.

Authorisation

On Feb 24, 2025 Ms. Gloria Corona Mercado (Finance Director) and Rajeev Gupta (Country Head, Mexico) authorised the issuance of the accompanying financial statements and related notes thereto.

In accordance with the General Corporations Law and the bylaws of Tata Consultancy Services de Mexico, S.A. de C.V., the stockholders are empowered to modify the financial statements after issuance. The accompanying financial statements will be submitted to the next Stockholders' Meeting for approval.

2. Statement of compliance

The accompanying financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), issued by International Accounting Standard Board (IASB).

3. Basis of preparation

These financial statements have been prepared on a historical cost basis except for certain financial instruments which are measured at fair value or amortized cost at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for 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. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realization in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

Cash flows have been prepared using indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals, or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The Company classifies interest paid and interest and dividend received as cash flow from operating activities. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value to be cash equivalents.

The functional currency of the Company is the Mexican Pesos. Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are retranslated at the exchange rate prevailing on the dates of statement of financial position and exchange gains and losses arising on settlement and restatement are recognised in profit or loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

The significant accounting policies used in preparation of the financial statements have been discussed in the respective notes.

Functional and reporting currency

The aforementioned financial statements are presented in Mexican pesos (reporting currency), which is the same as the local currency and the functional currency.

To determine the functional currency, management assesses the economic environment in which it primarily generates and disburses cash. For this, factors related to sales, costs, sources of financing and cash flows generated by the operation are considered.

As of December 31, 2024 and 2023, the peso/dollar exchange rates were $20.69 and $16.93, respectively. Unless otherwise indicated, all financial information presented in pesos has been rounded to the nearest millions. When referring to

Notes to the Financial Statements for the years ended December 31, 2024 and 2023

"US" or dollars, it refers to amounts expressed in millions of dollars of the United States of America or U.S.D, when referring to "EUR" means millions of Euro, "CAD" means millions Canadian dollar, "BRL" means millions of Brazilian real, "UYU" means millions of Uruguayan Peso, and "COP" means millions of Colombian peso.

Prepayments

Mainly include prepayments for the purchase of services that are received after the date of the statement of financial position and in the ordinary course of operations.

Presentation of statement of cash flows

The statements of cash flows of the Company are presented using the indirect method.

4. Use of estimates and judgements

The preparation of these financial statements in conformity with the recognition and measurement principles of IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses for the years presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimates are revised, and future periods are affected.

The Company uses the following critical accounting estimates in preparation of its financial statements:

a. Revenue recognition

Revenue for fixed-price contracts is recognised using percentage-of-completion method. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine degree of completion of the performance obligation.

b. Useful lives of Property, Plant and Equipment

The Company reviews the carrying amount of equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

c. Valuation of deferred tax assets

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy has been explained under **note 14**.

d. Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at the end of each reporting period adjusted to reflect the current best estimates. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Contingent liabilities are not recognised in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

e. Foreign currency

Transactions in foreign currency are translated at the exchange rate prevailing on the date of execution or settlement. Monetary assets and liabilities are at the exchange rate on the balance sheet date. Gains and losses arising on conversion of foreign currency denominated monetary assets and liabilities are reported on the statement of income, on other (losses)/ gains, net.

f. Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements

Notes to the Financial Statements for the years ended December 31, 2024 and 2023

include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

g. Employee benefits

The accounting of employee benefit plans in the nature of defined benefit requires the Company to use assumptions. These assumptions have been explained under employee benefits note.

h. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of IFRS 16. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

5. Nature and purpose of reserves

Retained earnings

This reserve represents undistributed accumulated earnings of the Company as on the date of statement of financial position.

Statement of comprehensive income presentation

The Company opted for reporting comprehensive income in a single statement that includes all the items that comprise net income or loss and other comprehensive income (OCI), entitled "Statement of Comprehensive Income". Additionally, the "Operating profit" line item is included, which results from subtracting the cost of sales and expenses from total revenues, as this line item is considered to provide a better understanding of the Company's economic and financial performance.

Given that the Company is a service entity, ordinary costs and expenses are presented based on their nature, as the information so reported is clearer.

Capital stock

Common shares are classified in stockholders' equity.

6. Recent accounting standards

The Company has not applied the following new and revised IFRSs that have been issued but are not yet effective.

Amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates[2]

Amendments to IFRS 9 and IFRS 7[2]

IFRS 18 – Presentation and Disclosures in Financial Statements[3]

IFRS 19 – Subsidiaries without Public Accountability: Disclosures[3]

[1] Effective for annual periods beginning on or after January 1, 2025.

[2] Effective for annual periods beginning on or after January 1, 2026

[3] Effective for annual periods beginning on or after January 1, 2027.

Notes to the Financial Statements for the years ended December 31, 2024 and 2023

IAS 21 – The Effects of Changes in Foreign Exchange Rates

In August 2023, the IASB issued 'Lack of Exchangeability (Amendments to IAS 21)' to provide guidance to specify which exchange rate to use when the currency is not exchangeable. An entity must estimate the spot exchange rate as the rate that would have applied to an orderly transaction between market participants at the measurement date and that would faithfully reflect the economic conditions prevailing. The Company does not expect this amendment to have any significant impact in its financial statements.

IFRS 9 and IFRS 7 – Financial Instruments and Financial Instruments: Disclosure

In May 2024, the IASB issued Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) to address matters identified during the post-implementation review of IFRS 9. The amendments relate to derecognition of a financial liability settled through electronic transfer, classification of financial assets and disclosures of certain financial assets and financial liabilities. The Group will evaluate the amendments and implement them accordingly.

IFRS 18 – Presentation and Disclosures in Financial Statements

In April 2024, the IASB issued its new standard IFRS 18 – Presentation and Disclosures in Financial Statements that will replace IAS 1 – Presentation of Financial Statements. The new standard aims at improving how entities communicate in their financial statements. The Group will evaluate the standard and implement it accordingly.

IFRS 19 – Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued a new standard IFRS 19 - Subsidiaries without Public Accountability: Disclosures. The standard allows a subsidiary which does not have public accountability and has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards, to elect IFRS 19. Such an entity applies the requirements in other IFRS Accounting Standards, except for the disclosure requirements, instead the entity applies the requirements in IFRS 19.

7. Financial assets, financial liabilities and equity instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value, except for trade receivable which are initially measured at transaction price. 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 measured on initial recognition of financial asset or financial liability.

The Company derecognises a financial asset only 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 entity. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

Cash and cash equivalents

The company considers all highly liquid investments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Notes to the Financial Statements for the years ended December 31, 2024 and 2023

The Company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in other comprehensive income.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Derivative accounting

Instruments not in hedging relationship

The Company enters into contracts that are effective as hedges from an economic perspective, but they do not qualify for hedge accounting. The change in the fair value of such instrument is recognised in profit or loss.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the company are recognised at the proceeds received net of direct issue cost.

Impairment of Financial assets (other than at fair value)

The Company assesses at each date of statement of financial position whether a financial asset or a group of financial assets is impaired. IFRS 9 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. In determining the allowance for expected credit losses, the company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

a. Cash and cash equivalents

Cash and cash equivalents consist of the following:

(In millions of Mexican Pesos)

	As of December 31, 2024	As of December 31, 2023
Current account balances with banks	**111.43**	31.71
Bank deposits (original maturity less than three months)	**1,006.17**	1,102.05
Total	**1,117.60**	1,133.76

As of December 31, 2024, and 2023 there is no restricted cash.

In note **7 (g)** the Company discloses the sensitivity analysis for financial assets and liabilities.

Notes to the Financial Statements for the years ended December 31, 2024 and 2023

b. Trade receivables - Billed

Trade receivables -Billed consist of the following:

(In millions of Mexican Pesos)

	As of December 31, 2024	As of December 31, 2023
Trade receivables- Billed	**281.97**	466.02
Less: Allowance for expected credit losses	**(0.08)**	(0.51)
Total	**281.89**	465.51

Movement in the allowance for expected credit losses are as follows:

(In millions of Mexican Pesos)

	As of December 31, 2024	As of December 31, 2023
Balance at the beginning of the year	**0.51**	0.82
Allowance for expected credit losses	**(0.43)**	(0.31)
Balance at the end of the year	**0.08**	0.51

c. Related Parties

A) Related Parties Assets

Current financial assets

(In millions of Mexican Pesos)

	As of December 31, 2024	As of December 31, 2023
Financial assets		
Trade receivables		
Billed	**1,185.41**	1,158.38
Unbilled	**607.34**	436.87
Other current financial assets	**0.11**	0.01
Total Financial assets	**1,792.86**	1,595.26
Other Assets		
Prepaid Expense	**50.34**	10.83
Total	**1,843.20**	1,606.09

Notes to the Financial Statements for the years ended December 31, 2024 and 2023

B) Related Parties Liabiliities

(In millions of Mexican Pesos)

	As of December 31, 2024	As of December 31, 2023
Financial liabilities		
Trade and other payables	**131.81**	271.11
Other current financial liabilities	**55.70**	37.73
Total Financial liabilities	**187.51**	308.84
Other current liabilities		
Unearned and deferred revenue	**74.27**	63.25
Total other current liabilities	**74.27**	63.25
Total	**261.78**	372.09

For related party refer note no. **17**.

d. Trade receivable - Unbilled

Trade receivable - Unbilled - Current

(In millions of Mexican Pesos)

	As of December 31, 2024	As of December 31, 2023
Trade receivable - Unbilled	**256.24**	114.25
	256.24	114.25

Trade receivables - Unbilled - Non Current

	As of December 31, 2024	As of December 31, 2023
Trade receivable - Unbilled	**7.92**	1.00
	7.92	1.00

e. Other financial assets

Other financial assets consist of the following:

a) Other financial assets - current

(In millions of Mexican Pesos)

	As of December 31, 2024	As of December 31, 2023
Employee advances	**41.91**	43.39
Foreign currency derivative assets	**18.13**	54.73
Others	**2.27**	1.37
Total	**62.31**	99.49

Notes to the Financial Statements for the years ended December 31, 2024 and 2023

b) Other financial assets - non-current

(In millions of Mexican Pesos)

	As of December 31, 2024	As of December 31, 2023
Deposits for premises	**8.05**	9.74
Security deposit	**8.67**	0.45
Total	**16.72**	10.19

f. Other financial liabilities

Other financial liabilities consist of the following:

Other financial liabilities - Current

(In millions of Mexican Pesos)

	As of December 31, 2024	As of December 31, 2023
Foreign currency derivative liability	**44.34**	0.49
Capital creditors	**7.50**	4.19
Payable for volume discount	**0.56**	0.21
Security deposits	**0.29**	-
Total	**52.69**	4.89

g. Financial instruments by category

The carrying value of financial instruments by categories as at December 31, 2024 is as follows:

(In millions of Mexican Pesos)

	Derivative Instruments not in hedging relationships	Amortized cost	Total carrying value
Financial assets			
Cash and cash equivalents	**-**	**1,117.60**	**1,117.60**
Trade receivables			
Billed	**-**	**281.89**	**281.89**
Unbilled	**-**	**264.16**	**264.16**
Related parties	**-**	**1,792.86**	**1,792.86**
Other financial assets	**18.13**	**60.90**	**79.03**
Total	**18.13**	**3,517.41**	**3,535.54**
Financial liabilities			
Trade payables	**-**	**356.20**	**356.20**
Related parties	**-**	**187.51**	**187.51**
Lease Liability	**-**	**329.98**	**329.98**
Other financial liabilities	**44.34**	**8.35**	**52.69**
Total	**44.34**	**882.04**	**926.38**

Notes to the Financial Statements for the years ended December 31, 2024 and 2023

The carrying value of financial instruments by category as at December 31, 2023 is as follows:

(In millions of Mexican Pesos)

	Derivative Instruments not in hedging relationships	Amortized cost	Total carrying value
Financial assets			
Cash	-	1,133.76	1,133.76
Trade receivables			
Billed	-	465.51	465.51
Unbilled	-	115.25	115.25
Related parties	-	1,595.26	1,595.26
Other financial assets	54.73	54.95	109.68
Total	54.73	3,364.73	3,419.46
Financial liabilities			
Trade payables	-	305.16	305.16
Related parties	-	308.84	308.84
Lease Liability	-	248.28	248.28
Other financial liabilities	0.49	4.40	4.89
Total	0.49	866.68	867.17

Carrying amounts of cash and cash equivalents, trade receivables, unbilled receivables and trade payables as at December 31, 2024 and December 31, 2023 approximate the fair due to their nature. Carrying amounts of other financial assets and other financial liabilities which are subsequently measured at amortised cost also approximate the fair value due to their nature in each of the periods presented. Fair value measurement of lease liabilities is not required.

h. 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.

Notes to the Financial Statements for the years ended December 31, 2024 and 2023

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosures are required):

As of December 31, 2024

(In millions of Mexican Pesos)

	Level 1	Level 2	Level 3	Total
Financial assets				
Fair value of foreign exchange derivative assets	**-**	**18.13**	**-**	**18.13**
Total	**-**	**18.13**	**-**	**18.13**
Financial liabilities				
Fair value of foreign exchange derivative liabilities	**-**	**44.34**	**-**	**44.34**
Total	**-**	**44.34**	**-**	**44.34**

As of December 31, 2023

(In millions of Mexican Pesos)

	Level 1	Level 2	Level 3	Total
Financial assets				
Fair value of foreign exchange derivative assets	-	54.73	-	54.73
Total	-	54.73	-	54.73
Financial liabilities				
Fair value of foreign exchange derivative liabilities	-	0.49	-	0.49
Total	-	0.49	-	0.49

The Company has entered into derivative instruments not in hedging relationship by way of foreign exchange forwards. As at December 31, 2024 and December 31, 2023, the notional amount of outstanding contracts aggregated to MXN 3,578.59 million and MXN 1,777, respectively and the respective fair value of these contracts have a net loss of MXN 26.19 million and net gain MXN 54.2 million.

Exchange loss of MXN 61.70 million and exchange gain MXN 123.97 on foreign exchange forwards that do not qualify for hedge accounting have been recognised in profit or loss for the period ended December 31, 2024 and 2023, respectively.

i. Financial risk management

Tata Consultancy Services de México, S.A. de C.V. is exposed primarily to fluctuations in foreign currency exchange rates, credit, liquidity and interest rate risks, which may adversely impact the fair value of its financial instruments. Tata Consultancy Services de México, S.A. de C.V has a risk management policy which covers risks associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors. The focus of the risk management committee is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the Company.

j. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

k. Foreign currency exchange rate risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the Company.

Notes to the Financial Statements for the years ended December 31, 2024 and 2023

Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar and Euro.

The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

The foreign exchange rate sensitivity is calculated by aggregation of the net foreign exchange rate exposure and a simultaneous parallel foreign exchange rates shift of all the currencies by 10% against the functional currency of the Company.

The following analysis has been worked out based on the net exposures for the Company as at the date of statement of financial position which could affect the statement of profit or loss and other comprehensive income and equity.

The following table sets forth information relating to foreign currency exposure as of December 31, 2024:

2024

(in millions of MXN)

	USD	EUR	GBP	CAD	CHF	COP	ARS	BRL	CLP	PEN	UYU	PHP	KRW	UDF
Net financial assets	**1,797.70**	**34.80**	**9.03**	**34.72**	**6.96**	**4.73**	**2.95**	**1.86**	**2.70**	**2.00**	**0.13**	**3.84**	**14.44**	**0.14**
Net financial liabilitites	**368.87**	**0.61**	**10.10**	**2.09**	**1.01**	**-**	**-**	**-**	**-**	**0.03**	**-**	**-**	**-**	**-**

10% appreciation / depreciation of the respective foreign currencies with respect to functional currency of Tata Consultancy Services de México, S.A. de C.V would result in decrease / increase in the Company's profit before tax by approximately MXN 153.33 for the year ended December 31, 2024.

The following table sets forth information relating to foreign currency exposure as of December 31, 2023:

2023

(in millions of MXN)

	USD	EUR	GBP	CAD	CHF	COP	ARS	BRL	CLP	PEN	UYU	PHP	KRW	UDF
Net financial assets	1,736.26	31.09	14.96	13.76	0.32	6.69	0.43	1.78	1.85	1.07	-	4.07	7.65	0.38
Net financial liabilities	242.21	0.58	7.27	1.52	0.02	-	-	-	-	-	-	-	-	-

10% appreciation / depreciation of the respective foreign currencies with respect to functional currency of Tata Consultancy Services de México, S.A. de C.V would result in decrease / increase in the Company's profit before tax by approximately MXN 156.87 for the year ended December 31, 2023.

l. Interest rate risk

The Company's investments are primarily in fixed rate bearing investments. Hence, the Company is not significantly exposed to interest rate risk.

m. Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to credit risk consist of trade receivables, unbilled receivables, cash and cash equivalents, bank deposits and other financial assets. Cash and cash equivalents include an amount of MXN 1,117.60 and MXN 1,133.76 held with a Mexican bank having high quality credit rating as at 31st December, 2024 and 31st December, 2023. None of the other financial instruments of the Company result in material concentration of credit risk.

Notes to the Financial Statements for the years ended December 31, 2024 and 2023

Exposure to credit risk

The carrying amount of financial assets and contract assets represents the maximum credit exposure. The maximum exposure to credit risk was MXN 3,535.54 and MXN 3,419.26 as of December 31, 2024 and December 31, 2023, respectively being the total of the carrying amount of cash and cash equivalents, trade receivables and unbilled receivables and other financial assets.

Trade receivables - Billed and Unbilled

The Company's exposure to credit risk with regards to trade receivables and unbilled receivables is influenced mainly by the individual characteristics of each customer in relation to the industry practices and business environment in which they operate. The Company limits its exposure to credit risk from trade receivables by establishing a maximum payment period of 272 days for its customers after which they are in default (credit impaired). To manage this risk, the Company has a robust Credit Management process in place. The Company has adopted a policy of dealing only with creditworthy counterparties. The Company's exposure of the counterparties are continuously monitored and necessary changes to the credit terms are made. The carrying amounts of financial assets represent the maximum credit risk exposure.

Tata Consultancy Services de México, S.A. de C.V.'s exposure to customers is diversified and single customer which explains more than 10% of outstanding total trade receivable as at December 31, 2024 and 2023 are as follows:

(In millions of Mexican Pesos)

	As on December 31, 2024		As on December 31, 2023	
	Total Trade receivables and Contract assets	Percentage	Total Trade receivables and Contract assets	Percentage
Customer A	**1,613.39**	**63.54**	**1,245.54**	**53.23**
Customer B	**388.70**	**15.31**	**398.12**	**15.12**

None of the other financial instruments of the Company result in material concentration of credit risk.

Geographic concentration of credit risk

Geographic concentration of trade receivables billed (net of allowances) and trade receivables unbilled is as follows:

(In millions of Mexican Pesos)

	As at December 31, 2024 %	As at December 31, 2023 %
Americas	**95.31**	97.23

Geographical concentration of trade receivables billed and trade receivables unbilled is allocated based on the location of the customers.

The Company uses an allowance matrix to measure the expected credit loss of trade receivable from customers. The expected credit loss allowance is based on the ageing of the days the receivables are due and are as follows:

(In millions of Mexican Pesos)

31-Dec-24	Weighted average loss rate	Gross Carrying Amount*	Loss Allowance	Credit impaired
No Due	**0.18%**	**237.13**	**0.42**	**No**
1-90	**1.13%**	**39.63**	**0.45**	**No**
91-180	**6.66%**	**-**	**-**	**No**
181-272	**27.33%**	**-**	**-**	**No**
>272	**100.00%**	**-**	**-**	**Yes**

*Gross carrying amount excludes inter-company receivables.

Notes to the Financial Statements for the years ended December 31, 2024 and 2023

n. Liquidity risk

Liquidity risk refers to the risk that Tata Consultancy Services de México, S.A. de C.V. cannot meet its financial obligations. The objective of Liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

Tata Consultancy Services de México, S.A. de C.V. consistently generates sufficient cash flows from operations to meet its financial obligations as and when they fall due.

The table below provides details regarding the contractual maturities of significant financial liabilities:

(In millions of Mexican Pesos)

December 31, 2024	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5 years	Total
Non-derivative financial liabilities:					
Trade and other payables	**356.20**	**-**	**-**	**-**	**356.20**
Related parties	**187.51**	**-**	**-**	**-**	**187.51**
Lease Liability	**88.49**	**86.28**	**132.31**	**81.32**	**388.40**
Other financial liabilities	**52.69**	**-**	**-**	**-**	**52.69**
Total	**684.89**	**86.28**	**132.31**	**81.32**	**984.80**

December 31, 2023	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5 years	Total
Non-derivative financial liabilities:					
Trade and other payables	305.16	-	-	-	305.16
Related parties	308.84	-	-	-	308.84
Lease Liability	85.52	72.76	125.31	20.03	303.62
Other financial liabilities	4.89	-	-	-	4.89
Total	704.41	72.76	125.31	20.03	922.51

o. Equity instruments

(In millions of Mexican Pesos)

	As of December 31, 2024	As of December 31, 2023
(a) Authorised		
Equity shares of MXN 1 each (2,614,406 shares)	**2.61**	2.61
	2.61	2.61
(b) Issued, Subscribed and Fully paid up		
Equity shares of MXN 1 each (2,614,406 shares)	**2.61**	2.61
Total	**2.61**	2.61

A) Structure of share capital

As of December 31, 2024, share capital fully issued and paid is represented by 50,000 common shares (corresponding to the minimum fixed portion) with a par value of MXN 1 each. The fixed and variable portion is represented by 2,614,406 shares of MXN 1 each.

In the event of liquidation of the Company, the holders of shares are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

Notes to the Financial Statements for the years ended December 31, 2024 and 2023

The Company's objective for capital management is to maximize shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. The Company is not subject to any externally imposed capital requirements.

(In millions of Mexican Pesos)

Other Comprehensive income (OCI)	For the year ended December 31, 2024	For the year ended December 31, 2023
Remeasurement in Defined Benefit Obligation	**(6.40)**	19.64
Total Other Comprehensive Income	**(6.40)**	19.64

B) Restriction in stockholders' capital

In accordance with the General Corporations Law, five percent of net income for the year must be appropriated to the statutory reserve, until it reaches one-fifth of share capital. As of December 31, 2024 and 2023, the same has been constituted at MXN 10,000.

Retained earnings and other Stockholder's contributions, on which no income tax has been paid, are subject to income taxes in the event of distribution, at the rate of 30%, payable by the Company; consequently, the stockholders may only receive 70% of such amounts.

Stockholder contributions may be refunded to the stockholders tax-free, to apply that exemption, such contributions must be equal or less of the balance of the Contributed Capital Account (CUCA for its Acronym in Spanish). As of December 31, 2024, and 2023, the CUCA amount is in process of being updated.

C) Dividend

At the General Ordinary Stockholders' Meeting held on February 28, 2024, a cash dividend payment of MXN 256.89 was approved and paid on March 11, 2024. As a consequence of this dividend payment, 5% of withheld income tax was paid in the amount of MXN 12.84 in accordance with local tax regulations for payment of dividends abroad.

At the General Ordinary Stockholders' Meeting held on June 3, 2024, a cash dividend payment of MXN 264.51 was approved and paid on June 26, 2024. As a consequence of this dividend payment, 5% of withheld income tax was paid in the amount of MXN 13.23 in accordance with local tax regulations for payment of dividends abroad.

At the General Ordinary Stockholders' Meeting held on September 6, 2024, a cash dividend payment of MXN 300.26 was approved and paid on September 11, 2024. As a consequence of this dividend payment, 5% of withheld income tax was paid in the amount of MXN 15.01 in accordance with local tax regulations for payment of dividends abroad.

At the General Ordinary Stockholders' Meeting held on December 19, 2024, a cash dividend payment of MXN 303.54 was approved and paid on December 20, 2024. As a consequence of this dividend payment, 5% of withheld income tax was paid in the amount of MXN 15.18 in accordance with local tax regulations for payment of dividends abroad.

At the General Ordinary Stockholders' Meeting held on June 21, 2023, a cash dividend payment of MXN 343.09 was approved and paid on June 26, 2023. As a consequence of this dividend payment, 5% of withheld income tax was paid in the amount of MXN 17.15 in accordance with local tax regulations for payment of dividends abroad.

At the General Ordinary Stockholders' Meeting held on September 22, 2023, a cash dividend payment of MXN 257.36 was approved and paid on September 25, 2023. As a consequence of this dividend payment, 5% of withheld income tax was paid in the amount of MXN 12.87 in accordance with local tax regulations for payment of dividends abroad.

At the General Ordinary Stockholders' Meeting held on December 1, 2023, a cash dividend payment of MXN 262.96 was approved and paid on December 19, 2023. As a consequence of this dividend payment, 5% of withheld income tax was paid in the amount of MXN 13.15 in accordance with local tax regulations for payment of dividends abroad.

Distribution of dividends or profits to the shareholders that come from the CUFIN, will not generate income tax to legal entities resident in the country, until the balance of said account is zero. Dividends paid to individuals and legal entities resident abroad, on profits generated from January 1, 2014 and onwards, are subject to a 10% tax, which has the character of final payment.

Notes to the Financial Statements for the years ended December 31, 2024 and 2023

The dividends paid to TCS Iberoamérica, S.A. and TCS Solution Center, S.A., are taxed at a lower rate than that mentioned above, since it applied the benefits of the agreement between the United Mexican States and the Oriental Republic of Uruguay to avoid double taxation.

As of December 31, 2024, and 2023 the restated balance of the CUFIN account (Net taxable income account or CUFIN for its Acronym in Spanish), is $ 3,857.98 and $ 3,858.72 pesos, respectively, take into consideration the $1,125.20 dividends paid during 2024 and $863.41 for 2023.

8. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in profit or loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease-by-lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and profit or loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in profit or loss.

The Company has elected not to apply the requirements of IFRS 16 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

The Company has adopted IFRS 16, effective annual reporting period beginning January 1, 2020 and applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard, recognised on the date of initial application (January 1, 2019).

Notes to the Financial Statements for the years ended December 31, 2024 and 2023

The details of the right- of – use asset held by the Company is as follows:

(In millions of Mexican Pesos)

	Additions for the year ended December 31, 2024	Net carrying amount as at December 31, 2024
ROU Leasehold Building	**167.45**	**307.33**
ROU Leasehold Building - Security deposit	**-**	**1.11**
ROU Leasehold improvement	**-**	**20.24**
Total	**167.45**	**328.68**

(In millions of Mexican Pesos)

	Additions for the year ended December 31, 2023	Net carrying amount as at December 31, 2023
ROU Leasehold Building	39.37	247.49
ROU Leasehold Building - Security deposit	0.36	2.43
ROU Leasehold improvement	32.01	26.64
Total	71.74	276.56

Depreciation on right – of – use asset is as follows:

(In millions of Mexican Pesos)

	Year ended December 31, 2024	Year ended December 31, 2023
Depreciation - Leasehold Buildings	**80.34**	82.02
Depreciation - Leasehold Building - Security deposit	**0.55**	0.75
Depreciation - Leasehold improvement - ROU	**6.40**	5.37
Total	**87.29**	88.14

Interest on lease liabilities is MXN 21.83 and MXN 17.02 for the years ended on December 31, 2024 and 2023, respectively.

The Company incurred MXN 7.69 and MXN 2.86 for the years ended December 31, 2024 and 2023, respectively, towards expenses relating to short-term leases and leases of low-value assets. The total cash outflow for leases is MXN 89.19 and MXN 75.29 for the years ended December 31, 2024 and 2023, respectively, including cash outflow for short-term leases and leases of low-value assets.

Lease contracts entered by the company majorly pertains for buildings taken on lease to conduct its business in the ordinary course. The company does not have any lease restrictions and commitment towards variable rent as per the contract.

There are no property leases that contain extension options.

9. Non-financial assets and liabilities

a. Leasehold improvements, furniture and equipment

Improvements to leased buildings are carried at cost. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

The furniture and equipment are stated at cost less accumulated depreciation.

Depreciation is calculated on the amount susceptible to depreciation, corresponding to the cost of an asset, or another amount that replaces the cost.

Notes to the Financial Statements for the years ended December 31, 2024 and 2023

Depreciation is recognised in the statement of comprehensive income using the straight-line method according to the estimated useful life of each component of an item of furniture and equipment, since this better reflects the usage pattern expected of the future economic benefits included in the asset. Leased assets are depreciated for the duration of the lease or the useful life of the assets, whichever is lower, unless there is reasonable certainty that the Company will acquire ownership of the leased assets at the end of the lease.

The annual depreciation rates of the assets as follows:	% average rate of depreciation
Improvements to leased buildings, Electrical installations, Plant and Machinery	5 – 10
Office furniture and equipment	20
Computers	25

Subsequent expenditures

Expenditures for repairs and modifications or improvements that prolong the useful life of the assets beyond the originally estimated, which allows the entity to obtain future economic benefits that can be measured reliably, are capitalised as fixed assets.

Impairment of Non-financial assets

i. Tangible assets

Leasehold improvements, furniture and equipment with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss.

Leasehold improvements, furniture and equipment comprise the following:

(In millions of Mexican Pesos)

	Lease Improvements	Transportation equipment	Computer equipment	Furniture and fixtures	Office Equipment	Electrical Installations	Plant and Machinary	Total
Gross block as of January 1, 2024	**130.53**	**0.68**	**354.28**	**46.90**	**104.08**	**79.65**	**17.82**	**733.94**
Purchases	**10.33**	**-**	**50.82**	**7.20**	**3.17**	**0.32**	**(-)**	**71.84**
Disposals		**-**	**-**	**-**	**-**	**-**	**-**	**-**
Gross block as of December 31, 2024	**140.86**	**0.68**	**405.10**	**54.10**	**107.25**	**79.97**	**17.82**	**805.78**
Accumulated depreciation as of								
January 1, 2024	**108.90**	**0.68**	**235.43**	**36.15**	**79.68**	**30.27**	**7.89**	**499.00**
Disposals	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Depreciation for the year	**10.01**	**-**	**62.18**	**6.88**	**12.39**	**8.97**	**2.10**	**102.53**
Accumulated depreciation as of								
December 31, 2024	**118.91**	**0.68**	**297.61**	**43.03**	**92.07**	**39.24**	**9.99**	**601.53**
Net carrying amount as of December 31, 2024	**21.95**	**-**	**107.49**	**11.07**	**15.18**	**40.73**	**7.83**	**204.25**
Capital work-in-progress	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**54.37**
Total	**21.95**	**-**	**107.49**	**11.07**	**15.18**	**40.73**	**7.83**	**258.62**

Notes to the Financial Statements for the years ended December 31, 2024 and 2023

MXN 71.84 has been capitalised and transferred to property, plant and equipment during the year ended December 31, 2024.

(In millions of Mexican Pesos)

	Lease Improvements	Transportation equipment	Computer equipment	Furniture and fixtures	Office Equipment	Electrical Installations	Plant and Machinary	Total
Gross block as of January 1, 2023	128.28	0.68	299.44	41.20	95.93	77.11	17.80	660.44
Purchases	2.25	-	54.84	5.70	8.15	2.54	0.02	73.50
Disposals		-	-	-	-	-	-	-
Gross block as of December 31, 2023	130.53	0.68	354.28	46.90	104.08	79.65	17.82	733.94
Accumulated depreciation as of								
January 1, 2023	95.74	0.68	170.12	28.48	65.06	19.96	5.60	385.64
Disposals	-	-	-	-	-	-	-	-
Depreciation for the year	13.16	-	65.31	7.67	14.62	10.31	2.29	113.36
Accumulated depreciation as of								
December 31, 2023	108.90	0.68	235.43	36.15	79.68	30.27	7.89	499.00
Net carrying amount as of December 31, 2023	21.63	-	118.85	10.75	24.40	49.38	9.93	234.94
Capital work-in-progress	-	-	-	-	-	-	-	18.08
Total	21.63	-	118.85	10.75	24.40	49.38	9.93	253.02

MXN 73.50 has been capitalised and transferred to property, plant and equipment during the year ended December 31, 2023.

ii. Intangible assets

i. Other intangible assets

Other intangible assets that are acquired by the Company and have defined useful lives are recorded at cost less accumulated amortisation.

ii. Amortisation

The amortisation is calculated on the cost of the asset or other amount that replaces cost, less the residual value.

The amortisation is recognised in the statement of income under the straight-line method based on the estimated useful life of the intangible assets, other than goodwill, from the date they are available for use, this reflects the expected usage pattern of the future economic benefits included in the asset. The estimated useful lives for the current and comparative periods are as shown follow:

- **Software for internal use** **3 years**

The amortisation methods, useful lives and residual values of intangible assets are reviewed at the end of each year and adjusted if necessary.

Notes to the Financial Statements for the years ended December 31, 2024 and 2023

b. Other assets

Other assets consist of the following:

(In millions of Mexican Pesos)

Other assets - Current	As of December 31, 2024	As of December 31, 2023
Advance to suppliers	**115.13**	17.84
Contract fulfillment costs - Current*	**-**	1.43
Contract assets	**180.09**	125.90
Prepaid expense	**2.06**	1.06
Other current assets	**0.31**	0.31
Total	**297.59**	146.54
Other assets - Non current		
Contract assets	**20.48**	17.46
Total	**20.48**	17.46

(*) MXN 1.43 has been charged to the Profit and loss during CY 2024 from contract fulfillment cost.

c. Trade payables

(In millions of Mexican Pesos)

	As of December 31, 2024	As of December 31, 2023
Trade payables	**356.20**	305.16
Total	**356.20**	305.16

d. Other current liabilities

Other liabilities consist of the following:

(In millions of Mexican Pesos)

	As of December 31, 2024	As of December 31, 2023
Advance received from customers	**0.07**	-
Indirect tax payable and other statutory liabilities	**534.58**	489.01
Total	**534.65**	489.01

e. Unearned and deferred revenue

(In millions of Mexican Pesos)

	As of December 31, 2024	As of December 31, 2023
Unearned and deferred revenue	**132.96**	23.35
Total	**132.96**	23.35

Notes to the Financial Statements for the years ended December 31, 2024 and 2023

10. Revenue from Operations

The Company earns revenue primarily from providing IT services, consulting and business solutions. The Company offers a consulting-led, cognitive powered, integrated portfolio of IT, business and engineering services and solutions.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.
- In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract cost incurred determining the degree of completion of the performance obligation. The contract cost used in computing the revenues include cost of fulfilling warranty obligations.
- Revenue from the sale of distinct internally developed software and manufactured systems and third party software is recognised upfront at the point in time when the system / software is delivered to the customer. In cases where implementation and / or customization services rendered significantly modifies or customizes the software, these services and software are accounted for as a single performance obligation and revenue is recognised over time on a POC method .
- Revenue from the sale of distinct third party hardware is recognised at the point in time when control is transferred to the customer.
- The solutions offered by the Company may include supply of third-party equipment or software. In such cases, revenue for supply of such third party products are recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent of the customer. The Company recognises revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

  Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

  The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

  Judgement is also required to determine the transaction price for the contract and to ascribe the transaction price to each distinct performance obligation. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

  The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Notes to the Financial Statements for the years ended December 31, 2024 and 2023

Contract fulfilment costs are generally expensed as incurred except for certain software license costs which meet the criteria for capitalisation. Such costs are amortised over the contractual period or useful life of license, whichever is less. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

The billing schedules agreed with customers could include periodic performance based payments and/or milestone based progress payments. Invoices are payable within contractually agreed credit period.

In accordance with IAS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Company disaggregates revenue from contracts with customers by industry verticals, geography and nature of services.

Revenue disaggregation by industry vertical is as follows:

(In millions of Mexican Pesos)

Industry Vertical	For the year ended December 31, 2024	For the year ended December 31, 2023
Banking, Financial & Insurance	**6,299.78**	5,496.85
Retail and Consumer Products	**1,379.46**	1,472.63
Manufacturing	**1,013.09**	742.66
Consumer, Media and Technology	**544.35**	556.55
Others	**2,684.99**	2,371.11
Total	**11,921.67**	10,639.80

Revenue disaggregation by geography is as follows:

(In millions of Mexican Pesos)

Geography	For the year ended December 31, 2024	For the year ended December 31, 2023
America	**11,372.95**	10,139.52
Europe	**253.76**	231.83
Others	**294.96**	268.45
Total	**11,921.67**	10,639.80

While disclosing the aggregate amount of transaction price yet to be recognised as revenue towards unsatisfied or partially satisfied performance obligations, along with the broad time band for the expected time to recognise those revenues, the Company has applied the practical expedient in IFRS 15. Accordingly, the Company has applied practical expedient of not disclosing the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognised corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts.

Notes to the Financial Statements for the years ended December 31, 2024 and 2023

Unsatisfied (or partially satisfied) performance obligations are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc.). The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is MXN 6,122.85 out of which 54.19 % is expected to be recognised as revenue within the next year and the balance thereafter. No consideration from contracts with customers is excluded from the amount mentioned above.

Activity in contract assets is given as below:

(In millions of Mexican Pesos)

	As of December 31, 2024	As of December 31, 2023
Opening balance	**143.36**	179.71
+ Revenue recognized during the year	**99.64**	30.41
- Invoices raised during the year	**(67.73)**	(55.44)
+/- Translation	**25.29**	(11.32)
Closing balance	**200.56**	143.36

Activity in contract liabilities is given as below:

(In millions of Mexican Pesos)

	As of December 31, 2024	As of December 31, 2023
Opening balance	**(86.63)**	(124.51)
(-) Revenue recognised that was included in the contract liability balance at the beginning of the period	**83.97**	117.43
+/ (-) Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	**(200.14)**	(90.12)
+/- Translation	**(4.44)**	10.57
Closing balance	**(207.24)**	(86.63)

11. Cost recognition

Costs and expenses are recognised when incurred and have been classified according to their nature in the following categories:

Cost of revenue

The costs of the Company are broadly categorised into employee benefit expenses, depreciation and amortisation and other operating expenses. Employee benefit expenses include employee compensation, allowances, contribution to various funds and staff welfare expenses. Other operating expenses mainly include fees to external consultants, facility expenses, travel expenses, cost of equipment and software licenses, communication expenses and other expenses.

Selling, general and administrative expenses

Selling costs primarily include employee compensation for sales and marketing personnel, travel expenses, advertising, business promotion expenses, bad debts and advances written off, allowance for expected credit losses and doubtful advances (net), facility expenses for sales and marketing offices and market research costs.

General and administrative costs primarily include employee compensation for administrative, supervisory, managerial and practice management personnel, depreciation and amortisation expenses of non-production equipment and software, facility expenses for administrative offices, communication expenses, fees to external consultants and other general expenses.

Notes to the Financial Statements for the years ended December 31, 2024 and 2023

Expenses by nature

(in millions of MXN)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Fees to external consultants and others	**832.90**	764.01
Facility expense	**82.22**	62.42
Travel expense	**36.24**	40.06
Communication expense	**51.96**	50.93
Project Expense	**20.53**	9.23
Bad debts and advances written off, allowance for doubtful trade receivable and advances (net)	**0.07**	(0.32)
Expenses for administrative services	**0.17**	0.29
Other expenses	**208.82**	111.86
Total	**1,232.91**	1,038.48

Expenses by function

(in millions of MXN)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Cost of revenues	**9,357.69**	8,557.74
Selling, general and administrative expenses	**1,357.49**	1,335.60
Total	**10,715.18**	9,893.34

12. Employee benefits

Retirement benefits costs from termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur.

Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements)
- Remeasurement

The Company presents the first two components of defined benefit costs in profit or loss. Gains and losses for reduction of service are accounted for as past service costs.

The retirement benefit obligation recognised in the statement of financial position represents the actual deficit or surplus in the Company's defined benefit plans.

Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Notes to the Financial Statements for the years ended December 31, 2024 and 2023

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Employee benefit expense consists of the following:

(In millions of Mexican Pesos)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Salaries, incentives and allowances	**7,425.18**	7,015.39
Contribution to provident and other funds	**1,701.59**	1,503.03
Staff welfare expenses	**165.68**	134.94
	9,292.45	8,653.36

Employee benefit obligations consists of the following:

Employee benefit obligations

(In millions of Mexican Pesos)

	As of December 31, 2024	As of December 31, 2023
Defined benefit obligation	**366.22**	263.99
Employee statutory profit sharing	**173.62**	149.13
Liabilities for social securities contributions	**151.98**	126.20
Liability for long service leave	**365.47**	327.60
Bonus accrual	**5.65**	12.37
Total employee benefit obligations	**1,062.94**	879.29
Current	**696.72**	615.30
Non-current	**366.22**	263.99
	1,062.94	879.29

a. Defined contribution plans

The Company manages a plan that covers seniority premiums for all staff working in Mexico, which consists of a single payment of 12 days per year worked based on final salary, not to exceed twice the minimum wage established by law. The related liability and annual cost of benefits is calculated by an independent actuary using the method of projected unit credit.

The plans typically expose the Entity to actuarial risks as investment risk, Interest rate, longevity and salary.

Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Notes to the Financial Statements for the years ended December 31, 2024 and 2023

No other post-retirement benefits are provided to these employees.

The most recent actuarial valuation of the present value of the defined benefit obligation were carried out as of December 31, 2024 and 2023 by Independents actuaries, who are members of the Institute of Actuaries of Mexico. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

(In millions of Mexican Pesos)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Discount rates	**9.40%**	9.40%
Inflation long term rates	**4.00%**	4.00%
Salaries increase rates	**4.64%**	4.64%

Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:

(In millions of Mexican Pesos)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Remeasurement in Defined Benefit Obligation	**(6.40)**	19.64
Total Other Comprehensive Income	**(6.40)**	19.64

Activity in the present value of the defined benefit obligation was as follows:

(In millions of Mexican Pesos)

	As of December 31, 2024	As of December 31, 2023
Personnel Transferred	**109.32**	104.60
Current service cost	**246.95**	174.83
Financial cost	**64.60**	40.21
Benefits paid during the year	**(17.95)**	(10.83)
Actuarial obligation (income) / loss	**(70.82)**	(49.64)
Prior Service Cost (Seniority recognition)	**6.54**	4.82
Gain/(Loss) due to change in financial assumptions	**27.58**	-
Net liability arising from defined benefit obligation	**366.22**	263.99

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

If the discount rate is 1.00 basis points higher (lower), the defined benefit obligation would decrease by MXN 46.55 (increase by MXN 56.44).

If the expected salary growth increases (decreases) by 1.00, the defined benefit obligation would increase by MXN 45.68 (decrease by MXN 38.88).

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Notes to the Financial Statements for the years ended December 31, 2024 and 2023

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the statement of financial position.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

13. Other Income

Finance income and cost, and other gains, (losses)

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Finance cost

Financial costs include interest expenses on loans. The loan costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in income using the effective interest method.

a. Finance income

(In millions of Mexican Pesos)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Interest income on bank deposits	**23.26**	28.13
Sublease Rent - Misc Income	**3.97**	3.15
Interest revenue - Other Deposits	**0.55**	19.92
Interest income on loans	**-**	0.37
Total	**27.78**	51.57

b. Finance cost

(In millions of Mexican Pesos)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Lease Interest	**21.83**	17.02
Others	**3.74**	6.46
Total	**25.57**	23.48

c. Other gains/(losses)

(In millions of Mexican Pesos)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Loss on disposal of property and equipment	**(-)**	(0.04)
Net foreign exchange (loss) / gain	**36.75**	(170.77)
Others	**10.88**	5.11
Total	**47.63**	(165.70)

Notes to the Financial Statements for the years ended December 31, 2024 and 2023

14. Income taxes (IT)

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current income taxes

The charge for current income tax is calculated based on enacted, or substantially enacted, tax laws at the balance sheet date. The management assesses periodically the positions assumed in the tax returns filed regarding situations in which the tax laws are subject to interpretation. The Company, as corresponds, creates provisions on amounts expected to be obliged to pay to tax authorities.

Advance taxes and provisions for current income taxes are presented in the statement of financial position after off¬setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying unit intends to settle the asset and liability on a net basis.

Deferred income taxes

Deferred income taxes are recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred IT assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

A deferred tax loss carry forward asset, tax credits and deductible temporary differences are recognised to the extent that it is likely that taxable income may be available in the future against which they can be applied. The deferred assets are reviewed as of the reporting date and are reduced to the extent that the realisation of the corresponding tax benefit is no longer probable.

IT Law effective as of January 1, 2014 imposes an IT rate of 30% for 2014 and thereafter.

The income tax expense consists of the following: (In millions of Mexican Pesos)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Current income tax expense	**479.53**	255.55
Deferred income tax	**(78.49)**	(63.76)
Total	**401.04**	191.79

Notes to the Financial Statements for the years ended December 31, 2024 and 2023

Income tax expense attributable to income before income taxes, differed from the amounts computed by applying the Mexican statutory rates of 30% IT to income before income taxes, as a result of the items shown below:

(In millions of Mexican Pesos)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Income before income taxes	**1,256.32**	608.85
Income tax rate	**30%**	30%
Expected income tax expense	**376.90**	182.66
Non Deductable	**43.08**	40.80
Inflation Adjustment	**(41.36)**	(48.65)
Non-deductible payroll	**28.14**	24.60
Other Non deductible	**(5.72)**	(7.62)
	401.04	191.79

The tax effects of temporary differences that give rise to significant portions of the deferred income tax assets and liabilities, are presented below:

(In millions of Mexican Pesos)

	As of December 31, 2024	As of December 31, 2023
Deferred income asset:		
Advance payments	**11.98**	82.38
Reserves and provisions	**424.75**	313.53
Equipment, net	**71.19**	66.79
IFRS 16	**26.99**	(6.28)
Total deferred tax assets	**534.91**	456.42

The movements of deferred tax assets for the year are as follows:

(In millions of Mexican Pesos)

	As of December 31, 2024	As of December 31, 2023
Beginning balance	**456.42**	392.66
IT applied to income of the year	**78.49**	63.76
	534.91	456.42

Notes to the Financial Statements for the years ended December 31, 2024 and 2023

Significant components of net deferred tax assets and liabilities for the year ended December 31, 2024 are as follows:

(In millions of Mexican Pesos)

	Opening balance	Recognised in profit or loss	Recognised in / reclassified from other comprehensive income	Exchange difference	Closing balance
Deferred tax assets / (liabilities) in relation to					
Equipment, net	**66.79**	**4.40**	**-**	**-**	**71.19**
Advance payments	**82.38**	**(70.40)**	**-**	**-**	**11.98**
IFRS 16	**(6.28)**	**33.27**	**-**	**-**	**26.99**
Reserves and provisions	**313.53**	**111.22**	**-**	**-**	**424.75**
Total deferred tax asset / (liabilities)	**456.42**	**78.49**	**-**	**-**	**534.91**

(In millions of Mexican Pesos)

As on December 31, 2024	Assets	Liabilities	Net
Deferred tax assets / (liabilities) in relation to			
Equipment, net	**71.19**	**-**	**71.19**
Advance payments	**11.98**	**-**	**11.98**
IFRS 16	**-**	**(26.99)**	**26.99**
Reserves and provisions	**424.75**	**-**	**424.75**
Total deferred tax asset / (liabilities)	**507.92**	**(26.99)**	**534.91**

Significant components of net deferred tax assets and liabilities for the year ended December 31, 2023 are as follows:

(In millions of Mexican Pesos)

As on December 31, 2023	Opening balance	Recognised in profit or loss	Recognised in / reclassified from other comprehensive income	Exchange difference	Closing balance
Deferred tax assets / (liabilities) in relation to					
Equipment, net	64.23	2.56	-	-	66.79
Advance payments	96.59	(14.21)	-	-	82.38
IFRS 16	(5.00)	(1.28)	-	-	(6.28)
Reserves and provisions	236.84	76.69	-	-	313.53
Total deferred tax asset / (liabilities)	392.66	63.76	-	-	456.42

(In millions of Mexican Pesos)

As on December 31, 2023	Assets	Liabilities	Net
Deferred tax assets / (liabilities) in relation to			
Equipment, net	66.79	-	66.79
Advance payments	82.38	-	82.38
IFRS 16	-	6.28	(6.28)
Reserves and provisions	313.53	-	313.53
Total deferred tax asset / (liabilities)	462.70	6.28	456.42

Notes to the Financial Statements for the years ended December 31, 2024 and 2023

1. Employee profit sharing (PTU)

For the year ended December 31, 2024 and 2023, the Company generated employee profit sharing of MXN 121.21 and MXN 114.67 respectively.

Direct Tax Contingencies

a) In accordance with Mexican tax law, the tax authorities are empowered to examine transactions carried out during the five years prior to the most recent income tax return filed.

b) In accordance with the IT Law, companies carrying out transactions with related parties are subject to certain requirements as to the determination of prices, which should be similar to those that would be used in arm's length transactions.

Should the tax authorities examine the transactions and reject the related-party prices, they could assess additional taxes plus the related inflation adjustment and interest, in addition to penalties of up to 100% of the omitted taxes.

c) Tax Contingencies for FYE 2013

On September 11, 2019, the company received a notification from the Tax Authority determining a tax debit for the amount of MXN 838.09 for income tax and value added tax, update surcharge and fines, corresponding to fiscal year 2013, as well as an alleged omission in the provisional income tax payment for certain months corresponding to fiscal years 2014 and 2015.

In the opinion of the internal and external lawyers of the Company approximately a part of this tax debit is unduly determined by the tax authority, among other reasons, because the authority is including the omitted amounts payment of MXN 120 made by the Company on September 2, 2019, correcting its tax situation. Such amount was determined on the conclusive agreement between the Company and the Mexican Tax Authority signed before the Taxpayer Defense Office (PRODECON). In consequence, on September 2, 2019, the Company submitted the complementary tax filings with the corresponding corrections.

On October 24, 2019, an appeal for revocation was filled against said resolution before the Central Administration of the Contentious of Large Taxpayers of the Tax Administration Service.

On December 5, 2019, the Company presented the information requested in the SAT notification.

Currently, the appeal for revocation is under study by the officials of the Central Administration of the Contentious of Large Taxpayers of the Tax Administration Service. In case of obtaining an unfavorable resolution, the Company will file an annulment petition before the Federal Court of Administrative Justice, against the decision of the tax credit.

As a result of management's evaluation, the Company decided to recognize a provision of MXN 244.2 during 2019 and 2020, pertaining to income tax from the observations from the Tax Authority. For the remaining matter of observation from the Tax Authority, the Company has evaluated that the ultimate outcome of the matter cannot be determined presently and, accordingly, no provision for any effects on the Company that may result has been made in the financial statements. The Company has recognized contingent liability of MXN 320.7 (amount including surcharges and inflation).

d) Tax Contingencies for FYE 2015

On May 19, 2023, the Tax Authority issued an Assessment on the Company determining a tax liability for the period January 1, 2015, to December 31, 2015, of MXN 549.5 for VAT on export of services. The company filed an administrative appeal before the Central Administration of the Contentious of Large Taxpayers of the Tax Administration Service on June 30, 2023.

Currently, the appeal for revocation is under study by the officials of the Central Administration of the Contentious of Large Taxpayers of the Tax Administration Service. In case of obtaining an unfavorable resolution, the Company will file an annulment petition before the Federal Court of Administrative Justice, against the decision of the tax credit.

The Company has evaluated that the ultimate outcome of the matter cannot be determined presently and, accordingly, no provision for any effects on the Company that may result has been made in the financial statements. The Company has recognized contingent liability of MXN 859.0 (amount including surcharges and inflation).

Notes to the Financial Statements for the years ended December 31, 2024 and 2023

e) Tax Audit for FYE 2017

As a result of the conclusive agreement process, TMCV received on July 29, 2024, SAT Order, mandating a payment of MXN 47.1 for Income tax and VAT, closing all concepts observed except for offsetting of VAT favorable balances corresponding to March 2015 and May 2015 against the provisional income tax payments for January, February and June 2017. The reversal of this will depend upon the resolution of the administrative appeal filed against the tax assessment regarding favorable VAT balances for 2015. Payment of MXN 47.1 was done, and final signature of conclusive agreement was finalized on September 3, 2024. The Tax Authority notified TMCV on January 22, 2025 in which it determined a tax assessment for MXN 146.6 for the above-referred provisional payments offset with the VAT credit balances of 2015. The Company intends to file an administrative appeal against this tax assessment.

The Company has evaluated that the ultimate outcome of the matter cannot be determined presently and, accordingly, no provision for any effects on the Company that may result has been made in the financial statements. The Company has recognized contingent liability of MXN 146.6.

As a result of management's evaluation, the Company decided to maintain a total provision of MXN 246.08 in 2024.

15. Business and credit concentration

For the years ended at December 31, 2024 and 2023, consultancy services rendered to related parties represented 68.98% and 69.79%, respectively of the Company's total consultancy service revenue.

For the years ended at December 31, 2024 and 2023, purchase of services from a related party represented 8.11% and 9.27%, respectively of the Company's total operating expenses.

16. Contingencies and commitments

a. Liabilities for loss contingencies are recorded when it is probable that a liability has been incurred and the amount thereof can be reasonably estimated. When a reasonable estimation cannot be made, disclosure is provided in the notes to the financial statements. Contingent revenues, earnings or assets are not recognized until realization is assured.

b. The Company has entered into service agreements with related parties, under which these companies provide technical assistance services necessary for the Company's operations. These agreements are for a period ending on December 2024. Total payments under these agreements, reported under administrative expenses, were MXN 870.82 in 2024 and MXN 793.36 in 2023.

c. The Company is involved in a number of lawsuits and claims arising in the normal course of business. It is expected that the final outcome of these matters will not have significant adverse effects on the Company's financial position and income (loss).

d. Claims aggregating MXN 32.65 and MXN 28.37 as at December 31, 2024 and 2023 respectively against the Company, have not been acknowledged as debts.

e. The Company has contractually committed (net of advances) MXN 17.95 as at December 31, 2024 and MXN 12.05 as at December 31, 2023 for purchase of equipment.

f. The Company has Indirect Taxes contingency of MXN 1,416.58 as at December 31, 2024.

Notes to the Financial Statements for the years ended December 31, 2024 and 2023

17. Related party disclosure

The Company does not have business operations with members of management and close relatives outside operations at arm's length and available to the general public and for non-significant amounts.

(In millions of Mexican Pesos)

	For the year ended December 31, 2024				
	With Tata Sons Limited, ultimate parent company	**With subsidiaries and associates of Tata Sons Limited, ultimate parent company**	**With Tata Consultancy Services Limited**	**With subsidiaries of Tata Consultancy Services Limited**	**Total**
Revenue from operations	**-**	**-**	**7,751.97**	**471.44**	**8,223.41**
Other income	**-**	**-**	**-**	**3.97**	**3.97**
Purchase of services and cost recovery	**-**	**6.09**	**734.60**	**130.12**	**870.81**
Brand equity contribution	**9.25**	**-**	**-**	**-**	**9.25**
Dividend paid	**-**	**-**	**-**	**1,125.20**	**1,125.20**

(In millions of Mexican Pesos)

	For the year ended December 31, 2023				
	With Tata Sons Limited, ultimate parent company	**With subsidiaries and associates of Tata Sons Limited, ultimate parent company**	**With Tata Consultancy Services Limited**	**With subsidiaries of Tata Consultancy Services Limited**	**Total**
Revenue from operations	-	-	7,001.35	424.40	7,425.75
Interest income	-	-	-	0.37	0.37
Other income	-	-	-	2.84	2.84
Purchase of services and cost recovery	-	(0.67)	523.68	273.47	796.48
Brand equity contribution	8.04	-	-	-	8.04
Dividend paid	-	-	-	863.41	863.41
Loan recovered	-	-	-	14.00	14.00
Purchase of Fixed Asset				8.62	8.62

The balances receivable come from consultancy and administrative services rendered to the related parties and will be liquidated within the commercial terms agreed by the Company.

Notes to the Financial Statements for the years ended December 31, 2024 and 2023

(In millions of Mexican Pesos)

	As on December 31, 2024				
	With Tata Sons Limited, ultimate parent company	With subsidiaries and associates of Tata Sons Limited, ultimate parent company	With Tata Consultancy Services Limited	With subsidiaries of Tata Consultancy Services Limited	Total
Trade receivables - Billed and Unbilled and Other Receivables (1)	-	-	1,612.97	179.79	1,792.76
Other Receivables	-	-	50.07	0.37	50.44
Total	-	-	1,663.04	180.16	1,843.20

(In millions of Mexican Pesos)

	As on December 31, 2023				
	With Tata Sons Limited, ultimate parent company	With subsidiaries and associates of Tata Sons Limited, ultimate parent company	With Tata Consultancy Services Limited	With subsidiaries of Tata Consultancy Services Limited	Total
Trade receivables - Billed and Unbilled and Other Receivables (1)	-	-	1,474.39	120.86	1,595.25
Other Receivables	-	-	9.77	1.07	10.84
Total	-	-	1,484.16	121.93	1,606.09

The balances payable come from consultancy and administrative services received from the related parties and will be liquidated within the commercial terms agreed by the Company.

(In millions of Mexican Pesos)

	As on December 31, 2024				
	With Tata Sons Limited, ultimate parent company	With subsidiaries and associates of Tata Sons Limited, ultimate parent company	With Tata Consultancy Services Limited	With subsidiaries of Tata Consultancy Services Limited	Total
Trade and other payables (1)	7.04	0.08	235.85	18.81	261.78
Total	7.04	0.08	235.85	18.81	261.78

Notes to the Financial Statements for the years ended December 31, 2024 and 2023

(In millions of Mexican Pesos)

	As on December 31, 2023				
	With Tata Sons Limited, ultimate parent company	With subsidiaries and associates of Tata Sons Limited, ultimate parent company	With Tata Consultancy Services Limited	With subsidiaries of Tata Consultancy Services Limited	Total
Trade and other payables (1)	6.18	0.13	315.33	50.45	372.09
Total	6.18	0.13	315.33	50.45	372.09

18. Subsequent events

There is no subsequent event from January 1, 2025 to the date of authorization of financial statement that could significantly affect the Company's financial position and/or profit or loss or which may require disclosures in the notes to the financial statements other than disclosed in financial statement.

MGDC S.C.

FINANCIAL STATEMENTS WITH INDEPENDENT AUDITORS' REPORT

For the year ended
December 31, 2024 and 2023

FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2024

CONTENTS **PAGE**

Independent Auditors' Report	46.2
Statements of Financial Position as of December 31, 2024 and 2023	46.4
Statements of Profit or loss and Other Comprehensive Income for the years ended December 31, 2024 and 2023	46.5
Statements of Changes in Partners' Equity for the years ended December 31, 2024 and 2023	46.6
Statements of Cash Flows for the years ended December 31, 2024 and 2023	46.7
Notes to Financial Statements	46.8

Back to main content

INDEPENDENT AUDITOR'S REPORT

TO THE PARTNERS OF
MGDC, S.C.:

Opinion

We have audited the accompanying financial statements of MGDC, S.C., (the "Company"), which comprise the statements of financial position as of December 31, 2024 and 2023, and the statements of comprehensive income, changes in the partner's equity and cash flows, for the years then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of MGDC, S.C., as of December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended, in accordance with IFRS Accounting Standards (IFRSs), as issued by the International Accounting Standards Board.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Mexico in accordance with the Instituto Mexicano de Contadores Públicos A.C.'s Code of Professional Ethics (IMCP Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA and IMCP Codes. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRSs, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the 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.

Those charged with governance are responsible for overseeing the Company´s financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of MGDC, S.C., 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 ISAs 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 financial statements.

A further description of our responsibilities for the audit of the financial statements is included in 'Exhibit of the Independent auditor's report' of this auditor's report. This description, which is located in the following page, forms part of our auditor's report.

SALLES, SAINZ – GRANT THORNTON, S. C.

Mexico City, Mexico

February 24, 2025

C.P.A. Fernando Robles Garibay

Exhibit of the Independent auditor's report

Further description of our responsibilities regarding the audit of the financial statements

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statements of Financial Position

(In millions of Mexican Pesos)

	Note	As of December 31, 2024	As of December 31, 2023
ASSETS			
Current assets			
Cash and cash equivalents	7 a	**55.07**	61.33
Related parties	7 b	**0.42**	8.85
Other current financial assets	7 c	**0.65**	1.49
Other current assets	9 c	**1.82**	1.23
Total current assets		**57.96**	72.90
Non-current assets			
Other non-current financial assets	7 c	**0.81**	0.81
Income tax assets (net)		**12.76**	12.58
Deferred tax assets	13	**15.42**	19.90
Property, plant and equipment	9 a	**0.10**	0.14
Total non-current assets		**29.09**	33.43
TOTAL ASSETS		**87.05**	106.33
LIABILITIES AND PARTNERS' EQUITY			
Liabilities			
Current liabilities			
Trade and other payables	9 d	**24.69**	31.19
Related parties	7 b	**0.97**	2.00
Other current financial liabilities		**0.88**	0.91
Employee benefit obligations - Current	14	**(0.42)**	4.95
Other current liabilities	9 e	**(0.05)**	4.41
Total current liabilities		**26.07**	43.46
Non-current liabilities			
Employee benefit obligations -Non Current	14	**2.14**	5.50
Total non-current liabilities		**2.14**	5.50
TOTAL LIABILITIES		**28.21**	48.96
Partners' Equity			
Partners' capital	7 g	**169.65**	169.65
Other comprehensive income	7 b	**(19.25)**	(19.19)
Retained earnings		**(91.56)**	(93.09)
TOTAL EQUITY		**58.84**	57.37
TOTAL LIABILITIES AND EQUITY		**87.05**	106.33

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

Statements of Profit or Loss and Other Comprehensive Income

(In millions of Mexican Pesos)

	Note	For the year ended December 31, 2024	For the year ended December 31, 2023
Revenues			
Consultancy services		**23.67**	146.55
Operating expenses			
Employee benefits expense	14	**17.93**	120.82
Operation and other expense	11	**2.33**	76.92
Depreciation and amortisation expense	8, 9 a, 9 b	**0.04**	1.46
TOTAL OPERATING EXPENSES		**20.29**	199.20
OPERATING INCOME / (LOSS)		**3.38**	(52.65)
Other income / (expense)			
Finance and other income	12 a	**2.33**	2.00
Other gains, (net)	12 c	**0.33**	5.90
Finance costs	12 b	**(0.01)**	(0.77)
OTHER INCOME / (EXPENSE), NET		**2.64**	7.13
PROFIT / (LOSS) BEFORE INCOME TAXES		**6.02**	(45.52)
Income tax expense	13	**4.48**	22.22
PROFIT / (LOSS) FOR THE YEAR		**1.54**	(67.74)
OTHER COMPREHENSIVE INCOME:			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit obligations	14 d	**(0.06)**	(0.21)
Total other comprehensive income , net of taxes		**(0.06)**	(0.21)
TOTAL COMPREHENSIVE INCOME / (LOSS)		**1.48**	(67.95)

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

Statements of Changes in Partners' Equity
For the years ended December 31, 2024 and 2023

(In millions of Mexican Pesos)

	Partners' capital	Retained earnings	Other comprehensive income actuarial gain on employee benefits	Total partners' equity
Balance as of January 01, 2023	169.65	(25.35)	(18.98)	125.32
Net Loss for the year	-	(67.74)	-	(67.74)
Other comprehensive income for the year	-	-	(0.21)	(0.21)
Total comprehensive income	-	(67.74)	(0.21)	(67.95)
Balance as of December 31, 2023	169.65	(93.09)	(19.19)	57.37
Net Income for the year	**-**	**1.54**	**-**	**1.54**
Other comprehensive income for the year	**-**	**-**	**(0.06)**	**(0.06)**
Total comprehensive income	**-**	**1.54**	**(0.06)**	**1.48**
Balance as of December 31, 2024	**169.65**	**(91.56)**	**(19.25)**	**58.84**

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

Statements of Cash Flows
For the years ended December 31, 2024 and 2023

(In millions of Mexican Pesos)

	Year ended December 31, 2024	Year ended December 31, 2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income / (loss)	**1.54**	(67.74)
Adjustment to reconcile profit or loss to net cash provided by operating activities:		
Depreciation and amortisation expense	**0.04**	1.46
Net gain on disposal of property, plant and equipment	**-**	(6.15)
Deferred income tax	**4.47**	22.22
Unrealised foreign exchange gain	**(0.27)**	2.85
Net change in:		
Related parties	**8.44**	8.47
Other financial assets (current and non-current)	**0.84**	(0.70)
Other assets (current and non-current)	**(0.60)**	58.46
Trade and other payables	**(7.54)**	3.66
Other liabilities and other financial liabilities (current)	**(4.49)**	(0.09)
Employee benefit obligations	**(8.79)**	1.27
Cash generated from operations	**(6.36)**	23.71
Taxes paid	**(0.17)**	(0.72)
Net cash flows generated by / (used in) operating activities	**(6.53)**	22.99
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property, plant and equipment and intangible assets	**-**	(0.02)
Proceeds from disposal of property, plant and equipment	**-**	8.60
Net cash generated by investing activities	**-**	8.59
CASH FLOWS FROM FINANCING ACTIVITIES		
Borrowing	**-**	(29.73)
Net cash generated / (used in) by financing activities	**-**	(29.73)
Net increase / (decrease) in cash and cash equivalents	**(6.53)**	1.84
Cash and cash equivalents, beginning of the year	**61.33**	62.34
Exchange difference on translation of foreign currency cash and cash equivalents	**0.27**	(2.85)
Cash and cash equivalents, end of the year	**55.07**	61.33

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

Notes forming part of the Financial Statements

1. REPORTING ENTITY

MGDC S.C. (the "Company") is a subsidiary of TCS Uruguay S.A. and TATA Consultancy Services Argentina S.A. Its main activity is to provide administrative services mainly to its related parties. It was incorporated as a Civil Society in accordance with Mexican law, on March 16, 2007, with a duration of 99 years, its main business center is located at Camino el ITESO No. 8699, Colonia El Mante, C.P. 45609 in the municipality of Tlaquepaque, Guadalajara, Jalisco.

Authorization

On Feb 24, 2025 Ms. Gloria Corona Mercado (Finance Director) and Mr. Rajeev Gupta (Country Head, Mexico) authorized the issuance of the accompanying financial statements and related notes thereto.

In accordance with the General Corporations Law and the bylaws of MGDC S.C., the partners' are empowered to modify the financial statements after issuance. The accompanying financial statements will be submitted to the next Partners' Meeting for approval.

2. STATEMENT OF COMPLIANCE

The accompanying financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), issued by International Accounting Standard Board (IASB).

3. BASIS OF PREPARATION

These financial statements have been prepared on a historical cost basis except for certain financial instruments which are measured at fair value or amortized cost at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for 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. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realization in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

Cash flows have been prepared using indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals, or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The Company classifies interest paid and interest and dividend received as cash flow from operating activities. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value to be cash equivalents.

The functional currency of the Company is the Mexican Pesos. Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are retranslated at the exchange rate prevailing on the dates of statement of financial position and exchange gains and losses arising on settlement and restatement are recognised in profit or loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

The significant accounting policies used in preparation of the financial statements have been discussed in the respective notes.

Functional and reporting currency

The aforementioned financial statements are presented in Mexican pesos (reporting currency), which is the same as the local currency and the functional currency.

To determine the functional currency, management assesses the economic environment in which it primarily generates and disburses cash. For this, factors related to sales, costs, sources of financing and cash flows generated by the operation are considered.

As of December 31, 2024 and 2023, the peso/dollar exchange rates were $20.69 and $16.93, respectively. Unless otherwise indicated, all financial information presented in pesos has been rounded to the nearest millions. When referring to "US" or dollars, it refers to amounts expressed in millions of dollars of the United States of America or U.S.D, when referring to "EUR" means millions of Euro, "CAD" means millions Canadian dollar, "BRL" means millions of Brazilian real, "UYU" means millions of Uruguayan Peso, and "COP" means millions of Colombian peso.

Notes forming part of the Financial Statements

Foreign currency

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of execution or settlement. Monetary assets and liabilities denominated in foreign currency are translated at the exchange rate in force at the statement of financial position date. Exchange differences arising from assets and liabilities denominated in foreign currencies are reported on the statement of comprehensive income.

Prepayments

Mainly include prepayments for the purchase of services that are received after the date of the statement of financial position and in the ordinary course of operations.

Presentation of statement of cash flows

The statements of cash flows of the Company are presented using the indirect method.

4. USE OF ESTIMATES AND JUDGEMENTS

The preparation of these financial statements in conformity with the recognition and measurement principles of IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and future periods are affected.

The Company uses the following critical accounting estimates in preparation of its financial statements:

a. Useful lives of Property, plant and equipment

The Company reviews the carrying amount of Property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

b. Valuation of deferred tax assets

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy has been explained under note number 13.

c. Provisions and contingent liabilities

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at the end of each reporting period adjusted to reflect the current best estimates. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost. Contingent liabilities are not recognized in the financial statements. Contingent assets are neither recognized nor disclosed in the financial statements.

d. Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

e. Employee benefits

The accounting of employee benefit plans in the nature of defined benefit requires the Company to use assumptions. These assumptions have been explained under employee benefits note.

Notes forming part of the Financial Statements

f. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of IFRS 16. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

5. NATURE AND PURPOSE OF RESERVES

Statement of comprehensive income presentation

The Company opted for reporting comprehensive income in a single statement that includes all the items that comprise net income or loss and other comprehensive income (OCI), entitled "Statement of Comprehensive Income". Additionally, the "Operating (loss) profit" line item is included, which results from subtracting the cost of sales and expenses from total revenues, as this line item is considered to provide a better understanding of the Company's economic and financial performance.

Given that the Company is a service entity, ordinary costs and expenses are presented based on their nature, as the information so reported is clearer.

Partners' equity

Partner contributions are classified in partners' equity.

6. RECENT ACCOUNTING STANDARDS

Company has not applied the following new and revised IFRSs that have been issued but are not yet effective.

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates[2]

Amendments to IFRS 9 and IFRS 7[2]

IFRS 18 – Presentation and Disclosures in Financial Statements[3]

IFRS 19 – Subsidiaries without Public Accountability: Disclosures[3]

[1]Effective for annual periods beginning on or after January 1, 2025.

[2]Effective for annual periods beginning on or after January 1, 2026.

[3]Effective for annual periods beginning on or after January 1, 2027.

IAS 21 – The Effects of Changes in Foreign Exchange Rates

In August 2023, the IASB issued 'Lack of Exchangeability (Amendments to IAS 21)' to provide guidance to specify which exchange rate to use when the currency is not exchangeable. An entity must estimate the spot exchange rate as the rate that would have applied to an orderly transaction between market participants at the measurement date and that would faithfully reflect the economic conditions prevailing. The Company does not expect this amendment to have any significant impact in its financial statements.

IFRS 9 and IFRS 7 – Financial Instruments and Financial Instruments: Disclosure

In May 2024, the IASB issued Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) to address matters identified during the post-implementation review of IFRS 9. The amendments relate to derecognition of a financial liability settled through electronic transfer, classification of financial assets and disclosures of certain financial assets and financial liabilities. The Group will evaluate the amendments and implement them accordingly.

Notes forming part of the Financial Statements

IFRS 18 – Presentation and Disclosures in Financial Statements

In April 2024, the IASB issued its new standard IFRS 18 – Presentation and Disclosures in Financial Statements that will replace IAS 1 – Presentation of Financial Statements. The new standard aims at improving how entities communicate in their financial statements. The Group will evaluate the standard and implement it accordingly.

IFRS 19 – Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued a new standard IFRS 19 - Subsidiaries without Public Accountability: Disclosures. The standard allows a subsidiary which does not have public accountability and has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards, to elect IFRS 19. Such an entity applies the requirements in other IFRS Accounting Standards, except for the disclosure requirements, instead the entity applies the requirements in IFRS 19.

7. FINANCIAL ASSETS, FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and 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 measured on initial recognition of financial asset or financial liability.

The Company derecognizes a financial asset only 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 entity. The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

Cash and cash equivalents

MGDC S.C. considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

The Company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in other comprehensive income.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in profit or loss.

Financial liabilities

Financial liabilities are measured at amortized cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received net of direct issue cost.

Notes forming part of the Financial Statements

Impairment of financial assets (other than at fair value)

The Company assesses at each date of statement of financial position whether a financial asset or a Company of financial assets is impaired. IFRS 9 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. In determining the allowances for doubtful trade receivables the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

IFRIC 23 Interpretation Uncertainty over Income Tax Treatment

IFRIC 23 interpretation addresses the accounting for income taxes when there is uncertainty over tax treatments. It clarifies that an entity must consider the probability that the tax authorities will accept a treatment retained in its income tax filings, assuming that they have full knowledge of all relevant information when making their examination. In such a case, the income taxes shall be determined in line with the income tax filings.

Application of IFRIC 23

The company reviewed its income tax treatments in order to determine whether IFRIC 23 interpretation could have an impact on the financial statements. In that respect, the Company observed that there are no continuous instances of any uncertain tax treatment in the past and on that basis, it is reasonable to conclude that all the tax treatments are accepted by the tax officer and hence IFRIC-23 is not applicable.

a. Cash and cash equivalents

Cash and cash equivalents consists of the following:

(In millions of Mexican pesos)

	As of December 31, 2024	As of December 31, 2023
Current account balances with banks	**5.07**	13.33
Bank deposits (original maturity less than three months)	**50.00**	48.00
Total	**55.07**	61.33

As of December 31, 2024 and 2023 there is no restricted cash.
The Company discloses in Note 7 (f) the sensitivity analysis for financial assets and liabilities.

b. Related parties

(a) Related party assets

(In millions of Mexican pesos)

	As of December 31, 2024	As of December 31, 2023
Trade receivables	**0.42**	8.85
Total	**0.42**	8.85

Notes forming part of the Financial Statements

(B) Related party liability

(In millions of Mexican pesos)

	As of December 31, 2024	As of December 31, 2023
Trade payable	**0.97**	2.00
Total	**0.97**	2.00

Trade receivables include balances with related parties (Refer note 17).

c. Other financial assets

Other financial assets consist of the following:

Other financial assets consist of the following:

(In millions of Mexican pesos)

	As of December 31, 2024	As of December 31, 2023
Employee loans and advances	**0.62**	1.47
Others	**0.03**	0.02
Total	**0.65**	1.49

Other financial assets - Non-current

(In millions of Mexican pesos)

	As of December 31, 2024	As of December 31, 2023
Deposits for premises	**0.42**	0.42
Other Deposits	**0.39**	0.39
Total	**0.81**	0.81

d. Financial instruments by category

The fair values of the following financial assets and financial liabilities as at December 31, 2024 and December 31, 2023 approximate the carrying amounts due to short term maturities of these instruments:

As of December 31, 2024

(In millions of Mexican pesos)

	Amortised cost	Total carrying value
Financial assets:		
Cash	**55.07**	**55.07**
Trade receivables	**0.42**	**0.42**
Other financial assets	**1.47**	**1.47**
Total	**56.96**	**56.96**
Financial liabilities:		
Trade and other payables	**24.69**	**24.69**
Other financial liabilities	**0.88**	**0.88**
Total	**25.57**	**25.57**

Notes forming part of the Financial Statements

As of December 31, 2023

(In millions of Mexican pesos)

	Amortised cost	Total carrying value
Financial assets:		
Cash	61.33	61.33
Trade receivables	8.85	8.85
Other financial assets	2.30	2.30
Total	72.48	72.48
Financial liabilities:		
Trade and other payables	31.19	31.19
Other financial liabilities	0.91	0.91
Total	32.10	32.10

Carrying amounts of cash, trade receivables and trade payables as at December 31, 2024 and 2023 approximate the fair value. Difference between carrying amounts and fair values of other financial assets, other financial liabilities subsequently measured at amortized cost is not significant in each of the years presented.

e. 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.

f. Financial risk management

MGDC. S.C. is exposed primarily to fluctuations in foreign currency exchange rates, credit, liquidity and interest rate risks, which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which covers risks associated with the financial assets and liabilities.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

Foreign currency exchange rate risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss, other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the entity.

Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar.

The foreign exchange rate sensitivity is calculated by aggregation of the net foreign exchange rate exposure and a simultaneous parallel foreign exchange rates shift of all the currencies by 10% against the functional currency the Company.

Notes forming part of the Financial Statements

(In millions of Mexican pesos)

2024	USD	EUR
Net financial assets	**1.21**	**-**
Net financial liabilitites	**-**	**-**

(In millions of Mexican pesos)

2023	USD	EUR
Net financial assets	1.84	-
Net financial liabilitites	-	-

10% appreciation / depreciation of the respective foreign currencies with respect to functional currency of MGDC, S. C. would result in decrease / increase in the Company's profit before tax by approximately MXN 0.12 for the year ended December 31, 2024 and MXN 0.18 for the year ended December 31, 2023 respectively.

Interest rate risk

The Company is not exposed to interest rate risk.

Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was MXN 57.02 and MXN 67.50 as of December 31, 2024 and December 31, 2023, respectively being the total of the carrying amount of cash and cash equivalents, trade receivables and other financial assets. Cash and cash equivalents are held with bank with high credit ratings. As at December 31, 2024, there were no indications that any defaults will occur on trade receivables or other financial assets.

MGDC S.C's total revenue is inter-company and hence there is no credit risk.

Liquidity risk

Liquidity risk refers to the risk that MGDC S.C. cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

MGDC S.C. consistently generates sufficient cash flows from operations to meet its financial obligations as and when they fall due. MGDC S.C. does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The table below provides details regarding the contractual maturities of significant financial liabilities:

(In millions of Mexican pesos)

December 31, 2024	Due in 1st year	Total
Non-derivative financial liabilities:		
Trade and other payables	**24.69**	**24.69**
Other financial liabilities	**0.88**	**0.88**
Total	**25.57**	**25.57**

Notes forming part of the Financial Statements

(In millions of Mexican pesos)

December 31, 2023	Due in 1st year	Total
Non-derivative financial liabilities:		
Trade and other payables	31.19	31.19
Other financial liabilities	0.91	0.91
Total	32.10	32.10

Other risk

Financial assets of MXN 55.12 as at December 31, 2024 carried at amortised cost is in the form of cash and cash equivalents, bank deposits and earmarked balances with banks where the Company has assessed the counterparty credit risk. Trade receivables of MXN 0.14 as at December 31, 2024 forms a significant part of the financial assets carried at amortised cost which is valued at cost as the receivables are entirely intercompany receivables.

g. Partners' capital

a) Structure of partners' capital

As of December 31, 2021, partners' capital fully issued and paid is represented by 2 social portions with a value per part equivalent to 49,500 pesos and 500 pesos, each, in total the value of the capital was 50,000 pesos.

In the Extraordinary Partners´ Meeting held on March 23, 2022 was approved to increase the capital of the Company in the amount of $169.60, which was fully issued and paid. As of December 31, 2022, partners´ capital is represented by 2 social portions with a value per part equivalent to 169,649,500 pesos and 500 pesos, each, in total 169,650,000 pesos.

b) Other Comprehensive income (OCI)

As at December 31, 2024 and 2023 OCI are comprised as follows:

(In millions of Mexican pesos)

	As of December 31, 2024	As of December 31, 2023
Opening balance	**(19.19)**	(18.98)
Remeasurement of defi ned benefit obligations	**(0.06)**	(0.21)
Closing balance	**(19.25)**	(19.19)

c) Restriction in Partners' capital

In accordance with the General Corporations Law, five percent of net income for the year must be appropriated to the statutory reserve, until it reaches one-fifth of share capital. As of December 31, 2024 has not been constituted.

Retained earnings and other partner's contributions, on which no income tax has been paid, are subject to income taxes in the event of distribution, at the rate of 30%, payable by the Company; consequently, the stockholders may only receive 70% of such amounts.

Partners contributions may be refunded to the stockholders tax-free, to apply that exemption, such contributions must be equal or less of the balance of the Contributed Capital Account (CUCA for its Acronym in Spanish). As of December 31, 2024, and 2023, the CUCA amount is in process of being updated.

The Company's objective for capital management is to maximize shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. The Company is not subject to any externally imposed capital requirements.

Notes forming part of the Financial Statements

d) Dividend

Distribution of dividends or profits to the shareholders that come from the CUFIN, will not generate income tax to legal entities resident in the country, until the said account has exhausted balance. Dividends paid to individuals and legal entities resident abroad, on profits generated from January 1, 2014 and onwards, are subject to a 10% tax, which has the character of final payment.

As of December 31, 2024, and 2023 the restated balance of the CUFIN account (Net taxable income account or CUFIN for its Acronym in Spanish), is $582.68 and $550.50 pesos, respectively.

8. LEASES

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognizes right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in profit or loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease-by-lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognizes the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and profit or loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in profit or loss.

The Company has elected not to apply the requirements of IFRS 16 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

During December 31, 2024 and 2023, there is no right- of – use asset and Depreciation on right – of – use asset.

During the year ended 2024 and 2023, Company has incurred expenses MXN Nil and MXN 2.10 respectively relating to short-term leases and leases of low-value assets.

The total cash outflow on short-term leases and leases of low-value assets, recognized in the statements of cash flows is MXN Nil and MXN 2.10 for December 31, 2024 and December 31, 2023 respectively.

Notes forming part of the Financial Statements

9. NON-FINANCIAL ASSETS AND LIABILITIES

a. Property, plant and equipment

Improvements to leased buildings are carried at cost. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

The furniture and equipment are stated at cost less accumulated depreciation.

Depreciation is calculated on the amount susceptible to depreciation, corresponding to the cost of an asset, or another amount that replaces the cost.

Depreciation is recognized in the statement of comprehensive income using the straight-line method according to the estimated useful life of each component of an item of furniture and equipment, since this better reflects the usage pattern expected of the future economic benefits included in the asset. Leased assets are depreciated for the duration of the lease or the useful life of the assets, whichever is lower, unless there is reasonable certainty that the Company will acquire ownership of the leased assets at the end of the lease.

The annual depreciation rates of the assets as follows:

	% average rate of depreciation
Improvements to leased buildings	5 – 10
Office furniture and equipment	20
Computers and equipment	25

Minor repairs and maintenance costs are expensed as incurred.

Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use. Capital work-in-progress includes capital advances.

Subsequent expenditures

Expenditures for repairs and modifications or improvements that prolong the useful life of the assets beyond the originally estimated, which allows the entity to obtain future economic benefits that can be measured reliably, are capitalized as fixed assets.

Impairment of Non-financial assets

a) Tangible assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss.

Notes forming part of the Financial Statements

Property, plant and equipment comprise the following:

(In millions of Mexican pesos)

	Leasehold improvements	Computer equipments	Furniture and office equipment	Total
Gross block as at January 1, 2024	**0.21**	**36.41**	**38.37**	**74.99**
Purchases	**-**	**-**	**-**	**-**
Disposals	**-**	**-**	**-**	**-**
Gross block as at December 31, 2024	**0.21**	**36.41**	**38.37**	**74.99**
Accumulated depreciation as at January 1, 2024	**0.21**	**36.29**	**38.35**	**74.85**
Depreciation for the year	**-**	**0.04**	**-**	**0.04**
Disposals	**-**	**-**	**-**	**-**
Accumulated depreciation as at December 31, 2024	**0.21**	**36.33**	**38.35**	**74.89**
Net carrying amount as at December 31, 2024	**-**	**0.08**	**0.02**	**0.10**
Capital work-in-progress				**-**
Total				**0.10**

(In millions of Mexican pesos)

	Leasehold improvements	Computer equipments	Furniture and office equipment	Total
Gross block as at January 1, 2023	52.65	36.70	61.25	150.60
Purchases *	-	0.17	-	0.17
Disposals	(52.44)	(0.46)	(22.88)	(75.78)
Gross block as at December 31, 2023	0.21	36.41	38.37	74.99
Accumulated depreciation as at January 1, 2023	52.51	36.61	57.58	146.70
Depreciation for the year	0.13	0.11	1.23	1.47
Disposals	(52.43)	(0.43)	(20.46)	(73.32)
Accumulated depreciation as at December 31, 2023	0.21	36.29	38.35	74.85
Net carrying amount as at December 31, 2023	-	0.12	0.02	0.14
Capital work-in-progress				-
Total				0.14

*MXN 0.17 has been capitalised and transferred to property, plant and equipment during the year ended December 31, 2023.

Capital work in progress mainly include investments in equipment for the normal operation of MGDC employees, there is no investment in delivery centers.

Notes forming part of the Financial Statements

b. Intangible assets

i. Other intangible assets

Other intangible assets that are acquired by the Company and have defined useful lives are recorded at cost less accumulated amortization.

ii. Amortization

The amortization is calculated on the cost of the asset or other amount that replaces cost, less the residual value.

The amortization is recognized in the statement of comprehensive income under the straight-line method based on the estimated useful life of the intangible assets, other than goodwill, from the date they are available for use, this reflects the expected usage pattern of the future economic benefits included in the asset. The estimated useful lives for the current and comparative periods are as shown follow:

Software for internal use	**3 years**

The amortization methods, useful lives and residual values of intangible assets are reviewed at the end of each year and adjusted if necessary.

c. Other assets

Other assets are comprised as follows:

(In millions of Mexican pesos)

	As of December 31, 2024	As of December 31, 2023
Advance to suppliers	**0.32**	0.17
Prepaid expenses	**0.06**	0.06
Tax Credit Entitlements*	**0.34**	79.31
Other advances, Gross	**1.10**	1.00
Total	**1.82**	80.54
Allowance for doubtful accounts*	**-**	(79.31)
Total	**1.82**	1.23

* During 2023 the Company has recognized an allowance for doubtful accounts until the process of submission of returns to claim creditable VAT is finalized.

d. Trade and other payables

Trade and other payable consist of the following:

(In millions of Mexican pesos)

	As of December 31, 2024	As of December 31, 2023
Trade payables	**8.57**	9.28
Accrued expenses	**2.18**	2.13
Others	**13.94**	19.76
Total	**24.69**	31.19

Notes forming part of the Financial Statements

e. Other liabilities

Other liabilities consist of the following:

(In millions of Mexican pesos)

Other liabilities – Current	As of December 31, 2024	As of December 31, 2023
Indirect tax payable and other statutory liabilities	**(0.05)**	4.41
Total	**(0.05)**	4.41

10. REVENUE RECOGNITION

The Company earns revenue by providing staffing solutions in the form of manpower services to its customer (being a related party), relating to various fields of operations of the customer.

The Company has a single performance obligation to provide manpower services to its customer. Revenue is recognized upon transfer of services to the customer in an amount that reflects the consideration which the Company expects to receive in exchange for those services based on the expected cost plus margin approach, in accordance with the terms of the underlying arrangement. Billings are made in accordance with the terms of the contract with the related party, which is generally on a monthly basis.

The Company has applied practical expedient to recognize revenue for services in proportion to the amount it has right to invoice the customer in accordance with the terms of the arrangement.

Revenue excludes taxes collected from customers.

All the revenue is derived from the customer in Ibero America.

11. COST RECOGNITION

Costs and expenses are recognized when incurred and have been classified according to their nature in the following categories:

The costs of the Company are broadly categorized into employee benefit expense, depreciation and amortization and operation and other expense. Employee benefit expenses include employee compensation, allowances, contribution to various funds and staff welfare expenses. Operation and other expense mainly include fees to external consultants, facility expenses, travel expenses, cost of equipment and software licenses, communication expenses and other expenses.

(In millions of Mexican pesos)

	Year ended December 31, 2024	Year ended December 31, 2023
Fees to external consultants and others	**1.82**	2.01
Facility expenses	**6.25**	7.99
Other expenses	**(5.75)**	66.92
Total	**2.33**	76.92

Notes forming part of the Financial Statements

12. FINANCIAL INCOME, COST AND OTHER GAINS (NET)

a. Finance and other income

Interest income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(In millions of Mexican pesos)

	Year ended December 31, 2024	Year ended December 31, 2023
Interest income on bank deposits	**2.33**	2.00
Total	**2.33**	2.00

b. Finance costs

Financial costs include interest expenses on loans. The loan costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in income using the effective interest method.

(In millions of Mexican pesos)

	Year ended December 31, 2024	Year ended December 31, 2023
Interest on loans other than banks		
Other interest costs	**0.01**	0.77
Total	**0.01**	0.77

c. Other gains, (net)

(In millions of Mexican pesos)

	Year ended December 31, 2024	Year ended December 31, 2023
Net gain on disposal of property, plant and equipment	**-**	6.15
Net foreign exchange gain	**0.30**	(0.93)
Others	**0.03**	0.68
Total	**0.33**	5.90

13. INCOME TAXES (IT) AND EMPLOYEE STATUTORY PROFIT SHARING (ESPS)

IIncome tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

Current income tax ("ISR") and employee statutory profit sharing (ESPS) are recognized in the results of the year in which is incurred.

Deferred tax

Notes forming part of the Financial Statements

Deferred tax are recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Entity expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

A deferred tax loss carry forward asset, tax credits and deductible temporary differences are recognized to the extent that it is likely that taxable income may be available in the future against which they can be applied. The deferred tax assets are reviewed as of the reporting date and are reduced to the extent that the realization of the corresponding tax benefit is no longer probable.

IT Law effective as of January 1, 2014 imposes an IT rate of 30% for 2014 and thereafter.

The income tax expense consist of the following:

(In millions of Mexican pesos)

	Year ended December 31, 2024	Year ended December 31, 2023
Current income tax	**-**	-
Deferred income tax	**4.48**	22.22
Total	**4.48**	22.22

Income tax expense attributable to income before income taxes, differed from the amounts computed by applying the Mexican statutory rates of 30% IT to income before income taxes, as a result of the items shown below:

(In millions of Mexican pesos)

	Year ended December 31, 2024	Year ended December 31, 2023
Income before i ncome taxes	**6.02**	(45.52)
Statutory rate	**30%**	30%
Income tax	**1.81**	(13.66)
Tax pertaining to prior years and other	**2.70**	(17.47)
No deductibles	**(0.03)**	64.98
Inflation effects	**-**	(11.63)
	4.48	22.22

Significant components of net deferred tax assets and liabilities for the year ended December 31, 2024 are as follows:

Notes forming part of the Financial Statements

(In millions of Mexican pesos)

2024	Opening balance	Recognised in profit or loss	Recognised in / reclassified from other comprehensive income	Exchange difference	Closing balance
Deferred tax assets / (liabilities) in relation to					
Property, plant and equipment and intangible assets	**(24.71)**	**3.23**	**-**	**-**	**(21.47)**
Receivables, financial assets at amortized cost	**116.14**	**(3.69)**	**-**	**-**	**112.45**
Transition impact of IFRS 16	**(1.71)**	**-**	**-**	**-**	**(1.71)**
Others	**(69.82)**	**(4.02)**	**-**	**-**	**(73.85)**
Total deferred tax asset / (liabilities)	**19.90**	**(4.48)**	**-**	**-**	**15.42**

(In millions of Mexican pesos)

As at December 31, 2024	Assets	Liabilities	Net
Deferred tax assets / (liabilities) in relation to			
Property, plant and equipment and intangible assets	**-**	**21.47**	**(21.47)**
Receivables, financial assets at amortized cost	**112.45**	**-**	**112.45**
Transition impact of IFRS 16	**-**	**1.71**	**(1.71)**
Others	**-**	**73.85**	**(73.85)**
Total deferred tax asset / (liabilities)	**112.45**	**97.04**	**15.42**

Significant components of net deferred tax assets and liabilities for the year ended December 31, 2023 are as follows:

(In millions of Mexican pesos)

2023	Opening balance	Recognised in profit or loss	Recognised in / reclassified from other comprehensive income	Exchange difference	Closing balance
Deferred tax assets / (liabilities) in relation to					
Property, plant and equipment and intangible assets	(12.14)	(12.57)	-	-	(24.71)
Receivables, financial l assets at a mortized cost	112.09	4.05	-	-	116.14
Transition impact of IFRS 16	(1.71)	-	-	-	(1.71)
Others	(56.12)	(13.70)	-	-	(69.82)
Total deferred tax asset / (liabilities)	42.12	(22.22)	-	-	19.90

Notes forming part of the Financial Statements

(In millions of Mexican pesos)

As at December 31, 2023	Assets	Liabilities	Net
Deferred tax assets / (liabilities) in relation to			
Property, plant and equipment and intangible assets	-	24.71	(24.71)
Receivables, financial l assets at a mortized cost	116.14	-	116.14
Transition impact of IFRS 16		1.71	(1.71)
Others		69.82	(69.82)
Total deferred tax asset / (liabilities)	116.14	96.24	19.90

Employee profit sharing (PTU)

For the year ended December 31, 2024 and 2023, the Company generated a tax base for employee profit sharing of MXN 1.1 and MXN Nil respectively.

Direct Tax Contingencies

a) In accordance with Mexican tax law, the tax authorities are empowered to examine transactions carried out during the five years prior to the most recent income tax return filed.

b) In accordance with the IT Law, companies carrying out transactions with related parties are subject to certain requirements as to the determination of prices, which should be similar to those that would be used in arm's-length transactions.

Should the tax authorities examine the transactions and reject the related-party prices, they could assess additional taxes plus the related inflation adjustment and interest, in addition to penalties of up to 100% of the omitted taxes.

c) There are no tax related contingencies in FYE 2024.

14. EMPLOYEE BENEFITS

Retirement benefits costs from termination benefits

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognized in other comprehensive income in the period in which they occur.

Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements).
- Remeasurement.

The Company presents the first two components of defined benefit costs in profit or loss. Gains and losses for reduction of service are accounted for as past service costs.

The retirement benefit obligation recognized in the statement of financial position represents the actual deficit or surplus in the Company's defined benefit plans.

Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Notes forming part of the Financial Statements

Short-term and other long-term employee benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Employee benefit expense consists of the following:

(In millions of Mexican pesos)

	Year ended December 31, 2024	Year ended December 31, 2023
Salaries, incentives and allowances	**15.43**	101.61
Social security contributions and payroll rated taxes	**1.96**	16.63
Staff welfare expenses	**0.53**	2.58
	17.93	120.82

Employee benefit obligations consists of the following:

(In millions of Mexican pesos)

	As of December 31, 2024	As of December 31, 2023
Employee benefit obligations		
Defined benefit obligation	**2.14**	5.50
Employee statutory profit sharing	**1.10**	-
Liabilities for social securities contributions	**(2.73)**	(1.32)
Liability for long service leave	**1.21**	4.80
Bonus accrual	**-**	1.47
Total employee benefit obligations	**1.72**	10.45
Current	**(0.42)**	4.95
Non-current	**2.14**	5.50
	1.72	10.45

a. Defined contribution plans

The Company manages a plan that covers seniority premiums for all staff working in Mexico, which consists of a single payment of 12 days per year worked based on final salary, not to exceed twice the minimum wage established by law. The related liability and annual cost of benefits is calculated by an independent actuary using the method of projected unit credit.

The plans typically expose the Entity to actuarial risks as investment risk, Interest rate, longevity and salary.

Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

No other post-retirement benefits are provided to these employees.

The most recent actuarial valuation of the present value of the defined benefit obligation were carried out as of December 31, 2024 and 2023 by Independents actuaries, who are members of the Institute of Actuaries of Mexico. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

Notes forming part of the Financial Statements

b. The principal assumptions used for the purposes of the actuarial valuations were as follows:

(In millions of Mexican pesos)

	As of December 31, 2024	As of December 31, 2023
Discount rates	**9.40%**	9.40%
Inflation long term rates	**4.00%**	4.00%
Salaries increase rate	**4.64%**	4.64%

c. Amounts recognized in comprehensive income in respect of these defined benefit plans are as follows:

(In millions of Mexican pesos)

	Year ended December 31, 2024	Year ended December 31, 2023
Service Cost	**0.04**	0.97
Personnel transfer	**(3.98)**	(1.73)
Financial cost	**0.51**	0.52
Net cost for the year	**(3.43)**	(0.23)

d. The amount included in the statement of financial position arising from the entity's obligation in respect of its defined benefit plans is as follows:

(In millions of Mexican pesos)

	As of December 31, 2024	As of December 31, 2023
Net liability arising from defined benefit obligation	**2.14**	5.50

Movements in the present value of the defined benefit obligation were as follows:

(In millions of Mexican pesos)

	As of December 31, 2024	As of December 31, 2023
Opening defined benefit obligation	**5.50**	5.61
Current service cost	**0.91**	0.93
Prior Service Cost	**(0.87)**	0.04
Personnel transferred	**(3.98)**	(1.73)
Financial Cost	**0.51**	0.52
Benefits paid during the year	**-**	(0.08)
Remeasurement of defined benefit obligations	**0.06**	0.21
Net liability arising from defined benefit obligation	**2.14**	5.50

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

If the discount rate is 1 basis points higher (lower), the defined benefit obligation would decrease by $ 0.30 (increase by $ 0.35). If the expected salary growth increases (decreases) by 1, the defined benefit obligation would increase by $ 0.33 (decrease by $ 0.28).

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the statement of financial position.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Notes forming part of the Financial Statements

15. BUSINESS AND CREDIT CONCENTRATION

As of December 31, 2024 and 2023, the 100% of revenue provided for the consultancy services were provided to related parties.

16. CONTINGENCIES AND COMMITMENTS

Liabilities for loss contingencies are recorded when it is probable that a liability has been incurred and the amount thereof can be reasonably estimated. When a reasonable estimation cannot be made, disclosure is provided in the notes to the financial statements. Contingent revenues, earnings or assets are not recognized until realization is assured.

a) The Company has entered into service agreements with related parties, under which the Company provides consultancy services and IT support services necessary for these companies operations. Total revenues under these agreements, reported under consultancy services, were MXN 28.66 in 2024 and MXN 141.56 in 2023.

b) As at December 31, 2024, claims aggregating to MXN 3.51 against the Company have not been acknowledged as debts.

c) The Company is involved in a number of lawsuits and claims arising in the normal course of business. It is expected that the final outcome of these matters will not have significant adverse effects on the Company's financial position and income (loss).

d) The Company does not have any contractually committed (net of advances) as at December 31, 2024 and December 31, 2023 for purchase of Property, plant and equipment.

17. RELATED PARTY DISCLOSURE

a. Operations with management and close family

The Company does not have business operations with members of management and close relatives outside operations at arm's length and available to the general public and for non-significant amounts.

b. Transactions with related parties-

(In millions of Mexican pesos)

	With subsidiaries and associates of Tata Sons Limited, ultimate parent company	With Tata Consultancy Services Limited	With subsidiaries of Tata Consultancy Services Limited	Total
Year ended December 31, 2024				
Consultancy services	-	-	**28.66**	**28.66**
Purchases of services and cost recovery	-	-	-	-
Loan repaid	-	-	-	-
Interest Expense	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Employee Cost	**0.14**	**0.06**	-	**0.20**
Other expenses	-	**(0.01)**	-	**(0.01)**

Notes forming part of the Financial Statements

	With subsidiaries and associates of Tata Sons Limited, ultimate parent company	With Tata Consultancy Services Limited	With subsidiaries of Tata Consultancy Services Limited	Total
Year ended December 31, 2023				
Consultancy services	-	-	146.55	146.55
Purchases of services and cost recovery	-	(0.76)	-	(0.76)
Loan repaid	-	-	29.73	29.73
Interest Expense	-	-	0.66	0.66
Sale of Fixed Assets	-	-	8.62	8.62

c. Balances receivable from related parties -

(In millions of Mexican pesos)

	With subsidiaries and associates of Tata Sons Limited, ultimate parent company	With Tata Consultancy Services Limited	With subsidiaries of Tata Consultancy Services Limited	Total
As of December 31, 2024				
Trade and othere receivables	**-**	**0.14**	**0.27**	**0.42**
	-	**0.14**	**0.27**	**0.42**

	With subsidiaries and associates of Tata Sons Limited, ultimate parent company	With Tata Consultancy Services Limited	With subsidiaries of Tata Consultancy Services Limited	Total
As of December 31, 2023				
Trade and other receivables	-	0.13	8.72	8.85
Total	-	0.13	8.72	8.85

The balances receivable come from consultancy and administrative services rendered to the related parties and will be liquidated within the commercial terms agreed by the Company.

d. Balances payable to related parties-

(In millions of Mexican pesos)

	With subsidiaries and associates of Tata Sons Limited, ultimate parent company	With Tata Consultancy Services Limited	With subsidiaries of Tata Consultancy Services Limited	Total
As of December 31, 2024				
Trade and other payables	**0.01**	**0.64**	**0.32**	**0.97**
Total	**0.01**	**0.64**	**0.32**	**0.97**

Notes forming part of the Financial Statements

	With subsidiaries and associates of Tata Sons Limited, ultimate parent company	With Tata Consultancy Services Limited	With subsidiaries of Tata Consultancy Services Limited	Total
As of December 31, 2023				
Trade and other payables	-	0.45	1.55	2.00
Total	-	0.45	1.55	2.00

The balances payable come from consultancy and administrative services received from the related parties and will be liquidated within the commercial terms agreed by the Company.

18. SUBSEQUENT EVENTS

There is no subsequent event from January 1, 2025 to the date of authorization of financial statement that could significantly affect the Company's financial position and/or profit or loss or which may require disclosures in the notes to the financial statements other than disclosed in financial statement.

TCS INVERSIONES CHILE LIMITADA

(And Independent Auditors' Report)

Separate Financial Statements
as of December 31, 2024 and 2023
and for the years then ended

TCS INVERSIONES CHILE LTDA.

CONTENTS **PAGE**

Independent Auditors' Report	47.2
Separate Statements of Financial Position	47.4
Separate Statements of Comprehensive Income, per Nature of Expenses	47.5
Separate Statements of Changes in Equity	47.6
Separate Statements of Cash Flows, Indirect Method	47.7
Notes to the Separate Financial Statements	47.9

ThCh$: Amounts expressed in thousands of Chilean pesos
UF : Amounts expressed in inflation-adjusted units

Back to main content

REPORT OF THE INDEPENDENT AUDITORS

To the Shareholders and Directors of
TCS Inversiones Chile Limitada

OPINION

We have audited the accompanying separate financial statements of TCS Inversiones Chile Limitada, which comprise the separate statements of financial position as of December 31, 2024 and 2023 and the related separate statements of comprehensive income, changes in equity and cash flows for the years on these dates and the corresponding notes to the separate financial statements.

In our opinion, the separate financial statements present fairly, in all material aspects, the financial position of TCS Inversiones Chile Limitada as of December 31, 2024 and 2023 and the results of its operations and its cash flows for the years ended on those dates in accordance with International Financial Reporting Standards.

BASIS FOR THE OPINION

We performed our audits in accordance with Generally Accepted Auditing Standards in Chile. Our responsibilities under those standards are described subsequently in the paragraphs under the section "Auditor's Responsibilities for the Audit of the separate Financial Statements" in this report. In accordance with the ethical requirements relevant to our audits of the separate financial statements, we are required to be independent of TCS Inversiones Chile Limitada and to comply with all other ethical responsibilities in accordance with those requirements. We consider that the audit evidence we have obtained is sufficient and appropriate to provide us with a basis for our audit opinion.

EMPHASIS OF MATTER

The accompanying separate financial statements have been prepared to reflect the individual financial position of TCS Inversiones Chile Limitada before consolidating, on a line-by-line basis, with the financial statements of its subsidiaries. Accordingly, for proper interpretation purposes, these separate financial statements need to be read and analyzed along with the consolidated financial statements of Tata Consultancy Services Limited.

OTHER MATTERS

The above translation of the auditors' report is provided as a free translation from the Spanish language original, which is the official and binding version. Such translation has been done solely for the convenience of non-Spanish readers.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Management is responsible for the preparation and fair presentation of the separate financial statements in accordance with International Financial Reporting Standards. This responsibility includes designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of separate financial statements that are free from material misstatement, whether due to fraud or error.

When preparing the separate financial statements, the management is required to evaluate whether there are facts or circumstances, which considered as a whole, raise substantial doubt about the ability of TCS Inversiones Chile Limitada to continue as a going concern for the foreseeable future.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to provide an auditor's report that includes our opinion. Reasonable assurance is a high, but not absolute, level of assurance and, therefore, does not guarantee that an audit performed in accordance with Generally Accepted Auditing Standards in Chile will always detect a material misstatement when it exists. The risk of not detecting a material misstatement due to fraud is greater than the risk of not detecting a material misstatement due to error, as fraud may involve collusion, falsification, intentional omissions, concealment, misrepresentations, or disregard of controls by management. A misstatement is considered material if, individually or in the aggregate, it could influence the judgment of a reasonable user of these financial statements.

As part of an audit performed in accordance with Generally Accepted Auditing Standards in Chile, we:

- We exercise professional judgment and maintain professional skepticism during the entire audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures in response to those risks. Such procedures include examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements.
- Obtain an understanding of relevant internal control relevant to an audit to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control of TCS Inversiones Chile Limitada Consequently, we do not express such an opinion.
- Evaluate the appropriateness of the accounting policies used and the reasonableness of significant accounting estimates made by Management, as well as the appropriateness of the overall presentation of the financial statements.
- Conclude whether, in our opinion, there are facts or circumstances that, taken as a whole, cast substantial doubt about the ability of TCS Inversiones Chile Limitada to continue as a going concern for a reasonable period.

We are required to communicate to those charged with governance, among other matters, the planned timing and scope of the audit and significant audit findings, including any significant deficiencies and material weaknesses in internal control that we identified during our audit.

Luis Velásquez Molina
Grant Thornton Auditoría y Servicios Limitada.

Santiago, February 20, 2025

Separate Statements of Financial Position As of December 31, 2024 and 2023

ThCh$

	Note	2024	2023
ASSETS			
Current assets:			
Cash and cash equivalents	4.a)	**1,030,176**	988,187
Trade and other receivables, current	4.c)	**810,730**	1,358,291
Other current financial assets	4.d)	**647**	12,109
Current tax assets		**361,751**	37,386
Other Current Assets		**18,366**	3,145
Total current assets		**2,221,670**	2,399,118
Non-current assets:			
Investments	4.b)	**32,126,571**	32,126,571
Furniture and equipment, net	6.a)	**8,093**	5,628
Deferred tax assets	7.c)	**471,141**	541,940
Total non-current assets		**32,605,805**	32,674,139
TOTAL ASSETS		**34,827,475**	35,073,257
LIABILITIES AND EQUITY			
Current liabilities:			
Trade and other payables	4.e)	**414,291**	236,483
Employee benefit obligation	8.a)	**452,205**	398,935
Income tax liabilities		**-**	102,359
Other current financial liabilities	8.a)	**1,113,042**	1,403,119
Other current liabilities		**79,073**	69,431
Total current liabilities		**2,058,611**	2,210,327
Equity:			
Paid capital	4.f)	**15,290,305**	15,290,305
Retained earnings		**17,478,559**	17,572,625
Total equity		**32,768,864**	32,862,930
TOTAL LIABILITIES AND EQUITY		**34,827,475**	35,073,257

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE SEPARATE FINANCIAL STATEMENTS.

Separate Statements of Comprehensive Income, per Nature of Expenses
For the years ended December 31, 2024 and 2023

ThCh$

	Note	2024	2023
Revenue	9	**3,425,572**	3,987,705
TOTAL REVENUE		**3,425,572**	3,987,705
Expenses:			
Employee benefits	10	**2,562,898**	2,823,592
Other operating expenses	10	**602,946**	758,260
Depreciation and amortization expenses	6.a)	**3,187**	2,869
TOTAL EXPENSES		**3,169,031**	3,584,721
Total operating profit (loss)		**256,541**	402,984
Other income:			
Dividends received from subsidiaries	12	**734,594**	5,088,532
Foreign currency translation, difference	13	**(327,928)**	(47,796)
Investment revenue	11	**41,647**	40,716
TOTAL OTHER INCOME, NET		**448,313**	5,081,452
PROFIT BEFORE TAX		**704,855**	5,484,436
Income tax expense	7.a)	**(64,709)**	(163,009)
PROFIT FROM CONTINUING OPERATIONS AFTER TAX		**640,146**	5,321,427
Other comprehensive income (loss)			
Net gain		**640,146**	5,321,427
TOTAL COMPREHENSIVE INCOME		**640,146**	5,321,427

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE SEPARATE FINANCIAL STATEMENTS.

Separate Statements of Changes in Equity
For the years ended December 31, 2024 and 2023

ThCh$

2024	Paid-in capital	Retained earnings	Total equity
Opening balance as of January 1, 2024	**15,290,305**	**17,572,625**	**32,862,930**
Comprehensive income:			
Profit for the year	**-**	**640,146**	**640,146**
Other comprehensive income	**-**	**-**	**-**
Total comprehensive income	**-**	**-**	**-**
Dividends	**-**	**(734,212)**	**(734,212)**
Total profit distribution	**-**	**(734,212)**	**(734,212)**
Total changes in equity	**-**	**(94,066)**	**(94,066)**
Closing balance as of December 31, 2024	**15,290,305**	**17,478,559**	**32,768,864**

ThCh$

2023	Paid-in capital	Retained earnings	Total equity
Opening balance as of January 1, 2023	15,290,305	17,771,587	33,061,892
Comprehensive income:			
Profit for the year	-	5,321,427	5,321,427
Other comprehensive income	-	-	-
Total comprehensive income	-	5,321,427	5,321,427
Dividends	-	(5,520,389)	(5,520,389)
Total profit distribution	-	(5,520,389)	(5,520,389)
Total changes in equity	-	(198,962)	(198,962)
Closing balance as of December 31, 2023	15,290,305	17,572,625	32,862,930

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE SEPARATE FINANCIAL STATEMENTS.

Separate Statements of Cash Flows, Indirect Method for the years ended December 31, 2024 and 2023

ThCh$

	Note	2024	2023
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES:			
Profit for the year		**640,146**	5,321,427
Adjustments to reconcile profit for the year:			
Effect of foreign currency translation difference		**327,927**	47,796
Depreciation and amortization		**3,187**	2,869
Income tax		**64,709**	163,009
Total cash flows before changes in working capital		**395,823**	213,674
(Increase)/decrease in working capital:			
Trade and other receivables		**547,561**	(617,909)
Other financial assets		**(738,354)**	(5,084,917)
(Increase)/decrease in working capital:			
Trade payables		**(150,119)**	96,644
Other current -financial liabilities		**(280,435)**	638,994
Employee benefits		**53,270**	63,025
Total net increase in working capital		**(568,078)**	(4,904,163)
Income tax paid		**(420,634)**	(443,203)
Net cash from operating activities		**47,257**	187,735
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES:			
Dividends received	12	**734,594**	5,088,532
Acquisition of furniture and equipment	6.a)	**(5,652)**	(3,989)
Net cash used in investing activities		**728,942**	5,084,543
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES:			
Dividends paid	12	**(734,212)**	(5,520,389)
Net cash used in financing activities		**(734,212)**	(5,520,389)
Net increase/(decrease) in cash and cash equivalents		**41,989**	(248,111)
Cash and cash equivalents at January 1		**988,187**	1,236,298
Effects of movements in exchange rate on cash held		**-**	-
Cash and cash equivalents at December 31		**1,030,176**	988,187

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE SEPARATE FINANCIAL STATEMENTS.

Index

1.	General information	46.9
2.	Basis of presentation of the separate financial statements	46.9
3.	Summary of significant accounting policies	46.11
4.	Financial assets and financial liabilities, and equity instruments	46.13
5.	Balances and transactions with related parties	46.21
6.	Non-financial assets and liabilities	46.22
7.	Income tax and deferred taxes	46.26
8.	Employee benefits and Other current financial liabilities	46.27
9.	Operating profit	46.28
10.	Operating expenses	46.29
11.	Investment Revenue	46.29
12.	Dividends received from subsidiaries	46.29
13.	Foreign currency translation differences	46.30
14.	Lawsuits and contingencies	46.30
15.	Subsequent events	46.30

Notes to the Separate Financial Statements

1. GENERAL INFORMATION

TCS Inversiones Chile Limitada was incorporated by TCS IberoAmérica S.A. and Gabriel Rozman on December 16, 2002, and is engaged in investments, on its own or on behalf of third parties, in any type of movable and immovable property, tangible or intangible assets, purchase and sale, export, import, manufacturing, production, consignment, lease, trading, representation and distribution of any type of physical and intangible assets; rendering of all types of advisory and consultancy services, and services associated with computer, IT and general communication; and the representation, concession and operation of the franchise of any type of companies, brands and/or products associated with the above-mentioned operations.

On October 26, 2005, the articles of incorporation were amended via public deed, increasing the Company's capital through an amount contributed by the partner TCS IberoAmérica S.A.

On December 28, 2006, Tata Solution Center S.A. (a subsidiary of Tata Consultancy Services Chile S.A.), was incorporated in Ecuador and commenced its operations on June 1, 2007. It is mainly engaged in providing IT services, software development and maintenance, and administrative and operating processes (BPO) primarily to financial institutions.

On December 29, 2006, Tata Consultancy Services BPO Chile S.A. (formerly - Tata Consultancy Services (TCS) Chile Limitada) acquired 100% of shares of its subsidiary Tata Consultancy Services BPO Chile S.A. (formerly - Comicrom S.A.). Consequently, such subsidiary was dissolved by operation of law.

At Extraordinary Shareholders' Meeting held on July 30, 2010, the shareholders agreed on the merger through incorporation of Tata Consultancy Services BPO Chile S.A. to Tata Consultancy Services Chile S.A., and accordingly, at such meeting the company's name was changed from Tata Consultancy Services BPO Chile S.A. to Tata Consultancy Services Chile S.A.

On April 26, 2017, Mr. Gabriel Rozman sells, assigns and transfers to TCS Uruguay S.A. the entirety of his ownership interest in the Company, which represents 0.000004% of the Company's capital.

In Chile, it established its operations in 2003, and currently has 12 employees who perform support and advisory functions in the areas of finance, legal, marketing, and sales for the subsidiaries in the Latin American region.

2. BASIS OF PRESENTATION OF THE SEPARATE FINANCIAL STATEMENTS

a) Use of estimates and judgments

The preparation of these separate financial statements in conformity with the recognition and measurement principles under IFRS, requires that Management performs estimates and judgments which have an impact on the reported balances of assets and liabilities, the disclosures of contingent liabilities at the reporting date, and the balance of income and expenses for the reporting periods.

The underlying estimates and assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized in the period in which the estimate is revised and any future periods affected.

The key source of estimation uncertainty at the reporting date, which may result in a material adjustment to the carrying amounts of assets and liabilities within the subsequent financial year, relates to the impairment of goodwill, useful lives of items of furniture and equipment, valuation of deferred tax assets, provisions and contingent liabilities, as detailed below. The main key sources of estimation uncertainty related to revenue recognition, employee benefits, and fair value measurement of financial instruments, have been assessed based on the applicable policies.

Useful lives of items of furniture and equipment

The Company reviews the carrying amount of items of furniture and equipment at the end of each reporting period. This reassessment may result in changes to the depreciation expense for future periods.

Measurement of deferred tax assets

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period.

Provisions and contingent liabilities

Provisions are recognized when the Company has a present obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and reliable estimate can be made of the amount of the obligation. Provisions shall be reviewed at the end of each reporting period

Notes to the Separate Financial Statements

and adjusted to reflect the current best estimate. Contingent liabilities are not recognized in the financial statements. Contingent assets are not recognized or disclosed in the financial statements.

Fair value measurement of financial instruments

When the Company is not able to measure the fair value of financial assets and financial liabilities in the statement of financial position based on quoted prices in active markets, the fair value is measured using valuation techniques which include the discounted cash flow model. Inputs to these models are obtained from observable markets where possible, otherwise a degree of judgment is required to establish fair values. The judgments include considering inputs such as liquidity risk, credit risk and volatility. Changes in the assumptions with respect to these factors could affect the reported fair value of financial instruments. The policy has been explained in further detail in Note 4 (h).

b) Statement of compliance

These separate financial statements of TCS Inversiones Chile Ltda. (hereinafter the "Company"), for the year ended December 31, 2024 and 2023, are presented in Chilean pesos and have been prepared in accordance with IAS 27, "Separate Financial Statements" included in International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board (hereinafter the "IASB"), applying the exception described in paragraph 4 of IFRS 10, Consolidated Financial Statements. Likewise, these financial statements are exempt from disclosure provisions contained in IFRS 12.

The information contained in these separate financial statements is the responsibility of the Company's Management which expressly states it has applied all the principles and criteria included in IAS 27 and IFRS; the separate financial statements have been approved by the Administration on February 24, 2025.

The translation of these financial statements is provided as a free translation from the Spanish language original, which is the official and binding version. Such translation has been made solely for the convenience of non-Spanish readers.

c) Comparative information

The separate statements of financial position at 31 December 2024 and the separate statements of comprehensive income, changes in equity and cash flows for the year then ended have been prepared in accordance with International Financial Reporting Standards, on a basis consistent with the criteria used at 31 December 2023.

d) Historical cost basis

The separate financial statements have been prepared on the historical cost basis. Generally, the historical cost is based on the fair value of the consideration paid in exchange for goods and services. The fair value is the price that would be received for selling an asset or paid for transferring a liability in an orderly transaction between market participants on the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. For purposes of measurement and/or disclosure in these separate financial statements, fair value is determined as described above, except for the determination of value in use under IAS 36, which has been measured at market value.

e) Period covered

These separate financial statements of TCS Inversiones Chile LTDA. were prepared as of December 31, 2024 and 2023 and for the years then ended.

f) Currency

The functional currency of TCS Inversiones Chile Ltda. is the Chilean peso.

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at the reporting date. Nonmonetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Notes to the Separate Financial Statements

g) Basis of translation

Balances of assets and liabilities in UF (inflation-adjusted units), U.S. dollars and other foreign currencies have been translated to Chilean pesos at the exchange rates in force at the closing date of the separate financial statements. At the reporting date, the effective exchange rates are detailed as follows:

In Chilean pesos (Ch$)

	2024	2023
U.S. Dollar	**996.46**	877.12
Inflation-adjusted units (UF)	**38,416.69**	36,789.36

Foreign currency translation differences and adjustments are debited or credited to profit or loss, as applicable, in accordance with IFRS.

h) Classification of balances (current and non-current)

In the accompanying statement of financial position, balances are classified according to their maturities, i.e. as current those with maturities of 12 months or less and noncurrent those with maturities exceeding 12 months.

i) Statement of cash flows

For the preparation of the statement of cash flows, the Company uses the following definitions:

Cash and cash equivalents relates to cash on hand, cash in bank current accounts, time deposit and highly-liquid fixed income mutual fund deposits held in financial entities with original maturities of up to three months and insignificant risk of loss of value.

The statement of cash flows considers the following account categories:

(a) Operating activities

Operating activities are the principal revenue-producing activities of the entity and other activities that are not investing or financing activities.

(b) Investing activities

Investing activities are the acquisition and disposal of long-term assets and other investments not included in cash and cash equivalents.

(c) Financing activities

Financing activities are activities that result in changes in the size and composition of the contributed equity and borrowings of the entity.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The entity has consistently applied the following accounting policies to all periods presented in these separate financial statements.

The accounting policies set out below have been used in the preparation of these separate financial statements. As required by IFRS 1, these policies have been defined considering the IFRS effective as of December 31, 2024.

a) Provisions and contingent liabilities

A provision is a liability of uncertain timing or amount. Provisions are recognized in the balance sheet when the following requirements are met in a copulative manner:

- The Company has a present legal or constructive obligation as a result of a past event.
- It is probable that at the reporting date an outflow of economic benefits will be required to settle the obligation.
- The obligation can be estimated reliably.

A contingent asset or liability is an obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Notes to the Separate Financial Statements

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

b) Offsetting of balances and transactions

Generally, in the separate financial statements there is no offsetting of assets or liabilities or revenue and expenses, except for those cases where offsetting is required or permitted by any standard and such presentation is the reflection of the substance of the transaction.

Revenues and expenses generated by transactions which contractually or mandatorily because of the enactment of a law include the possibility of offsetting, are those for which the Company intends either to settle the obligations on a net basis, or to realize the asset and settle the liability simultaneously.

c) Classification of balances (current and non-current)

In the accompanying statement of financial position, balances are classified according to their maturities, i.e. as current those with maturities of 12 months or less and non-current those with maturities exceeding 12 months.

d) New accounting pronouncements

New accounting and sustainability pronouncements

The following accounting pronouncements are mandatory as of the period beginning January 1, 2024:

Amendments to IFRS Accounting Standards	Date of mandatory application
Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)	Annual periods beginning on or after January 1, 2024. Early adoption is permitted.
Leasehold Liabilities in a Sale and Leaseback Sale (Amendments to IFRS 16)	Annual periods beginning on or after January 1, 2024. Early adoption is permitted.
Non-Current Liabilities with Covenants (Amendments to IAS 1)	Annual periods beginning on or after January 1, 2024.
Supplier Financing Arrangements (Amendments to IAS 7 and IFRS 7)	Annual periods beginning on or after January 1, 2024 (with early application permitted) and amendments to IFRS 7 when applying the amendments to IAS 7.

Accounting pronouncements not yet in force

The following accounting pronouncements issued are applicable for annual periods beginning after January 1, 2025, and after, and have not been applied in the preparation of these financial statements. The entity or Group intends to adopt the accounting pronouncements applicable to them on their respective dates of application and not in advance.

Amendments to IFRS Accounting Standards	Date of mandatory application
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)	Effective date deferred indefinitely. Early adoption is permitted.
Absence of convertibility (Amendment to IAS 21)	Annual periods beginning on or after January 1, 2025. Early adoption is permitted.
Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7 - Post-Implementation Review)	Annual periods beginning on or after January 1, 2026. Early adoption is permitted.
Annual Improvements to IFRS Accounting Standards - Volume 11	Annual periods beginning on or after January 1, 2026. Early adoption is permitted.

Notes to the Separate Financial Statements

New IFRS Accounting Standards	Date of mandatory application
IFRS 18 Presentation and Disclosure in Financial Statements	Annual periods beginning on or after January 1, 2027. Early adoption is permitted.
IFRS 19 Non-Publicly Accountable Subsidiaries: Disclosures	Annual periods beginning on or after January 1, 2027. Early adoption is permitted.

These not yet effective issued accounting pronouncements are not expected to have a significant impact on the separate financial statements.

The Company has not applied the following new and revised IFRSs that have been issued but are not yet effective.

Amendments to IAS 21 - The Effects of Changes in Foreign Exchange Rates Amendments to IFRS 9 and IFRS 7

IFRS 18 – Presentation and Disclosures in Financial Statements

IFRS 19 – Subsidiaries without Public Accountability: Disclosures

[1] Effective for annual periods beginning on or after January 1, 2025.
[2] Effective for annual periods beginning on or after January 1, 2026
[3] Effective for annual periods beginning on or after January 1, 2027.

IAS 21 – The Effects of Changes in Foreign Exchange Rates

In August 2023, the IASB issued 'Lack of Exchangeability (Amendments to IAS 21)' to provide guidance to specify which exchange rate to use when the currency is not exchangeable. An entity must estimate the spot exchange rate as the rate that would have applied to an orderly transaction between market participants at the measurement date and that would faithfully reflect the economic conditions prevailing. The Company does not expect this amendment to have any significant impact in its financial statements.

IFRS 9 and IFRS 7 – Financial Instruments and Financial Instruments: Disclosure

In May 2024, the IASB issued Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) to address matters identified during the post-implementation review of IFRS 9. The amendments relate to derecognition of a financial liability settled through electronic transfer, classification of financial assets and disclosures of certain financial assets and financial liabilities. The Group will evaluate the amendments and implement them accordingly.

IFRS 18 – Presentation and Disclosures in Financial Statements

In April 2024, the IASB issued its new standard IFRS 18 – Presentation and Disclosures in Financial Statements that will replace IAS 1 – Presentation of Financial Statements. The new standard aims at improving how entities communicate in their financial statements. The Group will evaluate the standard and implement it accordingly.

IFRS 19 – Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued a new standard IFRS 19 - Subsidiaries without Public Accountability: Disclosures. The standard allows a subsidiary which does not have public accountability and has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards, to elect IFRS 19. Such an entity applies the requirements in other IFRS Accounting Standards, except for the disclosure requirements, instead the entity applies the requirements in IFRS 19.

4. FINANCIAL ASSETS AND FINANCIAL LIABILITIES, AND EQUITY INSTRUMENTS

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of 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 reduce the fair value of financial assets or financial liabilities in the initial recognition.

Notes to the Separate Financial Statements

Financial assets

Cash and cash equivalents

The Company classifies as cash and cash equivalents all highly-liquid financial instruments, which are readily convertible into known amounts of cash subject to an insignificant risk of changes in value, with maturities of three months or less from the date of acquisition. Cash and cash equivalents comprise cash in banks not restricted for withdrawal and use.

Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost if those financial assets are held within a business model whose objective is to hold assets in order to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income.

Financial assets are measured at fair value through other comprehensive income if they are held within a business model whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

The Company has adopted the irrevocable option of presenting the subsequent changes in the fair values of capital investments not held for trading in other comprehensive income.

Financial assets at fair value through profit and loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortized cost or at fair value through other comprehensive income at initial recognition. Transaction costs directly attributable to the acquisition of financial assets or assumption of financial liabilities at fair value through profit or loss are immediately recognized in the interim condensed statement of profit or loss.

Financial liabilities

Other financial liabilities are measured at amortized cost using the effective interest method.

Equity securities

Equity securities are contracts which establish a residual interest on the Company's assets after deducting all its liabilities. Equity securities issued by the Company are recognized at the amount of the income received net of direct cost of issue.

Impairment of financial assets (not measured at fair value)

At each reporting date, the Company assesses whether a financial asset or group of financial assets is impaired. IFRS 9 requires that expected credit losses are measured through a loss allowance. The Company recognizes lifetime expected credit losses for all its contract assets and/or trade receivables that do not contain a significant financing component. To determine the allowance for doubtful accounts, the Company has used a practical expedient for the calculation of the allowance for expected credit losses of trade receivables using an allowance matrix. The allowance matrix considers the historical credit loss experience and is adjusted for prospective information. The allowance for expected credit losses is based on the maturity of accounts receivable past due and the rates used in the allowance matrix. For the remaining financial assets, expected credit losses are measured at an amount equal to 12-month expected credit losses or an amount equal to lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.

Notes to the Separate Financial Statements

a) Cash and cash equivalents

As of December 31, 2024, and 2023, this caption is composed of the following:

ThCh$

	2024	2023
Cash in banks	**55,052**	238,187
Deposits-Foreign banks	**975,124**	750,000
Total	**1,030,176**	988,187

As of December 31, 2024, and 2023, cash in banks is as follows:

ThCh$

Bank	Currency	2024	2023
Banco Santander	Chilean pesos	**31,423**	91,812
Banco Santander	U.S. Dollar	**23,629**	146,375
Total		**55,052**	238,187

Cash and cash equivalents have no availability restrictions.

The Company has made no investing or financing transactions that do not require the use of cash and cash equivalents.

Deposits-Foreign banks

As of December 31, 2024, cash in time deposits is as follows:

Bank Name / Counterparty Name	Placement date	Maturity date	Currency	Total Days	Closing Amount
Banco Santander	24-Dec-2024	06-01-2025	**USD**	**13**	**597,015**
Banco Santander	27-Dec-2024	06-01-2025	**USD**	**10**	**298,507**
Banco Santander	30-Dec-2024	06-01-2025	**USD**	**7**	**79,602**
					975,124

As of December 31, 2023, cash in time deposits is as follows:

Bank Name / Counterparty Name	Placement date	Maturity date	Currency	Total Days	Closing Amount
Banco Santander	26-Dec-2023	06-Feb-2024	CLP	42	520,000
Banco Santander	26-Dec-2023	24-Jan-2024	CLP	29	150,000
Banco Santander	26-Dec-2023	16-Jan-2024	USD	21	80,000
					750,000

b) Investments

Investments in subsidiaries held at cost

For the preparation of the separate financial statements the Company has used the exemption described in paragraph 4 of IFRS 10, which allows not using the equity method of accounting to recognize investments in subsidiaries in which the entity has control and significant influence provided that certain conditions are met. The Company meets each and every of such conditions as of December 31, 2024, and 2023. The Company's shareholders have authorized the preparation of the separate financial statement because the Company's financial information is included in the consolidated financial statements of its ultimate Parent, Tata Consultancy Services Limited (India), which have been

Notes to the Separate Financial Statements

prepared and presented in accordance with IFRS as issued by the IASB and can be found at the web site: https://www.tcs.com/investor-relations.

Investments in subsidiaries are recognized at cost and relate to:

Taxpayer ID No.	Company	Country	Ownership interest		Carrying amount of the cost investment	
			2024 %	2023 %	2024 ThCh$	2023 ThCh$
Foreign	Tata Solution Center S.A.	Ecuador	**1.0000**	1.0000	**55,916**	55,916
76.385.060-9	Tata Consultancy Services Chile	Chile	**99.9998**	99.9998	**32,070,655**	32,070,655
Total					**32,126,571**	32,126,571

The Company determines whether it is necessary to recognize an impairment loss in the subsidiaries. The Company determines at each reporting date whether there is objective evidence that the investment in the subsidiary is impaired; if this is the case, the Company calculates the impairment amount as the difference between the higher of the value in use and fair value of the subsidiary and the acquisition cost and recognizes the amount in the statement of profit or loss.

Changes in investments in subsidiaries held at cost by the Company are as follows:

2024

ThCh$

Taxpayer ID No.	Company	Country	Carrying amount of the investments	Additions	Disposals	Carrying amount of the investments as of
76.385.060-9	Tata Consultancy Services Chile S.A. (Ex BPO)	Chile	**32,070,655**	**-**	**-**	**32,070,655**
Foreign	Tata Solution Center S.A.	Ecuador	**55,916**	**-**	**-**	**55,916**
Total			**32,126,571**	**-**	**-**	**32,126,571**

2023

ThCh$

Taxpayer ID No.	Company	Country	Carrying amount of the investments	Additions	Disposals	Carrying amount of the investments as of
76.385.060-9	Tata Consultancy Services Chile S.A. (Ex BPO)	Chile	32,070,655	-	-	32,070,655
Foreign	Tata Solution Center S.A.	Ecuador	55,916	-	-	55,916
Total			32,126,571	-	-	32,126,571

Management has performed impairment testing and estimates that there is no risk of loss in the value of the assets recorded on December 31, 2024, and 2023.

As of December 31, 2024, and 2023, goodwill amounting to ThCh$17,720,950 which is recorded in Tata Consultancy Services Chile S.A.'s ledgers and recognized through the investment in this Company, has been allocated to the cash-generating unit Tata Consultancy Services Chile S.A. The Company makes an estimate of the value in use of the Tata Consultancy Services Chile S.A. cash-generating unit based on future cash flows using an annual growth rate of 3% after a forecast of five years considering a discount rate of 8,21%. A sensitivity analysis of changes in measurement parameters (operating margin, discount rate and average long-term growth rate) based on assumptions fairly

Notes to the Separate Financial Statements

probable has identified no probable scenario where recoverable amounts of the cash-generating unit may decrease to less than the carrying amount.

As of December 31, 2024 and 2023, the financial information contained in the financial statements of the companies over which the Company has control is detailed as follows:

ThCh$

Taxpayer ID No.	Company	Country	Ownership Interest Direct	Indirect	Assets	At 31.12.2024 Liabilities	Equity	Profit or loss
76.385.060-9	Tata Consultancy Services Chile S.A.	Chile	**99.9998**	**0.0002**	**51,007,870**	**9,069,094**	**41,938,776**	**1,521,202**
Foreign	Tata Solution Center S.A.	Ecuador	**1**	**99**	**27,288,036**	**11,854,730**	**15,533,306**	**1,174,189**
Foreign	Tata Consultancy Services Sucursal del Perú	Perú	**-**	**100.000**	**12,563,798**	**7,553,940**	**5,009,859**	**671,403**

ThCh$

Taxpayer ID No.	Company	Country	Ownership Interest Direct	Indirect	Assets	At 31.12.2023 Liabilities	Equity	Profit or loss
76.385.060-9	Tata Consultancy Services Chile S.A.	Chile	99.9998	0.0002	51,452,418	10,304,021	41,148,397	5,971,340
Foreign	Tata Solution Center S.A.	Ecuador	1	99	25,806,042	12,797,552	13,008,490	4,602,244
Foreign	Tata Consultancy Services Sucursal del Perú	Perú	-	100.000	11,087,589	7,203,177	3,884,412	558,775

c) Trade and other receivables, current

(a) Trade receivables are detailed as follows:

ThCh$

	2024	2023
Receivables due from related parties	**810,730**	1,358,291
Total	**810,730**	1,358,291

The fair value of trade receivables corresponds to the same business amounts net of the related allowance for doubtful accounts.

(b) Trade receivables past due, unpaid but not impaired are detailed as follows:

ThCh$

	2024	2023
Up to 30 days	**810,730**	1,358,291
Total	**810,730**	1,358,291

d) Other financial assets

As of December 31, 2024 and 2023, other current financial assets are as follows:

ThCh$

	2024	2023
Advances to employees	**43**	11,296
Interest Accrued on investments	**604**	813
Total	**647**	12,109

Notes to the Separate Financial Statements

e) Trade payables

Trade and other payables are recognized at their nominal amount, since their average payment term is short and there is no significant difference when compared to their fair value.

As of December 31, 2024, and 2023, trade and other payables are detailed as follows:

ThCh$

	2024	2023
Trade payables	**49,799**	45,861
Accounts payable due to related parties	**364,492**	190,622
Total	**414,291**	236,483

f) Equity disclosures

(a) Paid capital

As of December 31, 2024, and 2023, the Company's capital is composed of the following:

ThCh$

Series	Capital	Paid capital
Single	**15,290,305**	**15,290,305**

Capital management isintended to maximize the value for the shareholders, safeguard business continuity, and support the Company's growth. The Company determines capital requirements based on annual operating plans, long-term investment plans and other strategic investment plans. Financing requirements are met through capital and cash flows from operating activities generated. The Company is not subject to any capital requirement imposed externally.

g) Financial assets and financial liabilities

As of December 31, 2024, the carrying amount of financial instruments by category is as follows:

ThCh$

2024	Note	Amortized cost	Total carrying amount
Financial assets			
Cash and cash equivalents	4.a)	**1,030,176**	**1,288,969**
Trade and other receivables	4.c)	**810,730**	**768,162**
Other financial assets	4.d)	**647**	**1,321**
Total		**1,841,553**	**2,058,452**
Financial liabilities			
Trade payables	4.e)	**414,291**	**448,988**
Total		**414,291**	**448,988**

As of December 31, 2023, the carrying amount of financial instruments by category is as follows:

ThCh$

2023	Note	Amortized cost	Total carrying amount
Financial assets			
Cash and cash equivalents	4.a)	988,187	988,187
Trade and other receivables	4.c)	1,358,291	1,358,291
Other financial assets	4.d)	12,109	12,109
Total		2,358,587	2,358,587
Financial liabilities			
Trade payables	4.e)	236,483	236,483
Total		236,483	236,483

Notes to the Separate Financial Statements

Carrying amounts of cash and cash equivalents, trade receivables, unbilled receivables (prior year: unbilled revenue), and trade payables as of December 31, 2024, and 2023, approximate their fair value. The difference between carrying amounts and fair values of bank deposits, cash in banks, other financial assets, other financial liabilities and subsequent loans measured at amortized cost is not significant for each period presented.

Fair value hierarchy

Fair value hierarchy is based on valuation techniques used to measure the fair value of observable and unobservable inputs, and includes the following three levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair values are determined totally or in part using a valuation model based on assumptions that are not supported by market transaction prices currently observable in the same instrument or based on available market data.

h) Financial risk management

The Company is mainly exposed to variations in foreign exchange rates, credit, liquidity and interest rate risks that may negatively affect the fair value of its financial instruments. The Company has a risk management policy that covers the risks associated with financial assets and financial liabilities. The risk management policy is approved by the Board of Directors. The approach applied by the risk management committee is to assess the unforeseeability of the financial environment and mitigate the potential negative effects on the Company's financial performance.

(a) Market risk

The Company is exposed to market risk related to the risk of fluctuations in the fair value or future cash flows from a financial instrument because of changes in market prices. Such changes in the value of financial instruments may arise from movements in foreign currency exchange rates, interest rate, credit, liquidity and other changes in the market. The exposure to market risk relates mainly to the currency risk.

(b) Currency risk

The fluctuation of foreign currency exchange rate differences may have a potential effect in the statement of profit or loss and other comprehensive income, where any transaction refers to one or more currencies when assets / liabilities are denominated in a currency that is different from the entity's functional currency.

Considering the economic environment of the country in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in such country. The risks mainly relate to the fluctuations in U.S. dollar against the Company's functional currency.

The exchange rate sensitivity is calculated by adding the net exposure to currency risk and a simultaneous change of parallel exchange rates of all currencies by 10% compared to the Company's functional currency.

The analysis below has been prepared based on the Company's net exposure at the reporting date that may affect the statements of profit or loss and other comprehensive income and equity.

As of December 31, 2024, the information related to the exposure to the currency risk is detailed as follows:

ThCh$

2024	USD	UF
Net financial assets	**810,730**	**-**
Net financial liabilities	**414,291**	**1,113,042**

The appreciation / depreciation of 10% of related foreign currencies with respect to the functional currency of the Company would result in a decrease / increase in profit before taxes of approximately ThCh$ (711,631) for the year ended December 31, 2024.

Notes to the Separate Financial Statements

As of December 31, 2023, the information related to the exposure to the currency risk is detailed as follows:

ThCh$

2023	USD	UF
Net financial assets	1,487,107	-
Net financial liabilities	235,664	907,676

The appreciation / depreciation of 10% of related foreign currencies with respect to the functional currency of the Company would result in a decrease / increase in profit before taxes of approximately ThCh$ 343,768 for the year ended December 31, 2023.

(c) Interest rate risk

The Company is not exposed to interest rate risk.

(d) 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 terms or obligations. Credit risk includes the direct risk of default and impairment of credit quality, as well as the concentration of risks. Credit risk is controlled by the analysis of credit limits and the credit capability of customers on an ongoing basis that have been obtained the credit after receiving the authorizations required.

Financial instruments subject to concentrations of credit risk include mainly trade receivables, unbilled revenue, investments, cash and cash equivalents, bank deposits and other financial assets. As of December 31, 2024, cash and cash equivalents include ThCh$1,030,176 held in a bank located in Chile with a high quality credit rating exceeding individually 10% or more of the Company's total cash and cash equivalents as of December 31, 2024. None of the Company's other financial instruments result in a significant concentration of credit risk.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. As of December 31, 2024, and 2023, the maximum credit exposure amounted to ThCh$1,841,554 and ThCh$2,358,587, respectively, which corresponds to total carrying amount of cash in banks, bank deposits, trade receivables, unbilled revenue, other financial assets and investments.

Trade receivables and contract assets

The exposure to credit risk with respect to trade receivables and contract assets is mainly influenced by individual features of each customer in connection with the practices in the industry and the economic environment in which they operate. The entity limits its exposure to credit risk of trade receivables by establishing a maximum payment period of 272 days for its customers. Subsequent to this, the customers are at default (impaired loan). To manage this risk, the Company has a strong credit management process. The Company has adopted a policy to engage operations only with solvent counterparties. The counterparties' exposure is monitored on a regular basis, and changes to the credit conditions are made as required. The carrying amount of financial assets represents the maximum credit exposure. The Company has derecognized no customer balances, and only a few balances have impaired at the reporting date.

As of December 31, 2024, and 2023, the Company's exposure to customer is diversified; however, certain customers concentrate more than 10% of trade receivables and unbilled revenue:

Credit risk	As of December 31, 2024		As of December 31, 2023	
	Total receivables and provisions for revenue		Total receivables and provisions for revenue	
	ThCh$	%	ThCh$	%
Customer A	**508,169**	**63%**	827,145	61%
Customer B	**95,331**	**12%**	145,421	11%

Notes to the Separate Financial Statements

(e) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations. Liquidity risk management is intended to maintain sufficient liquidity and ensure that funds are available for use as per the requirements.

On a regular basis, the Company generated sufficient cash flows from operations to meet its financial obligations as they mature.

ThCh$

As of December 31, 2024	Note	Expired in 1st year	Expired in 2nd year	Expired between the 3rd and 5th year	Expired in 5th year	Total
Non-derivative financial liabilities						
Trade payables	4.e)	**414,291**	**-**	**-**	**-**	**414,291**
Payables due to related parties, non-current		**-**	**-**	**-**	**-**	**-**
Total		**414,291**	**-**	**-**	**-**	**414,291**

ThCh$

As of December 31, 2023		Expired in 1st year	Expired in 2nd year	Expired between the 3rd and 5th year	Expired in 5th year	Total
Non-derivative financial liabilities						
Trade payables	4.e)	236,483	-	-	-	236,483
Payables due to related parties, non-current		-	-	-	-	-
Total		**236,483**	-	-	-	236,483

5. Balances and transactions with related parties

a) Balances and transactions with related parties

(a) Receivables

ThCh$

Tax ID	Company	Relationship	Current	
			2024	2023
76.385.060-9	Tata Consultancy Services Chile S.A.	Subsidiary	**44,901**	87,468
Foreign	TCS Solution Center S.A.	Common shareholders	**21,244**	36,920
Foreign	Tata Consultancy Services de Mexico S.A. de CV	Common shareholders	**508,169**	827,145
Foreign	TCS Colombia S.A.	Common shareholders	**63,033**	118,032
Foreign	Tata Consultancy Services Sucursal del Perú	Branch	**30,969**	53,932
Foreign	TCS Uruguay S.A.	Common shareholders	**95,331**	145,422
Foreign	TATA Solution Center S.A.	Subsidiary	**28,426**	71,394
Foreign	Tata Consultancy Services Limited	Parent	**18,657**	17,560
Total			**810,730**	1,357,873

Notes to the Separate Financial Statements

(b) Payables

ThCh$

Tax ID	Company	Relationship	2024	2023
76.385.060-9	Tata Consultancy Services Limited	Parent	**364,492**	190,622
Total			**364,492**	190,622

(c) Interest payable

ThCh$

Tax ID	Company	Relationship	2024	2023
76.385.060-9	Tata Consultancy Services Chile S.A.	Subsidiary	**-**	-
Total			**-**	-

Transactions between the Company and its related parties correspond to customary operations in terms of their objective and conditions.

Balances receivable and payable are mainly expressed in U.S. dollars and for interest-bearing loans of an approximate annual average rate ranging from 4% to 6% not associated with a repayment schedule, the classification is based on the expected collection period of such accounts receivable.

b) Significant transactions and their effect on profit or loss

ThCh $

Company	Relationship	Transaction description	2024		2023	
			Amount	Credit/(Debit) to profit or loss	Amount	Credit/(Debit) to profit or loss
TATASOLUTION CENTER SA	Common shareholders	Revenue	**128,768**	**128,768**	218,009	218,009
TATASOLUTION CENTER SA	Common shareholders	Dividends received	**3,773**	**3,773**	26,400	261,400
Tata Consultancy Services Chile S.A.	Subsidiary	Revenue	**186,447**	**186,447**	271,894	271,894
Tata Consultancy Services Chile S.A.	Subsidiary	Dividends received	**730,821**	**730,822**	5,062,132	5,062,132
TCS Iberoamerica S.A.	Parent	Dividends paid	**734,211**	**734,211**	5,520,389	-
Tata Consultancy Services Sucursal del Perú	Branch	Revenue	**126,763**	**126,763**	161,677	161,677
Tata Consultancy Services Mexico S.A.	Common shareholders	Revenue	**2,208,532**	**2,208,532**	2,478,387	2,478,387
Tata Consultancy Services Colombia S.A.	Common shareholders	Revenue	**292,630**	**292,630**	344,540	344,540
TCS Solution Center S.A. (Uruguay)	Common shareholders	Revenue	**88,518**	**88,518**	110,938	-
TCS Uruguay S.A.	Common shareholders	Revenue	**393,915**	**393,915**	402,261	-
TCS Uruguay S.A.	Common shareholders	Profit distribution	**-**	**-**	0.22	-
Tata Consultancy Services Limited	Parent	Expense reimbursement	**217,602**	**(217,602)**	263,583	(263,583)
Tata Sons Private Limited	Common shareholders	Use of Brand	**118**	**(118)**	-	-

6. Non-financial assets and liabilities

a) Furniture and equipment

On the date of transition to International Financial Reporting Standards, the Company elected to define deemed cost as the alternative for maintaining the assets measured at their acquisition cost adjusted and discounted for accumulated depreciation, where applicable, under Chilean standards applied until the date of adoption of IFRS.

The cost of items of furniture and equipment comprises their acquisition cost plus any other costs directly attributable

Notes to the Separate Financial Statements

to bringing the assets to a working condition for their intended use as foreseen by Management and the initial estimate of the costs of dismantling and removing the items and restoring the site on which they are located. Financial cost is capitalized in accordance with IAS 23.

Repair, preservation and maintenance expenses are expensed in profit or loss in the period in which they are incurred. Note that certain items of furniture and equipment of TCS Inversiones Chile LTDA. require regular reviews. In this sense, the items that are replaced are recognized separately from the rest of the asset and with a disaggregation level which allows their amortization in the period between the present and next repair.

Expansion, modernization and improvement costs that represent an increase in productivity, capacity or efficiency, or an increase in the useful life, are capitalized as an increase in the value of the assets.

The gain or loss from selling or retirement of an asset is calculated as the difference between the price obtained from the sale and the carrying amount in the accounting records with a debit or credit to profit or loss for the period.

Depreciation Items of furniture and equipment are depreciated using the straight-line method by distributing the acquisition cost of the assets less their estimated residual value over the estimated useful lives of assets.

The residual value and useful life of items of furniture and equipment are reviewed on an annual basis, and depreciation starts when assets are brought to working condition for their intended use.

The main items of property, plant and and their related useful lives are shown below:

	Useful life (years)
Furniture	5
Machinery and computer equipment	4
Electrical and air conditioning equipment	10
Storage facilities	10

Depreciation

TCS Inversiones Chile Ltda., at least annually, assesses the existence of a possible impairment of assets in furniture and equipment. Any reversal of the impairment loss is recognized in profit or loss, where applicable.

Impairment

Furniture and equipment with a limited useful life are assessed to recover them as long as there is any indication that their carrying amount may not be recoverable. Should such indication exist, the recoverable amount (i.e. the higher of its fair value less costs to sell and its value in use) is determined based on an individual asset, unless such asset generates no cash inflows that are largely independent from other assets. In such cases, the recoverable amount is determined for the cash-generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is lower than its carrying amount, then the asset's carrying amount (or CGU) is reduced to its recoverable amount. Impairment losses are recognized in profit or loss.

(a) Detail

The detail by class of furniture and equipment at each year-end, net and gross, is as follows:

ThCh$

Classes of furniture and equipment, net	2024	2023
IT equipment	**7,724**	5,027
Office equipment	**369**	601
Total furniture and equipment, net	**8,093**	5,628

Notes to the Separate Financial Statements

ThCh$

Classes of furniture and equipment, gross	2024	2023
IT equipment	**17,130**	11,479
Office equipment	**6,620**	6,620
Total furniture and equipment, gross	**23,750**	18,099

Accumulated depreciation by class of furniture and equipment at each year-end is as follows:

ThCh$

Types of accumulated depreciation and impairment of furniture and equipment	2024	2023
IT equipment	**9,406**	6,453
Office equipment	**6,251**	6,017
Total accumulated depreciation and impairment of furniture and equipment	**15,657**	12,470

(b) Movements

Accounting movements in net furniture and equipment for the years ended December 31, 2024 and 2023 are as follows:

ThCh$

	IT equipment	Office equipment	Furniture and equipment, net
Opening balance as of January 1, 2024 (net of accumulated depreciation)	**5,027**	**602**	**5,629**
Acquisitions	**5,652**	**-**	**5,652**
Sales and disposals	**-**	**-**	**-**
Depreciation expense	**(2,955)**	**(233)**	**(3,188)**
Other increases/(decreases)	**-**	**-**	**-**
Total net property, plant and equipments as of December 31, 2024	**7,724**	**369**	**8,093**

ThCh$

	IT equipment	Office equipment	Furniture and equipment, net
Opening balance as of January 1, 2023 (net of accumulated depreciation)	3,675	833	4,508
Acquisitions	5,482	520	6,002
Sales and disposals	-	-	-
Depreciation expense	(2,118)	(751)	(2,869)
Other increases/(decreases)	(2,012)	-	(2,012)
Total net property, plant and equipments as of December 31, 2023	5,027	602	5,629

The total depreciation expense for 2024 and 2023 amounts to ThCh$3,187 and ThCh$2,689, respectively, and is classified within the caption Depreciation expense in the separate statements of comprehensive income per nature.

Notes to the Separate Financial Statements

Accounting movements in the cost of gross furniture and equipment, for the years ended December 31, 2024 and 2023 are as follows:

ThCh$

	IT equipment	Office equipment	Furniture and equipment, net
Opening balance as of January 1, 2024 (gross)	**11,479**	**6,620**	**18,099**
Acquisitions	**5,651**	**-**	**5,651**
Other increases/(decreases)	**-**	**-**	**-**
Total gross property, plant and equipments as of December 31, 2024	**17,130**	**6,620**	**23,750**

ThCh$

	IT equipment	Office equipment	Furniture and equipment, net
Opening balance as of January 1, 2023 (gross)	8,009	6,100	14,109
Acquisitions	5,482	520	6,002
Other increases/(decreases)	(2012)	-	(2012)
Total gross property, plant and equipments as of December 31, 2023	11,479	6,620	18,099

ThCh$

	IT equipment	Office equipment	Furniture and equipment, net
Opening balance of accumulated depreciation as of January 1, 2024	**(6,453)**	**(6,017)**	**(12,470)**
Acquisitions	**-**	**-**	**-**
Sales and disposals	**-**	**-**	**-**
Depreciation expense	**(2,953)**	**(234)**	**(3,187)**
Other increases/(decreases)	**-**	**-**	**-**
Total accumulated depreciation as of December 31, 2024	**(9,406)**	**(6,251)**	**(15,657)**

ThCh$

	IT equipment	Office equipment	Furniture and equipment, net
Opening balance of accumulated depreciation as of January 1, 2023	(4,335)	(5,266)	(9,601)
Acquisitions	-	-	-
Sales and disposals	-	-	-
Depreciation expense	(2,118)	(751)	(2,869)
Other increases/(decreases)	-	-	-
Total accumulated depreciation as of December 31, 2023	(6,453)	(6,017)	(12,470)

Notes to the Separate Financial Statements

7. Income tax and deferred taxes

Income tax expense comprises the current income tax expense and net variation in the deferred income tax asset or liability during the year. Current taxes and deferred taxes are recognized in profit or loss, except when they relate to items recognized in other comprehensive income or directly recognized in equity, in which case they are also recognized in other comprehensive income or directly in equity, respectively.

Current income taxes

Current income tax is based on the tax profit for the year, and is calculated using the tax rates enacted at the reporting date.

Prepaid taxes and current income tax provisions are recognized in the statement of financial position upon offsetting such prepaid taxes and income tax provisions generated from the same tax jurisdiction and where the relevant tax payment unit is aimed at settling the asset and liability on a net tax basis.

Deferred income taxes

The Company recognizes deferred income taxes using the statement of position method. Deferred taxes are obtained from temporary differences between the tax base of assets and liabilities, and their reported amounts in the financial statements.

Deferred tax assets and liabilities are measured using substantially enacted tax rates or rates expected to be applied on taxable income in the years the Company expects to receive them or the temporary differences are settled. Deferred tax assets and liabilities are offset when they relate to the income taxes collected by the same tax authority and the relevant company intends to settle its assets and liabilities on a net tax basis.

The carrying amount of deferred tax assets is reviewed at each reporting date and discounted to the extent that it is not probable that sufficient taxable profit will be available to allow the use of a portion or all that deferred tax asset.

a) Income tax recognized in profit or loss for the year

ThCh$

Income tax expense	2024	2023
Income tax from prior periods	**5,106**	(8,677)
Other current tax income/(expenses)	**984**	(395,957)
Current tax expense	**6,090**	(404,634)
Deferred tax income/(expense) related to the generation and reversal of temporary differences for current tax	**(70,799)**	241,625
Income tax expense, net	**(64,709)**	(163,009)

b) Reconciliation of accounting profit or loss to taxable profit or loss

ThCh$

Income tax expense	2024	2023
Net gain	**704,855**	5,484,436
Effective tax rate	**27.0%**	27.0%
Tax expense using the legal rate	**190,311**	(1,480,798)
Adjustment of income tax recorded in prior periods	**(984)**	6,864
Non-taxable income	**(5,106)**	(8,677)
Other adjustments to net taxable income	**(50,590)**	1,366,777
Tax expense using the effective rate	**(198,340)**	(47,173)
Total	**(64,709)**	(163,009)

Notes to the Separate Financial Statements

On September 29, 2014, Law No. 20.780 was enacted in Chile, establishing a permanent change in the corporate income tax rate of 21% starting from 2014, up to a 27% starting from 2019.

On January 27, 2016, the Act that simplifies the tax reform was passed, which is intended to simplify the income tax system in force from 2017; make adjustments to the value- added tax; as well as to the anticircumvention rules. Concerning tax system, the proposed amendment considers that Shareholders' corporations (openly and closely held), as in the case of the Company should always be taxed according to the partially-integrated system. Later, this system will be the general taxation regime for companies beginning from the commercial year 2017.

c) Deferred taxes

As of December 31, 2024 and 2023, the detail of accumulated balances of deferred tax assets and liabilities is as follows:

ThCh$

Recognized deferred tax assets related to:	2024	2023
Accrued vacations	**122,008**	107,633
Other	**349,133**	434,307
Total deferred taxes	**471,141**	541,940

d) Movement in deferred taxes

As of December 31, 2024 and 2023, the detail of movements in deferred tax assets and liabilities is as follows:

ThCh$

Movements	Balance as of January 1, 2024	Effects recognized in profit or loss	Balance as of December 31, 2024
Recognized deferred tax assets, related to:			
Accrued vacations	**107,633**	**14,375**	**122,008**
Others	**434,307**	**(85,174)**	**349,133**
Total Deferred tax assets	**541,940**	**(70,799)**	**471,141**

ThCh$

Movements	Balance as of January 1, 2023	Effects recognized in profit or loss	Balance as of December 31, 2023
Recognized deferred tax assets, related to:			
Accrued vacations	97,639	9,994	107,633
Others	209,539	224,768	434,307
Total Deferred tax assets	307,178	234,762	541,940

8. Employee benefits and Other current financial liabilities

a) Obligations for employee benefits and Other current financial liabilities

As of December 31, 2024, and 2023, this caption is detailed as follows:

ThCh$

	2024	2023
Provision performance awards	**1,113,042**	1,403,119
Accrued vacations	**451,884**	398,642
Provision for bonuses (Gems)	**321**	293
Total	**1,565,247**	1,802,054

Notes to the Separate Financial Statements

b) Movements in employee benefits

ThCh$

	Accrued vacations	Provision performance awards	Other	Total
Opening balance	**398,642**	**1,403,119**	**293**	**1,802,054**
Movements in provision:				
Additional obligations	**152,743**	**1,884,018**	**3,785**	**2,040,546**
Obligations used	**(99,502)**	**(2,174,095)**	**(3,757)**	**(2,277,354)**
Total movements in provisions	**53,241**	**(290,077)**	**28**	**(236,808)**
Balances as of December 31, 2024	**451,884**	**1,113,042**	**321**	**1,565,247**

ThCh$

	Accrued vacations	Provision performance awards	Other	Total
Opening balance	335,355	778,836	555	1,114,746
Movements in provision:				
Additional obligations	244,717	1,668,443	5,027	1,918,187
Obligations used	(181,430)	(1,044,160)	(5,289)	(1,230,879)
Total movements in provisions	63,287	624,283	(262)	687,308
Balances as of December 31, 2023	398,642	1,403,119	293	1,802,054

9. Operating profit

The Company obtains revenue from providing personnel solutions associated with loan staff to its customers (which are related parties), associated with different customers' operating areas.

The Company has a single performance obligation which is providing labour services to its customers. Revenue is recognized when services are provided to customers for an amount that reflects the consideration the Company expects to receive in exchange for such services, using the expected cost plus a margin approach, in accordance with the terms of the underlying agreement. Invoices are issued according to contractual terms entered into with the related party, which are usually monthly.

The Company has applied the practical expedient for recognizing service revenue in proportion to the amount it is entitled to invoice to customers in accordance with the terms of the agreement.

Revenue excludes taxes collected from customers.

All revenue is obtained from customers located in Latin America.

ThCh$

	Accumulated	
	2024	2023
Consulting services and administrative support	**3,425,572**	3,987,705
Total Revenue	**3,425,572**	3,987,705

Notes to the Separate Financial Statements

10. Operating expenses

As of December 31, 2024 and 2023, Operating expenses are detailed as follows:

ThCh$

	2024	2023
Employee benefits	**2,562,898**	(2,823,592)
Other operating expenses (a)	**602,946**	(758,260)
Depreciation and amortization expenses	**3,187**	(2,869)
Total	**3,169,031**	(3,584,721)

(a) As of December 31, 2024 and 2023, Other operating expenses are as follows:

ThCh$

	2024	2023
Data circuits (communications)	**7,059**	9,963
Installations	**11,576**	8,783
Travel expenses	**382,201**	248,426
Expenses for consulting	**102,869**	27,069
Other expenses	**99,241**	464,019
Total	**602,946**	758,260

11. Investment Revenue

As of December 31, 2024 and 2023, Investment revenue are detailed as follows:

ThCh$

	2024	2023
Interest on Deposits	**38,440**	40,716
Interest on Income Tax Refunds	**3,206**	-
Total	**41,647**	40,716

12. Dividends received from subsidiaries

As of December 31, 2024 and 2023, dividends received from the subsidiary Tata Solution Center S.A. (Ecuador) & TCS BPO are detailed as follows:

ThCh$

	2024	2023
Dividends received	**734,594**	5,088,532
Total	**734,594**	5,088,532

In 2024 the Company received payment from dividends on September 9.

In 2023 the Company received payment from dividends on December 1.

Notes to the Separate Financial Statements

13. Foreign currency translation differences

ThCh$

	2024	2023
Receivables due from/Payables due to related entities	**132,278**	157,587
Other	**195,650**	(109,791)
Total	**327,928**	47,796

14. Lawsuits and contingencies

As of December 31, 2024 and 2023, the Company is not aware of any contingency or commitment that could affect the interpretation and the accompanying separate financial statements.

15. Subsequent events

Between January 1, 2025 and the date these financial statements have been authorized for issuance, there are no additional subsequent events that could significantly affect the Company's financial position and/or profit or loss or which may require disclosures in the notes to the financial statements.

TATA CONSULTANCY SERVICES CHILE S.A.

(And Independent Auditors' Report)

Separate Financial Statements
as of December 31, 2024 and 2023
and for the years then ended

TATA CONSULTANCY SERVICES CHILE S.A.

CONTENTS **PAGE**

Independent Auditors' Report	48.2
Separate Statements of Financial Position	48.4
Separate Statements of Comprehensive Income, per Nature of Expenses	48.5
Separate Statements of Changes in Equity	48.6
Separate Statements of Cash Flows, Indirect Method	48.7
Notes to the Separate Financial Statements	48.9

ThCh$: Amounts expressed in thousands of Chilean pesos
UF : Amounts expressed in inflation-adjusted units

Back to main content

REPORT OF THE INDEPENDENT AUDITORS

TO THE SHAREHOLDERS AND DIRECTORS OF
TATA CONSULTANCY SERVICES CHILE S.A.

Opinion

We have audited the accompanying separate financial statements of TATA Consultancy Services Chile S.A., which comprise the separate statements of financial position as of December 31, 2024 and 2023 and the related separate statements of comprehensive income, changes in equity and cash flows for the years on these dates and the corresponding notes to the separate financial statements.

In our opinion, the separate financial statements present fairly, in all material aspects, the financial position of TATA Consultancy Services Chile S.A. as of December 31, 2024 and 2023 and the results of its operations and its cash flows for the years ended on those dates in accordance with International Financial Reporting Standards.

Basis for the Opinion

We performed our audits in accordance with Generally Accepted Auditing Standards in Chile. Our responsibilities under those standards are described subsequently in the paragraphs under the section "Auditor's Responsibilities for the Audit of the separate Financial Statements" in this report. In accordance with the ethical requirements relevant to our audits of the separate financial statements, we are required to be independent of TATA Consultancy Services Chile S.A. and to comply with all other ethical responsibilities in accordance with those requirements. We consider that the audit evidence we have obtained is sufficient and appropriate to provide us with a basis for our audit opinion.

Emphasis of Matter

The accompanying separate financial statements have been prepared to reflect the individual financial position of Tata Consultancy Services Chile S.A. before consolidating, on a line-by-line basis, with the financial statements of its subsidiaries. Accordingly, for proper interpretation purposes, these separate financial statements need to be read and analyzed along with the consolidated financial statements of Tata Consultancy Services Limited.

Other Matters

The above translation of the auditors' report is provided as a free translation from the Spanish language original, which is the official and binding version. Such translation has been done solely for the convenience of non-Spanish readers.

Management's Responsibility for the Financial Statements

The Management is responsible for the preparation and fair presentation of the separate financial statements in accordance with International Financial Reporting Standards. This responsibility includes designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of separate financial statements that are free from material misstatement, whether due to fraud or error.

When preparing the separate financial statements, the management is required to evaluate whether there are facts or circumstances, which considered as a whole, raise substantial doubt about the ability of TATA Consultancy Services Chile S.A. to continue as a going concern for the foreseeable future.

Auditor's responsibility for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to provide an auditor's report that includes our opinion. Reasonable assurance is a high, but not absolute, level of assurance and, therefore, does not guarantee that an audit performed in accordance with Generally Accepted Auditing Standards in Chile will always detect a material misstatement when it exists. The risk of not detecting a material misstatement due to fraud is greater than the risk of not detecting a material misstatement due to error, as fraud may involve collusion, falsification, intentional omissions, concealment, misrepresentations, or disregard of controls by management. A misstatement is considered material if, individually or in the aggregate, it could influence the judgment of a reasonable user of these financial statements.

As part of an audit performed in accordance with Generally Accepted Auditing Standards in Chile, we:

- We exercise professional judgment and maintain professional skepticism during the entire audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures in response to those risks. Such procedures include examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements.
- Obtain an understanding of relevant internal control relevant to an audit to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control of TATA Consultancy Services Chile S.A. Consequently, we do not express such an opinion.
- Evaluate the appropriateness of the accounting policies used and the reasonableness of significant accounting estimates made by Management, as well as the appropriateness of the overall presentation of the financial statements.
- Conclude whether, in our opinion, there are facts or circumstances that, taken as a whole, cast substantial doubt about the ability of TATA Consultancy Services Chile S.A. to continue as a going concern for a reasonable period.

We are required to communicate to those charged with governance, among other matters, the planned timing and scope of the audit and significant audit findings, including any significant deficiencies and material weaknesses in internal control that we identified during our audit.

Luis Velásquez Molina
Grant Thornton Auditoría y Servicios Limitada.

Santiago, February 24, 2025

Separate Statements of Financial Position As of December 31, 2024 and 2023

Assets	Note	2024 ThCh$	2023 ThCh$
Current assets:			
Cash and cash equivalents	4.a)	**6,697,544**	3,921,135
Trade receivables:			
Billed	4.c)	**7,378,602**	7,092,116
Unbilled	4.c)	**2,315,465**	4,551,595
Other current financial assets	4.d)	**61,382**	241,147
Income tax assets, net	6.a)	**356,224**	300,941
Other current assets	7.d)	**1,386,040**	1,372,302
Total current assets		**18,195,257**	17,479,236
Non-current assets:			
Non-current income tax assets, net	6.b)	**34,341**	58,765
Investments	4.b)	**10,733,054**	10,705,046
Goodwill	7.b)	**17,720,950**	17,720,950
Furniture and equipment, net	7.a)	**1,463,905**	1,808,551
Right-of-use assets	8	**1,573,953**	2,448,785
Other non-current assets	7.c)	**48,537**	58,358
Deferred tax assets	9.c)	**1,237,872**	1,172,727
Total non-current assets		**32,812,612**	33,973,182
Total assets		**51,007,869**	51,452,418
LIABILITIES AND EQUITY			
Current liabilities:			
Trade payables	4.e)	**2,025,919**	2,350,259
Current lease liabilities	8	**945,856**	900,184
Other financial liabilities	4.f)	**335,230**	352,334
Unearned and deferred revenue	11	**127,227**	294,654
Employee benefit obligations	10	**2,878,584**	2,873,415
Income tax Liabilities	6.c)	**125,992**	-
Other non-financial liabilities	4.g)	**1,856,283**	1,813,061
Total current liabilities		**8,295,091**	8,583,907
Non-current liabilities			
Non-current lease liabilities	8	**774,003**	1,720,042
Unearned and deferred revenue		**-**	73
Total non-current liabilities		**774,003**	1,720,115
Total liabilities		**9,069,094**	10,304,022
EQUITY:			
Share Capital	4.h)	**16,997,134**	16,997,134
Retained earnings		**24,941,641**	24,151,262
Total equity		**41,938,775**	41,148,396
TOTAL LIABILITIES AND EQUITY		**51,007,869**	51,452,418

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE SEPARATE FINANCIAL STATEMENTS.

Separate Statements of Comprehensive Income, per Nature of Expenses
For the years ended December 31, 2024 and 2023

	Nota	Acumulated for the period from January 01 to December 31	
		2024 ThCh$	2023 ThCh$
REVENUE	13	**53,730,947**	54,202,928
Total revenue		**53,730,947**	54,202,928
EXPENSES			
Salaries and employee benefits	15	**40,696,924**	38,772,182
Other operating expenses	15	**9,540,611**	10,154,584
Depreciation and amortization expenses	7.a)-8	**1,660,157**	1,582,695
Total expenses		**51,897,692**	50,509,461
TOTAL OPERATING PROFIT		**1,833,255**	3,693,468
OTHER INCOME:			
Finance and other income	14	**667,673**	3,254,960
Foreign currency translation, difference	17	**74,004**	23,197
Other non-operating expenses, net	16	**(170,230)**	(193,447)
Total other income, net		**571,447**	3,084,710
Profit before tax		**2,404,702**	6,778,177
EXPENSES TAX BENEFIT	9.a)	**(911,508)**	(830,683)
Profit from continuing operations after tax		**1,493,194**	5,947,494
Profit for the period		**1,493,194**	5,947,494
OTHER COMPREHENSIVE INCOME (LOSS)			
Profit for the period		**1,493,194**	5,947,494
Other comprehensive income (loss)		**28,008**	23,846
TOTAL COMPREHENSIVE INCOME		**1,521,202**	5,971,340

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE SEPARATE FINANCIAL STATEMENTS.

Separate Statements of Changes in Equity
For the years ended December 31, 2024 and 2023

ThCh$

2024	Note	Number of shares	Share capital	Retained earnings	Total equity
Opening balance as of January 1, 2024		**431,926**	**16,997,134**	**24,151,262**	**41,148,396**
Adjusted opening balances as of January 1, 2024		**431,926**	**16,997,134**	**24,151,262**	**41,148,396**
Comprehensive income					
Profit for the year		**-**	**-**	**1,493,194**	**1,493,194**
Other comprehensive income/(loss)	4.b)	**-**	**-**	**28,008**	**28,008**
Total comprehensive income		**-**	**-**	**1,521,202**	**1,521,202**
Dividends distributed to the shareholders	12	**-**	**-**	**(730,823)**	**(730,823)**
Changes in equity		**-**	**-**	**790,379**	**790,379**
Closing balance as of December 31, 2024		**431,926**	**16,997,134**	**24,941,641**	**41,938,775**

ThCh$

2023	Note	Number of shares	Share capital	Retained earnings	Total equity
Opening balance as of January 1, 2023		431,926	16,997,134	23,242,066	40,239,200
Adjusted opening balances as of January 1, 2023		431,926	16,997,134	23,242,066	40,239,200
Comprehensive income					
Profit for the year		-	-	5,947,494	5,947,494
Other comprehensive income/(loss)	4.b)	-	-	23,846	23,846
Total comprehensive income		-	-	5,971,340	5,971,340
Dividends distributed to the shareholders	12	-	-	(5,062,144)	(5,062,144)
Changes in equity		-	-	909,196	909,196
Closing balance as of December 31, 2023		431,926	16,997,134	24,151,262	41,148,396

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE SEPARATE FINANCIAL STATEMENTS.

Separate Statements of Cash Flows, Indirect Method for the years ended December 31, 2024 and 2023

	Note	For the period from January 1 to December 31	
		2024 ThCh$	2023 ThCh$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES:			
Profit for the year		**1,493,194**	5,947,494
Adjustments to reconcile profit for the year: Other Comprehensive income (loss)		**28,008**	23,846
Income tax	9.a)	**911,508**	830,683
Depreciation and amortization	7.a) - 8	**1,660,157**	1,582,695
Effect of foreign currency translation difference		**(74,004)**	(23,197)
Total cash flows before changes in working capital		**2,525,668**	2,414,027
(INCREASE)/DECREASE IN WORKING CAPITAL:			
Trade receivables:			
Unbilled		**(286,486)**	(400,773)
Billed		**2,236,129**	(3,268,397)
Other financial assets		**(221,743)**	(2,245,193)
Other assets		**(3,917)**	(598,913)
Trade payables		**(252,083)**	851,845
Other current financial liabilities		**(17,104)**	(9,455)
Deferred income		**(167,498)**	(682,720)
Provision for employee benefits		**5,171**	233,342
Other current liabilities		**43,222**	868,046
Lease liabilities		**45,672**	1,564,240
Total net increase in working capital		**1,381,363**	(3,687,977)
Interest Paid		**1,745**	10,954
Income tax paid		**(881,521)**	(722,665)
Net cash from operating activities		**4,520,451**	3,961,832
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES:			
Dividend from Subsidiary Companies	14	**373,499**	2,613,600
Acquisition of furniture and equipment	7.a)-8	**(440,679)**	(2,180,825)
Net cash used in investing activities		**(67,180)**	432,776
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES:			
Dividend payment	12	**(730,823)**	(5,062,144)
Payment of lease liabilities	8	**(946,041)**	(864,122)
Net cash used in financing activities		**(1,676,864)**	(5,926,266)
Net increase/(decrease) in cash and cash equivalents		**2,776,408**	(1,531,657)
Cash and cash equivalents at January 1		**3,921,135**	5,452,792
Cash and cash equivalents at December 31		**6,697,544**	3,921,135

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE SEPARATE FINANCIAL STATEMENTS.

CONTENTS

1.	Overview of the Company	47.9
2.	Basis for the Preparation of Financial Statements	47.9
3.	Basis of presentation of the separate financial statements	47.9
4.	Summary of significant accounting policies	47.13
5.	Financial assets and financial liabilities, and equity instruments	47.15
6.	Financial assets and financial liabilities, and equity instruments, continued	47.15
7.	Balances and transactions with related parties	47.26
8.	Income tax (net)	47.30
9.	Non-financial assets and liabilities	47.30
10.	Leases	47.37
11.	Income tax and deferred taxes	47.38
12.	Employee benefits	47.41
13.	Deferred revenue	47.41
14.	Dividends paid	47.42
15.	Operating profit	47.42
16.	Finance income and other income	47.44
17.	Operating expenses	47.44
18.	Other non-operating expenses	47.45
19.	Foreign currency translation difference	47.45
20.	Guarantees committed with third parties	47.46
21.	Lawsuits and Contingencies	47.46
22.	Subsequent events	47.46

Notes to the Separate Financial Statements As of December 31, 2024 and 2023

1. Overview of the Company

On October 18, 2005, Tata Consultancy Services (TCS) Chile Limitada was incorporated via public deed.

On December 1, 2006, the shareholders agreed to incorporate the Company as a closely- held shareholders' corporation in conformity with Articles No. 96 and 97 of Law No. 18.046 (the Public Company Act). The Company is referred to as Tata Consultancy Services BPO Chile S.A.

On December 28, 2006, Tatasolution Center S.A. (a subsidiary of Tata Consultancy Services Chile S.A.), was incorporated in Ecuador and commenced its operations on June 1, 2007. It is mainly engaged in providing IT services, software development and maintenance, and administrative and operating processes (BPO) primarily to financial institutions.

On December 29, 2006, Tata Consultancy Services BPO Chile S.A. (formerly - Tata Consultancy Services (TCS) Chile Limitada) acquired 100% of shares of its subsidiary Tata Consultancy Services BPO Chile S.A. (formerly - Comicrom S.A.). Consequently, such subsidiary was dissolved by operation of law.

On February 15, 2010, the foreign subsidiary "Tata Consultancy Services Sucursal Perú" was incorporated via public deed.

At Extraordinary Shareholders' Meeting held on July 30, 2010, the shareholders agreed on the merger through absorption of Tata Consultancy Services BPO Chile S.A. by Tata Consultancy Services Chile S.A., and accordingly, at such meeting the company's name was changed from Tata Consultancy Services BPO Chile S.A. to Tata Consultancy Services Chile S.A.

In Chile, the Company began operations in 2003 and currently has 1,559 employees in offices located in Santiago (Head office), Valparaíso, Concepción and Buin, having operations throughout Chile through its Technical Service and Regional Exchange areas to provide services to more than 100 customers from several industries, e.g. Bank and Financial Services, Retail, Insurance, Telecommunications, Manufacturing, Governance, Mining and Transportation

These separate financial statements have to be read and analyzed in conjunction with the consolidated financial statements of Tata Consultancy Services Limited.

2. Basis for the Preparation of Financial Statements

These financial statements have been prepared on a historical cost basis except for certain financial instruments which are measured at fair value or amortized cost at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for 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. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realization in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

Cash flows have been prepared using indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals, or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The Company classifies interest paid and interest and dividend received as cash flow from operating activities. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value to be cash equivalents.

The functional currency of the Company is the Chilean pesos (Thch$). Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are retranslated at the exchange rate prevailing on the dates of statement of financial position and exchange gains and losses arising on settlement and restatement are recognised in profit or loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

The significant accounting policies used in preparation of the financial statements have been discussed in the respective notes

a) Use of estimates and judgments

The preparation of these separate financial statements in conformity with the recognition and measurement principles under IFRS, requires that Management make estimates and judgments which have an impact on the reported balances of assets and liabilities, the disclosures of contingent liabilities at the reporting date, and the balance of income and expenses for the reporting periods.

Notes to the Separate Financial Statements As of December 31, 2024 and 2023

The underlying estimates and assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized in the period in which the estimate is revised and any future periods affected.

The key source of estimation uncertainty at the reporting date, which may result in a material adjustment to the carrying amounts of assets and liabilities within the subsequent financial year, relates to the impairment of goodwill, useful lives of items of furniture and equipment, valuation of deferred tax assets, provisions and contingent liabilities, as detailed below. The main key sources of estimation uncertainty related to revenue recognition, employee benefits, and fair value measurement of financial instruments, have been assessed based on the applicable policies.

Revenue recognition

- The Company's contracts with customers may include multiple goods or services promised to customers. The Company assesses the goods / services promised in a contract and identifies distinct performance obligations in it. The identification of a different performance obligation implies judgment to determine the deliverables involved and the customer's ability to benefit from the good or service, independently of such deliverables.
- In addition, the Company is required to apply judgment to determine the transaction price of the contract. The transaction price could be a fixed amount of customer consideration, or a variable consideration including elements such as volume discounts, service level credits, performance bonuses, price concessions, and incentives. In addition, the transaction price is adjusted for the effects of the time value of money if the contract contains a significant financing component. Any consideration payable to the customer is adjusted at the transaction price, unless it relates to a payment for a different good or service of the customer. The estimated amount of the variable consideration is adjusted in the transaction price only to the extent that it is highly probable that that there will be no significant reversal of the retained earnings recognized, and it is reassessed at each reporting period. The Group allocates the elements of variable considerations to all performance obligations of the contract, unless there is observable evidence that such elements relate to one or more different performance obligations.
- The Company applies judgment to determine the appropriate stand-alone selling price for a performance obligation. Regularly, the Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of the separate goods or service promised in the contract. When the stand-alone selling price is not observable, the Company uses the expected cost plus a margin approach to allocate the transaction price to each separate performance obligation.
- The Company applies judgment to determine whether a performance obligation is satisfied at a point in time or over time. It takes into account indicators such as the manner in which the customer consumes the benefits as services are rendered or who controls the asset as it is created, or whether the Company has an enforceable right to payment for performance completed through the present date and the alternative use of such product or service, the transfer of significant risks and rewards to the customer, the acceptance of delivery by the customer, etc.
- Revenue from fixed-price contracts is recognized using the percentage of completion method. The Company applies judgment to estimate the future cost until completion of the contracts and it uses judgment to determine the progress towards complete satisfaction of the performance obligation.
- The costs incurred in complying with the contracts are generally recorded as expenses incurred, except for certain software license costs which comply with capitalization criteria. Such costs are amortized over the lower of the contract term or the license useful life. The assessment of this criterion requires judgment, particularly when considering whether the costs create or enhance resources that will be used in satisfying performance obligations, and whether such costs are expected to be recovered.

Impairment of goodwill

The Company estimates the value in use of cash generating units (CGU) based on future cash flows after taking into account current economic conditions and trends, estimated future operating profit or loss, growth rate, and estimated future economic and regulatory conditions The Company estimates cash flows using internal forecasts. The discount rates used for the CGUs represent the weighted average cost of principal based on the historic market performance of comparable companies.

Useful lives of items of furniture and equipment.

The Company reviews the carrying amount of items of furniture and equipment at the end of each reporting period. This reassessment may result in changes to the depreciation expense for future periods.

Notes to the Separate Financial Statements As of December 31, 2024 and 2023

Measurement of deferred tax assets.

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period.

Provisions and contingent liabilities

Provisions are recognized when the Company has a present obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and reliable estimate can be made of the amount of the obligation. Provisions shall be reviewed at the end of each reporting period and adjusted to reflect the current best estimate. Contingent liabilities are not recognized in the financial statements. Contingent assets are not recognized or disclosed in the financial statements.

Fair value measurement of financial instruments.

When the Company is not able to measure the fair value of financial assets and financial liabilities in the statement of financial position based on quoted prices in active markets, the fair value is measured using valuation techniques which include the discounted cash flow model. Inputs to these models are obtained from observable markets where possible, otherwise a degree of judgment is required to establish fair values. The judgments include considering inputs such as liquidity risk, credit risk and volatility.

Changes in the assumptions with respect to these factors could affect the reported fair value of financial instruments. The policy has been explained in further detail in Note 4.

Leases

The Company assesses whether an agreement is classified as a lease as per the requirements of IFRS 16. Identifying a lease requires significant judgment. The Company uses significant judgment to assess the lease term (including early renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both: periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

In general, the discount rate is based on the specific incremental interest rate for the lease under assessment or a lease portfolio with similar characteristics.

b) Statement of compliance

These separate financial statements of Tata Consultancy Services Chile S.A. (hereinafter the "Company"), for the year ended December 31, 2024 and 2023, are presented in Chilean pesos and have been prepared in accordance with IAS 27, "Separate Financial Statements" included in International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board (hereinafter the "IASB"), applying the exception described in paragraph 4 of IFRS 10, Consolidated Financial Statements. Likewise, these financial statements are exempt from disclosure provisions contained in IFRS 12.

The information contained in the separate financial statements is the responsibility of the Company's Management which expressly states it has applied all the principles and criteria included in IAS 27 and IFRS; the separate financial statements have been approved by the Board of Directors on February 24, 2025.

The translation of these financial statements is provided as a free translation from the Spanish language original, which is the official and binding version. Such translation has been made solely for the convenience of non-Spanish readers.

c) Historical cost basis

The separate financial statements have been prepared on the historical cost basis. Generally, the historical cost is based on the fair value of the consideration paid in exchange for goods and services. The fair value is the price that would be received for selling an asset or paid for transferring a liability in an orderly transaction between market participants on the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. For purposes of measurement and/or disclosure in these separate financial statements, fair value is determined as described above, except for the determination of value in use under IAS 36, which has been measured at market value.

Notes to the Separate Financial Statements As of December 31, 2024 and 2023

d) Separate financial statements

(a) Separate statements of financial position

In the separate statements of financial position of Tata Consultancy Services Chile S.A., balances are classified on the basis of their maturities; i.e., as current when they have maturities of 12 months or less, and non-current when the maturity exceeds 12 months. If any obligations exist which maturity is less than 12 months, but according to the Company, its long-term refinancing is secured through credit contracts available unconditionally with long-term maturities, they are classified as long-term liabilities.

(b) Separate statements of comprehensive income

Tata Consultancy Services Chile S.A. has opted to present its statements of income classified by nature.

(c) Separate statements of cash flows

Tata Consultancy Services Chile S.A. has opted to present its statements of cash flows using the indirect method.

e) Reporting period

These separate financial statements of Tata Consultancy Services Chile S.A. were prepared as of December 31, 2024 and 2023 and for the years then ended.

f) Currency

The functional currency of Tata Consultancy Services Chile S.A. is the Chilean peso.

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at the reporting date. Nonmonetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

g) Basis of translation

Balances of assets and liabilities in UF (inflation-adjusted units), U.S. dollars and other foreign currencies have been translated to Chilean pesos at the exchange rates in force at the closing date of the separate financial statements. At the reporting date, the effective exchange rates are detailed as follows:

	2024 $	2023 $
US Dollar	**996.46**	877.12
Inflation - adjusted units (UF)	**38,416.69**	36,789.36

Foreign currency translation differences and adjustments are debited or credited to profit or loss, as applicable, in accordance with IFRS. The exchange rates used by the Company at the reporting date do not significantly differ from those currently in force.

h) Classification of balances (current and non-current)

In the accompanying statement of financial position, balances are classified according to their maturities, i.e. as current those with maturities of 12 months or less and noncurrent those with maturities exceeding 12 months.

i) Statement of cash flows

For the preparation of the statement of cash flows, the Company uses the following definitions:

Cash and cash equivalents relates to cash on hand, cash in bank current accounts, time deposit and highly-liquid fixed income mutual fund deposits held in financial entities with original maturities of up to three months and insignificant risk of loss of value.

Notes to the Separate Financial Statements As of December 31, 2024 and 2023

The statement of cash flows considers the following account categories:

(a) Operating activities

Operating activities are the principal revenue-producing activities of the entity and other activities that are not investing or financing activities.

(b) Investing activities

Investing activities are the acquisition and disposal of long-term assets and other investments not included in cash and cash equivalents.

(c) Financing activities

Financing activities are activities that result in changes in the size and composition of the contributed equity and borrowings of the entity.

3. Summary of significant accounting policies

The entity has consistently applied the following accounting policies to all periods presented in these separate financial statements.

The accounting policies set out below have been used in the preparation of these separate financial statements. As required by IFRS 1, these policies have been defined considering the IFRS effective as of December 31, 2024.

a) Provisions and contingent liabilities

- A provision is a liability of uncertain timing or amount. Provisions are recognized in the balance sheet when the following requirements are met in a copulative manner:
- The Company has a present legal or constructive obligation as a result of a past event.
- It is probable that at the reporting date an outflow of economic benefits will be required to settle the obligation.
- The obligation can be estimated reliably.

A contingent asset or liability is an obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

b) Employee benefits

The Company recognizes accrued vacation expenses using the accrual method. Such benefit is applicable to all personnel and relates to a fixed amount according to each employee's contract, which is recorded at its nominal value.

c) Offsetting of balances and transactions

Generally, in the separate financial statements there is no offsetting of assets or liabilities or revenue and expenses, except for those cases where offsetting is required or permitted by any standard and such presentation is the reflection of the substance of the transaction.

Revenues and expenses generated by transactions which contractually or mandatorily because of the enactment of a law include the possibility of offsetting, are those for which the Company intends either to settle the obligations on a net basis, or to realize the asset and settle the liability simultaneously.

Notes to the Separate Financial Statements As of December 31, 2024 and 2023

d) New accounting pronouncements

New accounting and sustainability pronouncements

The following accounting pronouncements are mandatory as of the period beginning January 1, 2024:

Amendments to IFRS Accounting Standards	Date of mandatory application
Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)	Annual periods beginning on or after January 1, 2024. Early adoption is permitted.
Leasehold Liabilities in a Sale and Leaseback Sale (Amendments to IFRS 16)	Annual periods beginning on or after January 1, 2024. Early adoption is permitted.
Non-Current Liabilities with Covenants (Amendments to IAS 1)	Annual periods beginning on or after January 1, 2024.
Supplier Financing Arrangements (Amendments to IAS 7 and IFRS 7)	Annual periods beginning on or after January 1, 2024 (with early application permitted) and amendments to IFRS 7 when applying the amendments to IAS 7.

Accounting pronouncements not yet in force

The following accounting pronouncements issued are applicable for annual periods beginning after January 1, 2025, and after, and have not been applied in the preparation of these financial statements. The entity intends to adopt the accounting pronouncements applicable to them on their respective dates of application and not in advance.

Amendments to IFRS Accounting Standards	Date of mandatory application
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)	effective date deferred indefinitely. Early adoption is permitted.
Absence of convertibility (Amendment to IAS 21)	Annual periods beginning on or after January 1, 2025. Early adoption is permitted.
Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7 - Post-Implementation Review)	Annual periods beginning on or after January 1, 2026. Early adoption is permitted.
Annual Improvements to IFRS Accounting Standards - Volume 11	Annual periods beginning on or after January 1, 2026. Early adoption is permitted.

New IFRS Accounting Standards	Date of mandatory application
IFRS 18 Presentation and Disclosure in Financial Statements	Annual periods beginning on or after January 1, 2027. Early adoption is permitted.
IFRS 19 Non-Publicly Accountable Subsidiaries: Disclosures	Annual periods beginning on or after January 1, 2027. Early adoption is permitted.

These not yet effective issued accounting pronouncements are not expected to have a significant impact on the separate financial statements.

The Company has not applied the following new and revised IFRSs that have been issued but are not yet effective.

Amendments to IAS 21 - The Effects of Changes in Foreign Exchange Rates Amendments to IFRS 9 and IFRS 7

IFRS 18 – Presentation and Disclosures in Financial Statements

IFRS 19 – Subsidiaries without Public Accountability: Disclosures

[1]Effective for annual periods beginning on or after January 1, 2025.

[2]Effective for annual periods beginning on or after January 1, 2026

[3]Effective for annual periods beginning on or after January 1, 2027.

Notes to the Separate Financial Statements As of December 31, 2024 and 2023

IAS 21 – The Effects of Changes in Foreign Exchange Rates

In August 2023, the IASB issued 'Lack of Exchangeability (Amendments to IAS 21)' to provide guidance to specify which exchange rate to use when the currency is not exchangeable. An entity must estimate the spot exchange rate as the rate that would have applied to an orderly transaction between market participants at the measurement date and that would faithfully reflect the economic conditions prevailing. The Company does not expect this amendment to have any significant impact in its financial statements.

IFRS 9 and IFRS 7 – Financial Instruments and Financial Instruments: Disclosure

In May 2024, the IASB issued "Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) to address matters identified during the post-implementation review of IFRS 9. The amendments relate to derecognition of a financial liability settled through electronic transfer, classification of financial assets and disclosures of certain financial assets and financial liabilities. The Group will evaluate the amendments and implement them accordingly.

IFRS 18 – Presentation and Disclosures in Financial Statements

In April 2024, the IASB issued its new standard IFRS 18 – Presentation and Disclosures in Financial Statements that will replace IAS 1 – Presentation of Financial Statements. The new standard aims at improving how entities communicate in their financial statements. The Group will evaluate the standard and implement it accordingly.

IFRS 19 – Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued a new standard IFRS 19 - Subsidiaries without Public Accountability: Disclosures. The standard allows a subsidiary which does not have public accountability and has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards, to elect IFRS 19. Such an entity applies the requirements in other IFRS Accounting Standards, except for the disclosure requirements, instead the entity applies the requirements in IFRS 19.

4. Financial assets and financial liabilities, and equity instruments

Financial assets

Cash and cash equivalents

The Company classifies as cash and cash equivalents all highly-liquid financial instruments, which are readily convertible into known amounts of cash subject to an insignificant risk of changes in value, with maturities of three months or less from the date of acquisition. Cash and cash equivalents comprise cash in banks not restricted for withdrawal and use.

Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost if those financial assets are held within a business model whose objective is to hold assets in order to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income.

Financial assets are measured at fair value through other comprehensive income if they are held within a business model whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

The Company has adopted the irrevocable option of presenting the subsequent changes in the fair values of capital investments not held for trading in other comprehensive income.

Financial assets at fair value through profit and loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortized cost or at fair value through other comprehensive income at initial recognition. Transaction costs directly attributable to the acquisition of financial assets or assumption of financial liabilities at fair value through profit or loss are immediately recognized in the interim condensed statement of profit or loss.

Notes to the Separate Financial Statements As of December 31, 2024 and 2023

Financial liabilities

Other financial liabilities are measured at amortized cost using the effective interest method.

Equity securities

Equity securities are contracts which establish a residual interest on the Company's assets after deducting all its liabilities. Equity securities issued by the Company are recognized at the amount of the income received net of direct cost of issue.

Impairment of financial assets (not measured at fair value)

At each reporting date, the Company assesses whether a financial asset or group of financial assets is impaired. IFRS 9 requires that expected credit losses are measured through a loss allowance. The Company recognizes lifetime expected credit losses for all its contract assets and/or trade receivables that do not contain a significant financing component. To determine the allowance for doubtful accounts, the Company has used a practical expedient for the calculation of the allowance for expected credit losses of trade receivables using an allowance matrix. The allowance matrix considers the historical credit loss experience and is adjusted for prospective information. The allowance for expected credit losses is based on the maturity of accounts receivable past due and the rates used in the allowance matrix. For the remaining financial assets, expected credit losses are measured at an amount equal to 12-month expected credit losses or an amount equal to lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.

a) Cash and cash equivalents

As of December 31, 2024 and 2023, this caption is composed of the following:

	2024 ThCh$	2023 ThCh$
Cash on hand	**3,468**	1,430
Time deposits	**6,397,264**	3,640,000
Cash in banks	**296,812**	279,705
Total	**6,697,544**	3,921,135

As of December 31, 2024 and 2023, cash in banks is as follows:

Bank	Type of currency	2024 ThCh$	2023 ThCh$
Banco Santander	Chilean pesos	**221,816**	113,816
Banco Santander	U.S. dollar	**59,593**	145,920
Banco Scotiabank Chile	Chilean pesos	**15,403**	19,969
Total		**296,812**	279,705

Cash and cash equivalents have no availability restrictions.

The Company has made no investing or financing transactions that do not require the use of cash and cash equivalents.

Notes to the Separate Financial Statements As of December 31, 2024 and 2023

Time Deposits

As of December 31, 2024, and 2023, cash in time deposits is as follows:

2024

Bank Name / Counterparty Nam	Placement date	Maturity date	Currency	Total Days	Closing Amount
Scotiabank	**24-Dec-2024**	**07-Jan-2025**	**CLP**	**14**	**3,390,000**
Scotiabank	**30-Dec-2024**	**07-Jan-2025**	**CLP**	**8**	**350,000**
Scotiabank	**27-Dec-2024**	**07-Jan-2025**	**CLP**	**11**	**210,000**
Banco Santander	**27-Dec-2024**	**15-Jan-2025**	**CLP**	**19**	**700,000**
Banco Santander	**27-Dec-2024**	**06-Jan-2025**	**CLP**	**10**	**500,000**
Banco Santander	**24-Dec-2024**	**06-Jan-2025**	**CLP**	**13**	**500,000**
Banco Santander	**30-Dec-2024**	**06-Jan-2025**	**CLP**	**7**	**200,000**
Banco Santander	**24-Dec-2024**	**06-Jan-2025**	**USD**	**13**	**149,254**
Banco Santander	**30-Dec-2024**	**06-Jan-2025**	**USD**	**7**	**398,010**
					6,397,264

2023

Bank Name / Counterparty Name	Placement date	Maturity date	Currency	Total Days	Closing Amount
Scotiabank	26-Dec-2023	16-Jan-2024	CLP	21	1,440,000
Scotiabank	29-Dec-2023	16-Jan-2024	CLP	18	300,000
Scotiabank	29-Dec-2023	16-Jan-2024	CLP	10	900,000
Banco Santander	25-Dec-2023	08-Jan-2024	CLP	13	1,000,000
					3,640,000

b) Investments

Investment in equity shares at fair value through other comprehensive income.

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income.

For the investment in equity shares, the company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in other comprehensive income which would otherwise be measured at fair value through profit or loss.

Name	2024 ThCh$	2023 ThCh$
Investment in equity shares recognized at fair value	**90,365**	62,358
Investments in subsidiaries held at cost	**10,642,688**	10,642,688
Investment in Equity shares	**10,733,054**	10,705,046

Notes to the Separate Financial Statements As of December 31, 2024 and 2023

b.1 Investment in equity shares recognized at fair value through other comprehensive income is:

Name	2024 ThCh$	2023 ThCh$
Fully paid Equity shares	**62,358**	37,877
Less: Changes in fair value of Investment	**28,007**	24,481
Investment in Equity shares	**90,365**	62,358

b.2 Investments in subsidiaries held at cost

For the preparation of the separate financial statements the Company has used the exemption described in paragraph 4 of IFRS 10, which allows not using the equity method of accounting to recognize investments in subsidiaries in which the entity has control and significant influence provided that certain conditions are met. The Company meets each and every of such conditions as of December 31, 2024 and 2023. The Company's shareholders have authorized the preparation of the separate financial statement because the Company's financial information is included in the consolidated financial statements of its ultimate Parent, Tata Consultancy Services Limited (India), which have been prepared and presented in accordance with IFRS as issued by the IASB, and can be found at the web site: https://www.tcs.com/investor-relations.

Investments in subsidiaries are recognized at cost and relate to:

Subsidiary	Country	Shares %	Address
Tata Solution Center S.A.	Ecuador	99.00	Francisco Salazar N°10-6 Quito
Tata Consultancy Services Sucursal del Perú	Perú	100.00	Av. Nicolas Ayllon 2941, 3er Piso, El Agustino, Lima10 - Perú

The Company determines whether it is necessary to recognize an impairment loss in the subsidiaries. The Company determines at each reporting date whether there is objective evidence that the investment in the subsidiary is impaired; if this is the case, the Company calculates the impairment amount as the difference between the higher of the value in use and fair value of the subsidiary and the acquisition cost and recognizes the amount in the statement of profit or loss.

This caption includes investments in subsidiaries held at cost by the Company. The detail is as follows:

Taxpayer ID	Company's Name	Country	2024	2023	2024	2023
			Ownership interest	Ownership interest	Carrying amount	Carrying amount
			%	%	ThCh$	ThCh$
Foreign	Tata Solution Center S.A.	Ecuador	**99.0000**	99.0000	**5,535,701**	5,535,701
Foreign	Tata Consultancy Services Sucursal del Perú	Perú	**100.0000**	100.0000	**5,106,987**	5,106,987
	Total				**10,642,688**	10,642,688

Balances of assets and liabilities in U.S. dollars and Peruvian nuevo sol are translated into Chilian pesos at the exchange rates in force at the closing date U.S. dollar 2024 (996.46) and 2023 (877.12), Peruvian Nuevo sol 2024 (264.54) and 2023 (236.97).

Notes to the Separate Financial Statements As of December 31, 2024 and 2023

Changes in investments in subsidiaries held at cost by the Company are as follows:

2024

Taxpayer ID	Company's Name	Country	Carrying amounts of the investment as of 01.01.2024 ThCh$	Acquisitions	Disposals	Carrying amounts of the investment as of 12.31.2024 ThCh$
Foreign	Tata Solution Center S.A.	Ecuador	**5,535,701**	**-**	**-**	**5,535,701**
Foreign	Tata Consultancy Services Sucursal del Perú	Perú	**5,106,987**	**-**	**-**	**5,106,987**
	Total		**10,642,688**	**-**	**-**	**10,642,688**

2023

Taxpayer ID	Company's Name	Country	Carrying amounts of the investment as of 01.01.2023 ThCh$	Acquisitions	Disposals	Carrying amounts of the investment as of 12.31.2023 ThCh$
Foreign	Tata Solution Center S.A.	Ecuador	5,535,701	-	-	5,535,701
Foreign	Tata Consultancy Services Sucursal del Perú	Perú	5,106,987	-	-	5,106,987
	Total		10,642,688	-	-	10,642,688

As of December 31, 2024, and 2023, the financial information contained in the financial statements of the companies over which the Company has control is detailed as follows:

At 12.31.2024

ThCh$

Taxpayer	Company's name	Country	Assets	Liabilities	Equity	Profit or loss
Foreign	Tata Solution Center S.A.	Ecuador	**27,388,036**	**11,854,730**	**15,533,306**	**1,174,189**
Foreign	Tata Consultancy Services Sucursal del Perú	Perú	**12,563,798**	**7,553,940**	**5,009,859**	**671,403**

At 12.31.2023

ThCh$

Taxpayer	Company's name	Country	Assets	Liabilities	Equity	Profit or loss
Foreign	Tata Solution Center S.A.	Ecuador	25,806,042	12,797,552	13,008,490	4,602,244
Foreign	Tata Consultancy Services Sucursal del Perú	Perú	11,087,589	7,203,177	3,884,412	558,775

Notes to the Separate Financial Statements As of December 31, 2024 and 2023

c) Trade and other receivables, current

(a) Trade receivables are detailed as follows:

	2024 ThCh$	2023 ThCh$
Trade receivables – Billed	**6,783,631**	6,384,531
Receivables due from related parties – Billed	**594,971**	707,585
Total	**7,378,602**	7,092,116

The fair value of trade receivables corresponds to the same business amounts net of the related allowance for doubtful accounts.

(b) Trade receivables past due, unpaid but not impaired are detailed as follows:

	2024 ThCh$	2023 ThCh$
Up to 30 days	**7,312,273**	6,987,643
31 to 60 days	**46,497**	66,440
61 to 180 days	**30,158**	24,096
Over 180 days	**-**	21,727
Impairment	**(10,326)**	(7,790)
Total	**7,378,602**	7,092,116

(c) Unbilled trade receivables are detailed as follows:

	2024 ThCh$	2023 ThCh$
Trade receivables – Unbilled	**2,175,966**	4,265,434
Trade receivables from related parties – Unbilled	**139,499**	286,161
Total	**2,315,465**	4,551,595

Fair value of unbilled trade receivables corresponds to the same business amounts net of the related allowance for doubtful accounts.

d) Other financial assets

(a) As of December 31, 2024 and 2023, other current financial assets are as follows:

	2024 ThCh$	2023 ThCh$
Accrued interest on loans to related parties	**-**	207,606
Cash advances and loans to employees	**56,462**	29,189
Other financial assets	**4,920**	4,352
Total	**61,382**	241,147

Notes to the Separate Financial Statements As of December 31, 2024 and 2023

e) Trade payables

As of December 31, 2024, and 2023, trade and other payables are detailed as follows:

Current	2024 ThCh$	2023 ThCh$
Trade payables	**919,881**	870,154
Payables due to related parties	**1,106,038**	1,480,105
Total	**2,025,919**	2,350,259

f) Other financial liabilities

As of December 31, 2024, and 2023, other current non-financial liabilities are detailed as follows:

Current	2024 ThCh$	2023 ThCh$
Liabilities for contracts with related Parties	**12,729**	13,479
Other employee benefits	**217,210**	234,333
Other financial liabilities	**105,291**	104,522
Total	**335,230**	352,334

g) Other non-financial liabilities

As of December 31, 2024, and 2023, other current non-financial liabilities are detailed as follows:

Current	2024 ThCh$	2023 ThCh$
Employee with holdings	**676,407**	689,838
Payroll tax with holdings	**79,640**	84,697
VAT fiscal debit, net	**1,073,438**	1,013,639
Other payables	**26,798**	24,887
Total	**1,856,283**	1,813,061

h) Equity disclosures

Subscribed, fully paid capital and number of shares.

As of December 31, 2024, and 2023, the Company's share capital is composed of the following:

Number of shares

ThCh$

Series	No. Subscribed	No. Of paid shares	No. Of shares with voting rights
Single	**431,926**	**431,926**	**431,926**

Notes to the Separate Financial Statements As of December 31, 2024 and 2023

Capital

ThCh$

Series	Subscribed capital	Share capital
Single	16,997,134	16,997,134

Capital management is intended to maximize the value for the shareholders, safeguard business continuity, and support the Company's growth. The Company determines capital requirements based on annual operating plans, long-term investment plans and other strategic investment plans. Financing requirements are met through capital and cash flows from operating activities generated. The Company is not subject to any capital requirement imposed externally.

i) Financial assets and financial liabilities

As of December 31, 2024, the carrying amount of financial instruments by category is as follows:

ThCh$

2024		Amortized cost	Total carrying amount
Financial assets			
Cash and cash equivalents	4.a)	**6,697,544**	**6,697,544**
Trade receivables:			
Billed	4.c)	**7,378,602**	**7,378,602**
Unbilled	4.c)	**2,315,465**	**2,315,465**
Other current & non-current financial assets	4.d) 7.c)	**109,919**	**109,919**
Total		**16,501,530**	**16,501,530**
Financial liabilities:			
Trade payables	4.e)	**2,025,919**	**2,025,919**
Other financial liabilities	4.f)	**335,230**	**335,230**
Total		**2,361,149**	**2,361,149**

As of December 31, 2023, the carrying amount of financial instruments by category is detailed as follows:

ThCh$

2023		Amortized cost	Total carrying amount
Financial assets			
Cash and cash equivalents	4.a)	3,921,135	3,921,135
Trade receivables:			
Billed	4.c)	7,092,116	7,092,116
Unbilled	4.c)	4,551,595	4,551,595
Other current & non-current financial assets	4.d) 7.c)	241,147	241,147
Total		15,805,993	15,805,993
Financial liabilities:			
Trade payables	4.e)	2,350,259	2,350,259
Other financial liabilities	4.f)	352,334	352,334
Total		2,702,593	2,702,593

Carrying amounts of cash and cash equivalents, trade receivables, unbilled receivables (prior year: unbilled revenue), and trade payables as of December 31, 2024, and 2023, approximate their fair value. The difference between carrying amounts and fair values of bank deposits, cash in banks, other financial assets, other financial liabilities and subsequent loans measured at amortized cost is not significant for each period presented.

Notes to the Separate Financial Statements As of December 31, 2024 and 2023

Fair value hierarchy

Fair value hierarchy is based on valuation techniques used to measure the fair value of observable and unobservable inputs, and includes the following three levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs). Fair values are determined totally or in part using a valuation model based on assumptions that are not supported by market transaction prices currently observable in the same instrument or based on available market data.

j) Financial risk management

The Company is mainly exposed to variations in foreign exchange rates, credit, liquidity and interest rate risks that may negatively affect the fair value of its financial instruments. The Company has a risk management policy that covers the risks associated with financial assets and financial liabilities. The risk management policy is approved by the Board of Directors. The approach applied by the risk management committee is to assess the unforeseability of the financial environment and mitigate the potential negative effects on the Company's financial performance.

(a) Market risk

The Company is exposed to market risk related to the risk of fluctuations in the fair value or future cash flows from a financial instrument because of changes in market prices. Such changes in the value of financial instruments may arise from movements in foreign currency exchange rates, interest rate, credit, liquidity and other changes in the market. The exposure to market risk relates mainly to the currency risk.

(b) Currency risk

The fluctuation of foreign currency exchange rate differences may have a potential effect in the statement of profit or loss and other comprehensive income, where any transaction refers to one or more currencies when assets / liabilities are denominated in a currency that is different from the entity's functional currency.

Considering the economic environment of the country in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in such country. The risks mainly relate to the fluctuations in U.S. dollar against the Company's functional currency.

The exchange rate sensitivity is calculated by adding the net exposure to currency risk and a simultaneous change of parallel exchange rates of all currencies by 10% compared to the Company's functional currency.

The analysis below has been prepared based on the Company's net exposure at the reporting date that may affect the statement of profit or loss and other comprehensive income.

As of December 31, 2024, the information related to the exposure to the currency risk is detailed as follows:

ThCh$

2024	USD	MXN	UF	EUR	COP	INR
Financial assets, net	**670,674**	**46,507**	**14,051**	**167,231**	**-**	**-**
Financial liabilities, net	**1,006,457**	**3,756**	**356,649**	**143,477**	**-**	**-**

The appreciation / depreciation of 10% of related foreign currencies with respect to the functional currency of the Company would result in a decrease / increase in profit before taxes of approximately ThCh$ (611,877) for the year ended December 31, 2024.

Notes to the Separate Financial Statements As of December 31, 2024 and 2023

As of December 31, 2023, the information related to the exposure to the currency risk is detailed as follows:

ThCh$

2023	USD	MXN	UF	EUR	COP	INR
Financial assets, net	1,295,783	216,875	46,933	-	-	-
Financial liabilities, net	1,248,298	-	296,781	-	-	-

The appreciation / depreciation of 10% of related foreign currencies with respect to the functional currency of the Company would result in a decrease / increase in profit before taxes of approximately ThCh$ 14,512 for the year ended December 31, 2023.

(c) Interest rate risk

The Company is not exposed to interest rate risk.

(d) 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 terms or obligations. Credit risk includes the direct risk of default and impairment of credit quality, as well as the concentration of risks. Credit risk is controlled by the analysis of credit limits and the credit capability of customers on an ongoing basis that have been obtained the credit after receiving the authorizations required.

Financial instruments subject to concentrations of credit risk include mainly trade receivables, unbilled revenue, investments, cash and cash equivalents, bank deposits and other financial assets. As of December 31, 2024, cash and cash equivalents include ThCh$ 6,697,544 held in a bank located in Chile with a high quality credit rating exceeding individually 10% or more of the Company's total cash and cash equivalents. None of the Company's other financial instruments result in a significant concentration of credit risk.

Exposure to liquidity risk

The carrying amount of financial assets represents the maximum credit exposure. As of December 31, 2024, and 2023, the maximum credit exposure amounted to ThCh$ 17,877,213 and ThCh$ 17,128,505, respectively, which corresponds to total carrying amount of cash in banks, bank deposits, trade receivables, unbilled revenue, other financial assets and investments.

Trade receivables and contract assets

The exposure to credit risk with respect to trade receivables and contract assets is mainly influenced by individual features of each customer in connection with the practices in the industry and the economic environment in which they operate. The entity limits its exposure to credit risk of trade receivables by establishing a maximum payment period of 272 days for its customers. Subsequent to this, the customers are at default (impaired loan). To manage this risk, the Company has a strong credit management process. The Company has adopted a policy to engage operations only with solvent counterparties. The counterparties' exposure is monitored on a regular basis, and changes to the credit conditions are made as required. The carrying amount of financial assets represents the maximum credit exposure. The Company has derecognized no customer balances, and only a few balances have impaired at the reporting date.

As of December 31, 2024, and 2023, the Company's exposure to customer is diversified; however, certain customers concentrate more than 10% of trade receivables and unbilled revenue:

ThCh$

	As December 31, 2024		As December 31, 2023	
	Total receivables and provisions for revenue	%	Total receivables and provisions for revenue	%
Customer A	**2,403,124**	**22%**	2,391,073	19%
Customer B	**968,474**	**9%**	1,513,068	13%

Notes to the Separate Financial Statements As of December 31, 2024 and 2023

Geographical concentration of credit risk.

The geographical concentration of trade receivables (gross and net of provisions) and unbilled revenue are detailed as follows:

Geographic concentration of credit	2024 %	2023 %
Ibero-america	**92**	94
Other	**8**	6

Geographical concentration of trade receivables and unbilled revenue are assigned by the customer location.

The Company uses a provision matrix to measure the expected credit loss from receivables from customers. The expected credit loss is based on credit maturity dates and is detailed as follows:

ThCh$

12.31.2024	Weighted average loss rate	Gross carrying amount	Loss allowance	Credit-impaired
No due	**0.01%**	**7,312**	**(0.94)**	**No**
1-90	**0.10%**	**76.65**	**(0.08)**	**No**
91-180	**2.64%**	**-**	**-**	**No**
181—272	**94.34%**	**-**	**-**	**No**
>273	**100.00%**	**(10.33)**	**-**	**Yes**

ThCh$

12.31.2023	Weighted average loss rate	Gross carrying amount	Loss allowance	Credit-impaired
No due	0%	5,598	(1)	No
1-90	0%	793	(1)	No
91-180	1%	-	-	No
181—272	86%	-	-	No
>273	100%	-	-	Yes

The gross carrying amount excludes intercompany receivables.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations. Liquidity risk management is intended to maintain sufficient liquidity and ensure that funds are available for use as per the requirements.

On a regular basis, the Company generated sufficient cash flows from operations to meet its financial obligations as they mature.

The Company addresses no significant liquidity risk related to its lease liabilities, because current assets are sufficient to comply with obligations related to lease liabilities when they mature.

Notes to the Separate Financial Statements As of December 31, 2024 and 2023

The detail of the contractual maturities of significant financial liabilities is included in the tables below:

ThCh$

2024	Expired in 1st year	Expired in 2nd year	Expired in 3rd and 5th year	Expired more than 5th year	Total
Non-derivative financial liabilities:					
Trade payables (Note 4.e)	**2,025,919**	**-**	**-**	**-**	**2,025,919**
Lease liabilities (Note 8)	**945,856**	**-**	**774,003**	**-**	**1,719,859**
Other financial liabilities (Note 4.f)	**335,230**	**-**	**-**	**-**	**335,230**
Total	**3,307,006**	**-**	**774,003**	**-**	**4,081,008**

ThCh$

2023	Expired in 1st year	Expired in 2nd year	Expired in 3rd and 5th year	Expired more than 5th year	Total
Non-derivative financial liabilities:					
Trade payables (Note 4.e)	2,350,259	-	-	-	2,350,259
Lease liabilities (Note 8)	900,184	-	1,720,042	-	2,620,226
Other financial liabilities (Note 4.f)	352,334	-	-	-	352,334
Total	3,602,777	-	1,720,042	-	5,322,819

5. Balances and transactions with related parties

a) Balances and transactions with related parties

(a) Trade receivables – Billed

Current

Taxpayer ID	Company	Relationship	2024 ThCh$	2023 ThCh$
Foreign	Tata Consultancy Services de México S.A. de CV	Common shareholder	**(28,460)**	127,686
Foreign	Tata Consultancy Services Limited (India)	Ultimate Parent	**623,431**	579,899
	Total		**594,971**	707,585

Notes to the Separate Financial Statements As of December 31, 2024 and 2023

(b) Payables

Current

Taxpayer ID	Company	Relationship	2024 ThCh$	2023 ThCh$
Foreign	Tata Consultancy Services Limited	Ultimate Parent	**616,841**	764,634
77.879.360-1	TCS Inversiones Chile Ltda.	Common shareholder	**44,901**	87,468
Foreign	Tata Consultancy Services de México S.A.	Common shareholder	**233,773**	107,796
Foreign	Tata Consultancy Services Sucursal del Perú	Branch	**24,772**	144,809
Foreign	TCS Solution Center Sucursal Colombia	Common shareholder	**26,994**	10,615
Foreign	Tata Sons Private Limited	Common shareholder	**158,757**	355,348
Foreign	TCS Solution Center S.A.	Common shareholder	**-**	9,435
	Total		**1,106,038**	1,480,105

(c) Trade receivables – Unbilled

Current

Taxpayer ID	Company	Relationship	2024 ThCh$	2023 ThCh$
Foreign	Tata Consultancy Services Limited	Ultimate Parent	**92,992**	197,874
Foreign	Tata Consultancy Services de México S.A.	Common shareholder	**46,507**	88,287
	Total		**139,499**	286,161

(d) Unearned trade receivables

Current

Taxpayer ID	Company	Relationship	2024 ThCh$	2023 ThCh$
Foreign	Tata Consultancy Services Limited	Ultimate Parent	**111,861**	193,966
	Total		**111,861**	193,966

(e) Interest receivable

Taxpayer ID	Company	Relationship	Current		Non Current	
			2024 ThCh$	2023 ThCh$	2024 ThCh$	2023 ThCh$
Foreign	Tata Consultancy Services Sucursal del Perú	Branch	**-**	207,606	**-**	-
	Total		**-**	207,606	**-**	-

Notes to the Separate Financial Statements As of December 31, 2024 and 2023

(f) Other current assets

Current

Taxpayer ID	Company	Relationship	2024 ThCh$	2023 ThCh$
Foreign	Tata Consultancy Services Limited	Ultimate Parent	-	46,677
Foreign	Tata Consultancy Services de Mexixo S.A.	Common Shareholder	-	1,205
	Total		-	47,882

(g) Other current financial assets

Current

Taxpayer ID	Company	Relationship	2024 ThCh$	2023 ThCh$
Foreign	Tata Consultancy Services Limited	Ultimate Parent	-	(5)
	Total		-	(5)

(h) Other current financial liabilities

Current

Taxpayer ID	Company	Relationship	2024 ThCh$	2023 ThCh$
Foreign	Tata Consultancy Services Limited	Ultimate Parent	**8,973**	13,479
Foreign	Tata Consultancy Services de México S.A.	Common Shareholder	**3,756**	-
	Total		**12,729**	13,479

Transactions among the Company and its related parties correspond to customary operations in terms of their objective and conditions.

Balances receivable and payable are mainly expressed in U.S. dollars and for interest-bearing loans of an approximate annual average rate ranging from 4% to 6% not associated with a repayment schedule, the classification is based on the expected collection period of such accounts receivable.

For 2024, current receivables mainly relate to trade receivables of ThCh$7,378,602 (services rendered), other current financial assets of ThCh$61,382 (loans and interests) while for 2023 this item mainly relates to trade receivables of ThCh$7,092,116 (services rendered), other current financial assets of ThCh$241,147 (loans and interests).

Notes to the Separate Financial Statements As of December 31, 2024 and 2023

Intercompany payables mainly relate to trade payables of ThCh$1,106,038 and ThCh$1,480,105 for 2024 and 2023, respectively (services rendered).

ThCh$

Company	Relationship	Transaction description	2024		2023	
			Amount	Credit/(debit) to profit or loss	Amount	Credit/(debit) to profit or loss
Tata Consultancy Services Limited	Ultimate Parent	Purchase of services	**809,818**	**(809,818)**	963,198	(963,198)
		Expense reimbursement	**142,020**	**(140,010)**	129,099	(129,099)
		Overhead services	**785,654**	**(787,659)**	1,226,271	(1,226,271)
		Revenue from operations	**3,229,627**	**3,229,627**	2,539,116	2,539,116
TCS Inversiones Chile Ltda.	Ultimate Parent	Overhead services	**202,184**	**(202,184)**	281,964	(281,964)
		Dividends paid	**730,822**	**-**	5,062,132	-
TCS Iberoamerica S.A.	Ultimate Parent	Dividends paid Loan repayment Interest	**1,69**	**-**	12	-
Tata Consultancy Services Sucursal Perú	Branch Common	Accrued	**-**	**-**	391,708	-
		Purchase of services	**213,934**	**(213,934)**	346,713	(346,713)
Tata Sons Private Limited	shareholders Common	Use of brand	**211,711**	**(211,711)**	202,752	(202,752)
Tata Consultancy Services Colombia	shareholders Common	Purchase of services	**178,752**	**(178,752)**	35,831	(35,831)
Tata Consultancy Services de México S.A. de CV	shareholders	Revenue from operations	**559,450**	**559,450**	803,512	803,512
		Expense reimbursement	**645**	**(645)**	2,245	(2,245)
		Purchase of services	**757,727**	**(757,727)**	604,025	(604,025)
Tata Solution Center S.A.	Subsidiary Common	Dividends Income	**373,499**	**373,499**	2,613,600	2,613,600
TCS Solution Center S.A.	shareholders Common	Purchase of services	**28,304**	**(28,304)**	56,609	(56,609)
TCS Uruguay S.A.	shareholders	Purchase of services	**-**	**-**	9,855	(9,855)

Notes to the Separate Financial Statements As of December 31, 2024 and 2023

6. Income tax (net)

a) As of December 31, 2024 and 2023, current tax assets are as follows:

	2024 ThCh$	2023 ThCh$
Monthly provisional income tax payments	**1,129,446**	1,196,172
Adjustment prior year	**(269,220)**	-
Credit for WHT from profit Peru and Ecuador	**18,675**	-
Credit from profits of Perú and other credit	**221,391**	57,772
Credit from dividends of Ecuador	**116,158**	940,896
Provision for income tax	**(860,226)**	(1,893,899)
Total	**356,224**	300,941

b) As of December 31, 2024, and 2023, non-current tax assets are as follows:

	2024 ThCh$	2023 ThCh$
Remaining balance from prior year	**58,765**	1,070,431
Credit for WHT from profit Peru and Ecuador	**34,341**	(662,464)
Provision for income tax	**(58,764)**	(349,202)
Total	**34,341**	58,765

c) As of December 31, 2024, and 2023, Income tax Liabilities are as follows:

	2024 ThCh$	2023 ThCh$
Income tax Liabilities	**(125,992)**	-
Total	**(125,992)**	-

IFRIC 23 Interpretation Uncertainty over Income Tax Treatment

IFRIC 23 interpretation addresses the accounting for income taxes when there is uncertainty over tax treatments. It clarifies that an entity must consider the probability that the tax authorities will accept a treatment retained in its income tax filings, assuming that they have full knowledge of all relevant information when making their examination. In such a case, the income taxes shall be determined in line with the income tax filings.

Application of IFRIC 23

The company reviewed its income tax treatments in order to determine whether IFRIC 23 interpretation could have an impact on the financial statements. In that respect, the Company observed that there are no continuous instances of any uncertain tax treatment in the past and on that basis, it is reasonable to conclude that all the tax treatments are accepted by the tax officer and hence IFRIC-23 is not applicable.

7. Non-financial assets and liabilities

a) Furniture and equipment

The cost of items of furniture and equipment comprises their acquisition cost plus any other costs directly attributable to bringing the assets to a working condition for their intended use as foreseen by Management and the initial estimate of the costs of dismantling and removing the items and restoring the site on which they are located. Financial cost is capitalized in accordance with IAS 23.

Notes to the Separate Financial Statements As of December 31, 2024 and 2023

Repair, preservation and maintenance expenses are expensed in profit or loss in the period in which they are incurred. Note that certain items of furniture and equipment of Tata Consultancy Services Chile S.A. require regular reviews. In this sense, the items that are replaced are recognized separately from the rest of the asset and with a disaggregation level which allows their amortization in the period between the present and next repair.

Expansion, modernization and improvement costs that represent an increase in productivity, capacity or efficiency, or an increase in the useful life, are capitalized as an increase in the value of the assets.

The gain or loss from selling or retirement of an asset is calculated as the difference between the price obtained from the sale and the carrying amount in the accounting records with a debit or credit to profit or loss for the period.

Depreciation

Items of furniture and equipment are depreciated using the straight-line method by distributing the acquisition cost of the assets less their estimated residual value over the estimated useful lives of assets.

The residual value and useful life of items of furniture and equipment are reviewed on an annual basis, and depreciation starts when assets are brought to working condition for their intended use.

The main items of property, plant and their related useful lives are shown below:

	Financial useful life (years)
Furniture and supplies	5
Computers and Equipment	4
Electrical and air conditioning equipment	10
Archive installations	10

Tata Consultancy Services Chile S.A., at least annually, assesses the existence of a possible impairment of assets in furniture and equipment. Any reversal of the impairment loss is recognized in profit or loss, where applicable.

Impairment

Furniture and equipment with a limited useful life are assessed to recover them as long as there is any indication that their carrying amount may not be recoverable. Should such indication exist, the recoverable amount (i.e. the higher of its fair value less costs to sell and its value in use) is determined based on an individual asset, unless such asset generates no cash inflows that are largely independent from other assets. In such cases, the recoverable amount is determined for the cash-generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is lower than its carrying amount, then the asset's carrying amount (or CGU) is reduced to its recoverable amount. Impairment losses are recognized in profit or loss.

(a) Detail

The detail by class of furniture and equipment at each year-end, net and gross, is as follows:

Classes of furniture and equipment, net	2024 ThCh$	2023 ThCh$
IT equipment	**937,329**	1,005,110
Office equipment	**225,942**	295,775
Assets under construction	**1,045**	14,157
Furniture and fixtures	**107,613**	157,671
Machinery	**4,931**	13,666
Electrical installations	**41,046**	48,713
Leasehold improvements	**145,998**	273,458
Total furniture and equipment, net	**1,463,905**	1,808,551

Notes to the Separate Financial Statements As of December 31, 2024 and 2023

Classes of furniture and equipment, gross	2024 ThCh$	2023 ThCh$
IT equipment	**8,730,425**	8,311,325
Office equipment	**1,168,676**	1,153,182
Assets under construction	**1,045**	14,157
Furniture and fixtures	**846,193**	841,757
Machinery	**2,051,753**	2,051,753
Electrical installations	**225,392**	225,392
Leasehold improvements	**1,372,723**	1,357,963
Total furniture and equipment, gross	**14,396,206**	13,955,527

Types of accumulated depreciation and impairment of furniture and equipment	2024 ThCh$	2023 ThCh$
IT equipment	**(7,793,096)**	(7,306,214)
Office equipment	**(942,734)**	(857,407)
Furniture and fixtures	**(738,580)**	(684,085)
Machinery	**(2,046,821)**	(2,038,087)
Electrical installations	**(184,345)**	(176,679)
Leasehold improvements	**(1,226,725)**	(1,084,505)
Total accumulated depreciation and impairment of furniture and equipment	**(12,932,301)**	(12,146,976)

(b) Movements

Accounting movements in net furniture and equipment for the years ended December 31, 2024, and 2023 are as follows:

ThCh$

	IT Equipment	Office equipment	Assets under construction	Furniture and fixtures	Machinery	Electrical installations	Improvements in leased property	Property, plant and equipment, net
Opening balance as of January 1, 2024 (net of accumulated depreciation)	**1,005,110**	**295,775**	**14,157**	**157,671**	**13,666**	**48,713**	**273,458**	**1,808,551**
Acquisitions	**-**	**-**	**4,40,679**	**-**	**-**	**-**	**-**	**4,40,679**
Sales and disposals	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Capitalized assets	**419,101**	**15,494**	**(453,791)**	**4,436**	**-**	**-**	**14,760**	**-**
Depreciation expense	**(486,882)**	**(85,327)**	**-**	**(54,494)**	**(8,735)**	**(7,667)**	**(142,221)**	**(785,325)**
Other increases/(decreases)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
Net property, plant and equipment as of December 31, 2024	**937,329**	**225,942**	**1,045**	**107,613**	**4,932**	**41,046**	**145,998**	**1,463,905**
Total net property, plant and equipments as of December 31, 2024	**937,329**	**225,942**	**1,045**	**107,613**	**4,932**	**41,046**	**145,998**	**1,463,905**

Notes to the Separate Financial Statements As of December 31, 2024 and 2023

ThCh$

	IT Equipment	Office equipment	Assets under construction	Furniture and fixtures	Machinery	Electrical installations	Improvements in leased property	Property, plant and equipment, net
Opening balance as of January 1, 2023 (net of accumulated depreciation)	1,015,292	121,930	221,468	139,837	25,729	41,542	349,996	1,915,795
Acquisitions	368,095	142,612	-	61,977	-	14,278	57,187	616,584
Sales and disposals	-	-	-	-	-	-	-	-
Capitalized assets	83,048	87,974	(207,311)	8,725	-	-	-	-
Depreciation expense	(461,325)	(56,741)	-	(52,868)	(12,063)	(7,107)	(133,725)	(723,828)
Other increases/(decreases)	-	-	-	-	-	-	-	-
Net property, plant and equipment as of December 31, 2023	1,005,110	295,775	14,157	157,671	13,666	48,713	273,458	1,808,551
Total net property, plant and equipments as of December 31, 2023	1,005,110	295,775	14,157	157,671	13,666	48,713	273,458	1,808,551

The total depreciation expense for 2024 and 2023 amounts to ThCh$ 785,325 and ThCh$ 723,828, respectively, and is classified within the caption Depreciation expense in the separate statements of comprehensive income per nature.

Accounting movements in gross furniture and equipment for the years ended December 31, 2024, and 2023 are as follows:

ThCh$

	IT Equipment	Office equipment	Assets under construction	Furniture and fixtures	Machinery	Electrical installations	Improvements in leased property	Property, plant and equipment, net
Opening balance as of January 1, 2024,	**8,311,323**	**1,153,182**	**14,158**	**841,757**	**2,051,753**	**225,390**	**1,357,964**	**13,955,527**
Acquisitions	**-**	**-**	**440,679**	**-**	**-**	**-**	**-**	**440,679**
Sales and disposals	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Depreciation expense	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Other increases/(decreases)	**419,101**	**15,494**	**(453,791)**	**4,436**	**-**	**-**	**14,760**	**-**
Total of gross property, plant and equipments as of December 31, 2024	**8,730,425**	**1,168,676**	**1,045**	**846,193**	**2,051,753**	**225,390**	**1,372,723**	**14,396,206**

ThCh$

	IT Equipment	Office equipment	Assets under construction	Furniture and fixtures	Machinery	Electrical installations	Improvements in leased property	Property, plant and equipment, net
Opening balance as of January 1, 2023,	7,860,183	922,595	221,468	771,056	2,051,753	211,112	1,300,777	13,338,944
Acquisitions	458,053	230,587	-	70,701	-	14,278	57,187	830,806
Sales and disposals	-	-	-	-	-	-	-	-
Depreciation expense	-	-	-	-	-	-	-	-
Other increases/(decreases)	(6,914)	-	(207,310)	-	-	-	-	(214,224)
Total of gross property, plant and equipments as of December 31, 2023	8,311,323	1,153,182	14,158	841,757	2,051,753	225,390	1,357,964	13,955,527

Notes to the Separate Financial Statements As of December 31, 2024 and 2023

Accounting movements in accumulated depreciation of furniture and equipment for the years ended December 31, 2024, and 2023 are as follows:

ThCh$

	IT Equipment	Office equipment	Furniture and fixture	Machinery	Electrical installations	Leasehold improvements	Property, plant and equipment, net
Opening balance as of January 1, 2024 (accumulated depreciation)	**7,306,323**	**857,407**	**684,085**	**2,038,087**	**176,678**	**1,084,504**	**12,146,973**
Acquisitions	-	-	-	-	-	-	-
Sales and disposals	-	-	-	-	-	-	-
Depreciation expense	**486,882**	**85,327**	**54,494**	**8,735**	**7,667**	**14,221**	**785,325**
Other increases/(decreases)	-	-	-	-	-	-	-
Net property, plant and equipment as of December 31, 2023	**7,793,096**	**942,734**	**738,579**	**2,046,821**	**184,345**	**1,226,724**	**12,932,302**
Total net property, plant and equipments as of December 31, 2024	**7,793,096**	**942,734**	**738,579**	**2,046,821**	**184,345**	**1,226,724**	**12,932,302**

ThCh$

	IT Equipment	Office equipment	Furniture and fixture	Machinery	Electrical installations	Leasehold improvements	Property, plant and equipment, net
Opening balance as of January 1, 2023 (accumulated depreciation)	6,844,890	800,665	631,219	2,026,024	169,573	950,780	114,423,150
Acquisitions	-	-	-	-	-	-	-
Sales and disposals	-	-	-	-	-	-	-
Depreciation expense	461,323	56,741	52,867	12,063	7,107	133,724	723,825
Other increases/(decreases)	-	-	-	-	-	-	-
Net property, plant and equipment as of December 31, 2023	-	-	-	-	-	-	-
Total net property, plant and equipments as of December 31, 2023	7,306,323	857,407	684,085	2,038,087	176,678	1,084,504	12,146,973

(c) Additional information

(i) Insurance

The Company has entered into insurance policies to cover the possible risks to which the different elements of furniture and equipment may be exposed to, as well as possible claims that might be presented due to the exertion of its activity; these policies sufficiently cover the risks to which they are exposed to.

(ii) Depreciation cost

The depreciation of assets is calculated using the straight-line method during their economic useful life.

Such useful life has been determined based on the expected natural impairment, technical or business obsolescence from changes and/or improvements in production and changes in the market demands of products obtained from operations of such assets.

Notes to the Separate Financial Statements As of December 31, 2024 and 2023

(iii) Operating leases

TCS records properties and equipment leased under operating lease agreements. Most lease agreements include renewal and escalation clauses. Rental expenses from operating leases amounted to MCh$2 and MCh$ 16 in fiscal years 2024 and 2023, respectively.

Below there is a summary of future minimum lease rental commitments for operating leases:

2024

Supplier	Concept	UF value annual	Beginning date	Completion date	Concept
Sociedad Lautaro Rios e Hijos Ltda.	Leasehold of Valparaiso's branch	-	-	-	There was not a renewal of the contract

2023

Supplier	Concept	UF value annual	Beginning date	Completion date	Concept
Sociedad Lautaro Rios e Hijos Ltda.	Leasehold of Valparaiso's branch	480	12-02-2023	30-11-2023	There was not a renewal of the contract

Future commitments are as follows

Leasehold of properties	2024 ThCh$	2023 ThCh$
Up to a year	**1,849**	17,640
Between a year and five years	**-**	-
More than five years	**-**	-
Total	**1,849**	17,640

b) Goodwill

Goodwill represents the positive difference between the acquisition cost and the fair value of the identifiable assets acquired, liabilities and contingent liabilities of the acquiree. Goodwill is initially measured at cost and subsequently measured at cost less impairment losses, if any. Goodwill is reviewed annually for the existence of any impairment indications or more frequently if events or changes in circumstances exist indicating that the carrying amount may be impaired.

Impairment

CGUs to which goodwill has been allocated are tested for impairment annually, or more frequently when there is indication for impairment. The financial projections basis which the future cash flows have been estimated consider the increase in economic uncertainties due to COVID-19, reassessment of the discount rates, revisiting the growth rates factored while arriving at terminal value and subjecting these variables to sensitivity analysis. If the recoverable amount of a CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

Relates to goodwill generated as a result of the acquisition of Comicrom S.A. in 2005.

On November 7, 2005, Tata Consultancy Services BPO Chile S.A. (formerly, Tata Consultancy Services (TCS) Chile Ltda.) acquired from Opencrom S.A., 99.99% of ownership interest in Comicrom S.A. The initial balance paid amounted to ThCh$12,099,597 (historical amount), generating an initial goodwill of ThCh$8,584,142 (historical amount) at such date.

Notes to the Separate Financial Statements As of December 31, 2024 and 2023

The Company determined the fair value of assets and liabilities of the acquiree based on the purchase assessment process, requiring the involvement of external professional specialists, who issued a report on March 10, 2006. Such report determined that no significant differences existed between the initial assessment of the fair value of the acquiree's assets and liabilities and the amount reported by the external specialists.

- The purchase and sale contract for the property of Comicrom S.A. included price adjustment provisions subject to the compliance with certain financial ratios until 2010, which were part of the final determination of the price paid and goodwill.
- As of December 31, 2024 and 2023, goodwill amounting to ThCh$17,720,950 has been allocated to the Tata Consultancy Services Chile S.A. cash-generating unit. The company makes an estimate of the value in use of the Tata Consultancy Services Chile S.A. cash-generating unit based on future cash flows using an annual growth rate of 3% after a forecast of five years considering a discount rate of 8.63%. A sensitivity analysis of changes in measurement parameters (operating margin, discount rate and average long-term growth rate) based on assumptions fairly probable has identified no probable scenario where recoverable amounts of the cash¬generating unit may decrease to less than the carrying amount.

c) Other non-current assets

The other non-current assets as of December 31, 2024, and 2023, respectively, are detailed below:

ThCh$

	As of December 31, 2024	As of December 31, 2023
Security Deposit	**36,581**	34,446
Contractual assets	**11,956**	23,912
Total	**48,537**	**58,358**

d) Other current assets

The detail of other current non-financial assets as of December 31, 2024, and 2023, is as follows:

	2024 ThCh$	2023 ThCh$
Prepayments	**66,277**	136,059
Contractual assets	**1,319,763**	1,188,361
Contract assets with related parties	**-**	47,882
Total	**1,386,040**	1,372,302

The movement in the contract assets is given below:

	2024 ThCh$	2023 ThCh$
Opening balances as of December 31, 2023	**1,260,153**	659,096
Recognized revenue at the beginning of the period	**(1,134,329)**	(252,941)
Increase due to invoicing during the year, excluding amounts revenue during the year	**1,211,630**	851,941
Foreign currency translation differences	**(5,735)**	2,057
Closing balances as of December 31, 2024	**1,331,719**	1,260,153

Notes to the Separate Financial Statements As of December 31, 2024 and 2023

e) Other non financial liabilities

The detail of the other current non-financial liabilities as of December 31, 2024 and 2023, is as follows:

Currents	2024 ThCh$	2023 ThCh$
Employee withholdings	**676,407**	689,838
Payroll tax withholdings	**79,640**	84,697
VAT fiscal debit, net	**1,073,438**	1,013,639
Other payables	**26,798**	24,887
Total	**1,856,283**	1,813,061

8. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

- The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component based on the stand-alone price related to the lease component and the aggregate stand-alone price of non-lease components
- The Company recognizes the right-of-use asset that represents its right to use the underlying asset during the lease term on the commencement date of the lease. The cost of the right-of-use asset measured at inception shall comprise the amount of the initial measurement of the lease liability adjusted for any lease payment 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. Right-of-use assets are subsequently measured at cost less any accumulated depreciation or accumulated impairment losses, if any, and are adjusted for any remeasurement of the lease liability. Right-of-use assets are depreciated using the straight-line method starting from the commencement date over the shorter of the lease term or the useful life of the right-of-use asset. Estimated useful lives of right-of-use assets are determined on the same basis as those of furniture and equipment. Right-of-use assets are tested for impairment when there is evidence that the carrying amount may not be recoverable. Impairment losses, if any, are recognized in profit or loss.
- The Company measure the lease liability at the present value of lease payments that are not paid at the commencement date of the lease. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If this rate cannot be readily determined, the Company shall use its incremental borrowing rate. For leases with reasonably similar characteristics, the Company may adopt, on a lease-by- lease basis, the incremental borrowing rate specific for the lease or the incremental borrowing rate for the portfolio as a whole. Lease payments will include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option if the Company is reasonably certain to exercise that option and payment of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.
- The lease liability is subsequently remeasured increasing the carrying amount to reflect the interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognizes the amount of the remeasurement of the lease liability due to the modification as an adjustment to the right-of-use asset and profit or loss, depending on the nature of the modification. When the carrying amount of the right-of-use asset is reduced to zero and there is further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the remeasurement in profit or loss.
- The Company has elected not to apply the requirements of IFRS 16 to leases of low-value assets and short-term leases. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Notes to the Separate Financial Statements As of December 31, 2024 and 2023

Right-of-use assets owned by the Company are detailed as follows:

ThCh$

	Acquisitions for 2024	Net carrying amount for 2024	Acquisitions for 2023	Net carrying amount for 2023
Buildings	-	**1,573,953**	-	2,448,785
Total	-	**1,573,953**	-	2,448,785

The depreciation of the right-of-use asset is as follows:

ThCh$

	As of December 31, 2024	As of December 31, 2023
Buildings	**874,832**	858,867
Total	**874,832**	858,867

Amounts recognized in the statement of profit or loss

ThCh$

	As of December 31, 2024	As of December 31, 2023
Depreciation	**874,832**	858,867
Interest on the lease liability	**123,045**	138,160
Expenses related to short-term leases and leases of low value assets	**21,168**	38,785

Amounts recognized in the statement of cashflows

ThCh$

	As of December 31, 2024	As of December 31, 2023
Total cash outflows for leases	**946,041**	700,120

The leasing contracts entered into by the Company mainly refer to buildings leased to carry out its business in the ordinary course. The Company has no lease restrictions and commitment to equities under the contract.

Current and non-current lease liabilities are detailed as follows:

ThCh$

Supplier	Currency	Rate %	Beginning date	Termination date	12.31.2024		12.31.2023	
					Short Term Carrying amount	Long Term Carrying amount	Short Term Carrying amount	Long Term Carrying amount
Bello Monte	Ch$	3,89	Nov-17	Dec-25	**640,197**	**-**	615,811	640,199
Orinoco 150	Ch$	7,24	Apr-23	Mar-28	**52,700**	**133,449**	49,030	186,330
Orinoco 720	Ch$	3,78	Apr-23	Mar-28	**252,959**	**640,554**	235,343	893,513
Total					**945,856**	**774,003**	900,184	1,720,042

9. Income tax and deferred taxes

Income tax expense comprises the current income tax expense and net variation in the deferred income tax asset or liability during the year. Current taxes and deferred taxes are recognized in profit or loss, except when they relate to items recognized in other comprehensive income or directly recognized in equity, in which case they are also recognized in other comprehensive income or directly in equity, respectively.

Back to content

Notes to the Separate Financial Statements As of December 31, 2024 and 2023

Current income taxes

Current income tax is based on the tax profit for the year, and is calculated using the tax rates enacted at the reporting date.

Prepaid taxes and current income tax provisions are recognized in the statement of financial position upon offsetting such prepaid taxes and income tax provisions generated from the same tax jurisdiction and where the relevant tax payment unit is aimed at settling the asset and liability on a net tax basis.

Deferred taxes

The Company recognizes deferred taxes using the statement of position method. Deferred taxes are obtained from temporary differences between the tax base of assets and liabilities, and their reported amounts in the financial statements.

Deferred tax assets and liabilities are measured using substantially enacted tax rates or rates expected to be applied on taxable income in the years the Company expects to receive them or the temporary differences are settled. Deferred tax assets and liabilities are offset when they relate to the income taxes collected by the same tax authority and the relevant company intends to settle its assets and liabilities on a net tax basis.

The carrying amount of deferred tax assets is reviewed at each reporting date and discounted to the extent that it is not probable that sufficient taxable profit will be available to allow the use of a portion or all that deferred tax asset.

a) Income tax recognized in profit or loss for the year

Income tax (expenses) Benefit	2024 ThCh$	2023 ThCh$
Adjustment to prior period current tax	**(269,220)**	59,987
Other current tax income/(expenses)	**(707,433)**	(799,535)
Current tax expenses	**(976,653)**	(739,548)
Deferred tax income/expenses related to the generation an reversal of temporary differences for current tax		
Deferred tax income/expenses	**65,145**	(91,135)
Total	**(911,508)**	(830,683)

b) Reconciliation of accounting profit or loss to taxable profit or loss

Reconciliation of tax expenses using the legal rate to tax expenses using the effective rate	2024 ThCh$	2023 ThCh$
Profit before tax	**2,404,702**	6,778,177
Effective tax rate	**27%**	27%
Tax expenses using the legal rate	**(649,270)**	(1,830,108)
Adjustment of prior year tax determination	**(269,220)**	284,272
Change in deferred taxes	**(330,567)**	(95,063)
Dividends received from foreign source	**337,549**	810,216
Tax income using the effective rate	**(911,508)**	(830,683)

On September 29, 2014, Law No. 20.780 was enacted in Chile, establishing a permanent change in the corporate income tax rate of 21% starting from 2014, up to a 27% starting from 2019.

On January 27, 2016, the Act that simplifies the tax reform was passed, which is intended to simplify the income tax system in force from 2017; make adjustments to the value- added tax; as well as to the anti-circumvention rules. Concerning tax system, the proposed amendment considers that Shareholders' corporations (openly and closely held), as in the case of the Company should always be taxed according to the partially- integrated system. Later, this system will be the general taxation regime for companies beginning from the commercial year 2017.

Notes to the Separate Financial Statements As of December 31, 2024 and 2023

c) Deferred taxes

As of December 31, 2024 and 2023, the detail of accumulated balances of deferred tax assets and liabilities is as follows:

Recognized deferred tax assets related to:	2024 ThCh$	2023 ThCh$
Accrued vacations	**772,399**	771,129
Adoption of IFRS 16	**39,395**	46,289
Other	**636,649**	550,203
Total	**1,448,443**	1,367,622
Recognized deferred tax liabilities related to:		
Furniture and equipment	**(210,570)**	(194,895)
Net amount	**1,237,872**	1,172,727

d) Movement in deferred taxes

As of December 31, 2024 and 2023, the detail of movements in deferred tax assets and liabilities is as follows:

ThCh$

2024	Opening balance	Effects recognized in profit or loss	Closing balance
Recognized deferred tax assets related to:			
Accrued vacations	**771,129**	**1,270**	**772,399**
Adoption of IFRS 16	**46,289**	**(6,894)**	**39,394**
Other	**550,203**	**86,446**	**636,649**
Total deferred tax assets	**1,367,622**	**80,821**	**1,448,443**
Recognized tax liabilities to: Furniture and equipment	**(194,895)**	**(15,676)**	**(210,571)**
Net balance as of December 31, 2024	**1,172,727**	**65,145**	**1,237,872**

ThCh$

2023	Opening balance	Effects recognized in profit or loss	Closing balance
Recognized deferred tax assets related to: Accrued vacations	706,188	64,941	771,129
Adoption of IFRS 16	47,708	(1,419)	46,289
Other	633,861	(83,657)	550,203
Total deferred tax assets	1,387,757	(20,135)	1,367,622
Recognized tax liabilities to: Furniture and equipment	(123,895)	(70,999)	(194,895)
Net balance as of December 31, 2023	1,263,862	(91,135)	1,172,727

Notes to the Separate Financial Statements As of December 31, 2024 and 2023

10. Employee benefits

a) Provision for employee benefits

As of December 31, 2024, and 2023, this caption is detailed as follows:

	2024 ThCh$	2023 ThCh$
Vacation	**2,860,738**	2,856,035
Other	**17,846**	17,380
Total	**2,878,584**	2,873,415

b) Movements in employee benefits

ThCh$

2024	Other assignments	Accrued vacations	Total
Opening balance	**17,380**	**2,856,035**	**2,873,415**
Movements:			
Additional obligations	**243,050**	**1,756,532**	**1,999,582**
Obligations used	**(242,584)**	**(1,751,829)**	**(1,994,413)**
Total movements	**466**	**4,703**	**5,169**
Closing balance as of December 31, 2023	**17,846**	**2,860,737**	**2,878,584**

ThCh$

2023	Other assignments	Accrued vacations	Total
Opening balance	24,562	2,615,510	2,640,072
Movements:			
Additional obligations	233,312	2,333,231	2,566,542
Obligations used	(240,494)	(2,092,706)	(2,333,200)
Total movements	(7,182)	240,525	233,342
Closing balance as of December 31, 2023	17,380	2,856,035	2,873,415

11. Deferred revenue

As of December 31, 2024 and 2023, deferred revenue as follows:

	2024 ThCh$	2023 ThCh$
Services invoiced in advance	**15,366**	100,761
Services invoiced in advance from related parties	**111,861**	193,893
Total	**127,227**	294,654

Notes to the Separate Financial Statements As of December 31, 2024 and 2023

	2024 ThCh$	2023 ThCh$
Opening balance as of December 31, 2023	**294,654**	977,445
Recognized revenue at the beginning of the period Increase due to invoicing during the year, excluding	**(294,654)**	(899,486)
amounts recognized as revenue during the year	**115,199**	217,228
Foreign currency translation differences	**12,028**	(533)
Closing balance as of December 31, 2024	**127,227**	294,654

12. Dividends paid

The distribution of dividends to the shareholders is recognized as a liability at the end of each year in the separate financial statements, based on the dividend policy established in the by laws and by the shareholders at the Ordinary General Shareholders' Meeting.

Dividends of ThCh$ 730,823 relate to dividends paid with a debit to retained earnings as of December 31, 2024.

Dividends of ThCh$ 5,062,144 relate to dividends paid with a debit to retained earnings as of December 31, 2023.

13. Operating profit

The Company earns revenue primarily from providing IT services, consulting and business solutions. The Company offers a consulting-led, cognitive powered, integrated portfolio of IT, business and engineering services and solutions.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

Revenue from time and material and job contracts is recognized on output basis measured by units delivered, efforts expended, number of transactions processed, etc.

Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognized based on time elapsed mode and revenue is straight lined over the period of performance.

In respect of other fixed-price contracts, revenue is recognized using percentage-of-completion method ('POC method') of accounting with contract costs incurred determining the degree of completion of the performance obligation. The contract costs used in computing the revenues include cost of fulfilling warranty obligations.

Revenue from the sale of distinct internally developed software and manufactured systems and third-party software is recognized upfront at the point in time when the system / software is delivered to the customer. In cases where implementation and / or customization services rendered significantly modifies or customizes the software, these services and software are accounted for as a single performance obligation and revenue is recognized over time on a POC method.

Revenue from the sale of distinct third-party hardware is recognized at the point in time when control is transferred to the customer.

The solutions offered by the Company may include supply of third-party equipment or software. In such cases, revenue for supply of such third-party products is recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent of the customer. The Company recognizes revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer.

Revenue also excludes taxes collected from customers.

The Group's contracts with customers could include promises to transfer multiple products and services to a customer. The Group assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Notes to the Separate Financial Statements As of December 31, 2024 and 2023

Judgement is also required to determine the transaction price for the contract and to ascribe the transaction price to each distinct performance obligation. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and is reassessed at the end of each reporting period. The Group allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Contract fulfilment costs are generally expensed as incurred except for certain software license costs which meet the criteria for capitalization. Such costs are amortized over the contractual period or useful life of license, whichever is less. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

Contract assets are recognized when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognized when there are billings in excess of revenues.

The billing schedules agreed with customers include periodic performance-based payments and / or milestone-based progress payments. Invoices are payable within contractually agreed credit period.

In accordance with IAS 37, the Company recognizes an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The disaggregation of revenue per nature is as follows:

ThCh$

	Year ended December 31,2024	Year ended December 31,2023
Consulting services	**53,616,130**	54,139,962
Sale of equipment and software licenses	**114,817**	62,966
Total	**53,730,947**	54,202,928

The disaggregation of revenue per industry is as follows:

ThCh$

Industry vertical's	Year ended December 31,2024	Year ended December 31,2023
Banking, finance and insurance	**43,492,763**	43,040,182
Manufacture	**1,160,471**	1,298,634
Retail and consumer products	**1,917,855**	1,962,259
Communication, Media and Technology	**4,916,034**	5,418,632
Other	**2,243,824**	2,483,221
Total	**53,730,947**	54,202,928

Notes to the Separate Financial Statements As of December 31, 2024 and 2023

The disaggregation of revenue per geography is as follows:

Geographic location	Year ended December 31,2024	Year ended December 31,2023
Ibero-America	**53,730,947**	54,202,928
Total	**53,730,947**	54,202,928

Geographical revenue is allocated based on customers' location.

Although the Company discloses the aggregate amount of the transaction price not yet recognized as revenue for unsatisfied (or partially satisfied) performance obligations, along with the expected time to recognize revenue, the Company has applied the practical expedient included in IFRS 15.

Accordingly, the Company has not disclosed the aggregated transaction price allocated to the unsatisfied (or partially satisfied) performance obligations that relate to contracts in which recognized revenue corresponds to the value transferred to the client that generally involves time and materials, result-based contracts and events.

Unsatisfied (or partially satisfied) performance obligations are subject to variability due to several factors, such as terminations, changes in the scope of the contract, periodic revalidation of estimates, economic factors (changes in the exchange rates, tax laws, etc.). The aggregated amount of the transaction price allocated to unsatisfied (or partially satisfied) performance obligations is ThCh$ 5,995,426 from which 92.72 % is expected to be recognized as revenue in the next year and subsequent balance. All considerations related to contracts with customers are included in the aforementioned amount.

Changes in unearned and deferred revenue are disclosed in Note 11.

14. Finance income and other income

As of December 31, 2024, and 2023, finance income and other income is as follows:

	2024 ThCh$	2023 ThCh$
Interest on deposits with Banks	**269,482**	522,986
Interest on Income Tax Refunds	**24,692**	118,374
Dividend from Subsidiary parties	**373,499**	2,613,600
Total	**667,673**	3,254,960

15. Operating expenses

As of December 31, 2024, and 2023, Operating expenses are detailed as follows:

	2024 ThCh$	2023 ThCh$
Salaries and employee benefits	**40,696,924**	38,772,182
Other operating expenses (a)	**9,540,611**	10,154,584
Depreciation and amortization expenses	**1,660,157**	1,582,695
Total	**51,897,692**	50,509,461

Notes to the Separate Financial Statements As of December 31, 2024 and 2023

(a) As of December 31, 2024, and 2023, other operating expenses are as follows

	2024 ThCh$	2023 ThCh$
Leases	**254,425**	238,920
Data transmissions circuits (communications)	**936,205**	928,328
Facilities expenses	**620,419**	672,596
Marketing and advertising	**57,115**	50,749
Office and other expenses	**4,679,673**	5,415,802
Subcontractor's expenses	**2,466,635**	2,394,837
Travel expenses	**130,684**	145,011
Notary and municipal expenses	**145,311**	133,228
Advisory services expenses	**122,889**	102,556
Bad debts and advances written off, allowances for doubtful trade receivable and advances (Net)	**(274,256)**	(1,268)
Other expenses	**401,512**	73,825
Total	**9,540,611**	10,154,584

16. Other non-operating expenses

As of December 31, 2024, and 2023, Other non-operating expenses are detailed as follows:

	2024 ThCh$	2023 ThCh$
Lease Interest	**(123,045)**	(138,160)
Financial Interest	**(48,931)**	(44,334)
Interest and Penalties	**1,746**	(10,953)
Total	**(170,230)**	(193,447)

17. Foreign currency translation difference

	2024 ThCh$	2023 ThCh$
Receivables due from/payables due to related parties	**88,939**	(55,043)
Other foreign currency translation differences	**(14,934)**	78,240
Total	**74,004**	23,197

Other differences generated by cash available, receivables and payables in foreign currency.

Notes to the Separate Financial Statements As of December 31, 2024 and 2023

18. Guarantees committed with third parties

As of December 31, 2024, collaterals and commitments relate to performance bonds issued by Scotiabank Chile (Formerly - BBVA) and Santander, which are detailed as follows:

Customer	Currency	2024	2025	2026	Total
Banco del Estado de chile	UF	**57**	**-**	**-**	**57**
Agencia Calidad de la educación	CLP	**-**	**34,548,675**	**-**	**34,548,675**
Banco del Estado de chile	UF	**40**	**-**	**-**	**40**
Banco Santander	UF	**300**	**-**	**-**	**300**
Servicios Mallplaza SpA	USD	**10,000**	**-**	**-**	**10,000**
Santander Consumer Finance	UF	**200**	**-**	**-**	**200**
Empresas COPEC	UF	**-**	**2,489**	**-**	**2,489**
Scotiabank	UF	**-**	**2,000**	**-**	**2,000**
Empresa nacional de energia Enex S.A.	CLP	**-**	**25,000,000**	**-**	**25,000,000**
Banco Santander S.A.	UF	**-**	**1,300**	**-**	**1,300**
Agencia de Calidad de la Educacion	CLP	**-**	**-**	**180,059,100**	**180,059,100**

19. Lawsuits and Contingencies

During the year 2024 the company maintain 6 cases of Laboral claims, as per in the opinion of the lawyers does not represent a risk for the company.

The Company has contractually committed (net prepayment) ThCh$ 0 as of December 31, 2024 and MCh$ 16,857 as of December 31, 2023 for the acquisition of furniture and equipment.

20. Subsequent events

Between January 1, 2025 and the date these financial statements separate have been authorized for issuance, there are no additional subsequent events that could significantly affect the Company's financial position and/or profit or loss or which may require disclosures in the notes to the financial statements separate.

TATASOLUTION CENTER S.A.

FINANCIAL STATEMENTS

As at and the year ended December 31, 2024
and report of independent auditors.

FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2024

CONTENT	PAGE
Independent auditors' report	49.2
Statement of financial position	49.4
Statement of profit or loss and other comprehensive income	49.5
Statement of changes in equity	49.6
Statement of cash flows	49.7
Notes to the financial statements	49.8

Back to main content

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF:
TATASOLUTION CENTER S.A

Opinion

We have audited the financial statements of **Tatasolution Center S.A.**, which comprise the statement of financial position as at December 31, 2024, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **Tatasolution Center S.A.** as of December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards.

Basis of the opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are described below in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

We are independent of the Company in accordance with the Code of Ethics for Professional Accountants of the International Ethics Standards Board for Accountants (IESBA) and the ethical requirements applicable to our audit in Ecuador. We have also complied with the other ethical responsibilities set forth in those requirements and in the IESBA Code of Ethics."

Other information

The Company's management is responsible for the preparation of other information, including the Chief Executive Officer's Annual Report, which does not include the financial statements and the auditors' report thereon. The Chief Executive Officer's Annual Report is expected to be available after the date of our audit report.

Our opinion on the Company's financial statements does not include such information and we do not express any form of assurance or conclusion thereon.

In connection with the audit of the financial statements, our responsibility is to read the Chief Executive Officer's Annual Report when it becomes available and, in doing so, consider whether this information contains material inconsistencies in relation to the financial statements or to our knowledge obtained during the audit, or is otherwise materially misstated.

If, upon reading the Chief Executive Officer's Annual Report, we conclude that there are material inconsistencies in this information, we are required to report this fact to the Company's Shareholders.

Responsibilities of management and those charged with governance with respect to the financial statements.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards and the internal control that the management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

En la elaboracidn de los estados financieros, la Direccidn es responsable de evaluar la capacidad de la Empresa para continuar como empresa en funcionamiento, revelando, en su caso, las cuestiones relacionadas con la empresa en funcionamiento y utilizando el principio de empresa en funcionamiento, a menos que la Direccidn pretenda liquidar la Empresa o cesar sus operaciones, o no tenga otra alternativa realista que hacerlo.

Management and those charged with governance of the Company are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

The objectives of our audit are to obtain reasonable assurance about whether the 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 International Standards on Auditing will always detect material misstatements 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 based on these financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery , intentional omissions, misrepresentations, or the override of internal control.
- Obtain and understanding of internal control relevant to the audit to design audit procedures that are appropriate in the circumstances , but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of the accounting policies used and the reasonableness of the accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Commission's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Commission to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with Company's governance in relation to, among other matters, the scope and timing of the audit and significant audit findings, including any significant deficiency in internal control that we identify during our audit.

February, 24 2025
Quito, Ecuador

Juan Carlos Guerra S.
CPA No. 17-9377

Statements of Financial Position

(In thousands of USD)

	Note	As at December 31, 2024	As at December 31, 2023
ASSETS			
Current assets:			
Cash and cash equivalents	8(a)	**20,114**	22,902
Trade receivables			
Billed	8(b)	**290**	866
Unbilled	8(c)	**1,680**	1,854
Other financial assets	8(d)	**630**	681
Other assets	10(c)	**287**	1,066
Total current assets		**23,001**	27,369
Non-current assets:			
Other financial assets	8(e)	**46**	24
Deferred tax assets	14	**1,261**	735
Property, plant and equipment	10(a)	**1,482**	546
Right-of-use assets	9	**941**	423
Advance income taxes (net)	14	**796**	332
Other assets	10(c)	**-**	1
Total non-current assets		**4,526**	2,061
TOTAL ASSETS		**27,527**	29,430
LIABILITIES AND EQUITY			
Liabilities:			
Current liabilities:			
Trade and other payables	8(f)	**968**	1,144
Lease liabilities		**264**	129
Other financial liabilities	8(g)	**1,079**	4,352
Unearned and deferred revenue		**-**	427
Employee benefit obligations	15(a)	**492**	534
Income tax payable (net)	14	**-**	1,064
Other liabilities	10(d)	**1,660**	1,234
Total current liabilities		**4,463**	8,884
Non-current liabilities:			
Lease liabilities		**697**	310
Employee benefit obligations	15(b)	**4,802**	5,407
Other non-current liabilities		**1,953**	-
Total non-current liabilities		**7,452**	5,717
TOTAL LIABILITIES		**11,915**	14,601
Equity:			
Share capital	8(k)	**3,001**	3,001
Legal Reserves	5	**1,506**	1,506
Retained Earnings	5	**11,105**	10,322
TOTAL EQUITY		**15,612**	14,829
TOTAL LIABILITIES AND EQUITY		**27,527**	29,430

Demian Astorga — **General Manager**

Jhonatan Fonseca — **General Accountant**

SEE NOTES TO THE ACCOMPANYING FINANCIAL STATEMENTS

Statements of Profit or Loss and Other Comprehensive Income

(In thousands of USD)

	Notes	For the year ended December 31, 2024	For the year ended December 31, 2023
Revenues:	11		
Consultancy services		**38,989**	53,074
Sale of equipment and software licences		**137**	267
Total revenues		**39,126**	53,341
Operating expenses:			
Employee benefits expenses	15	**32,965**	41,888
Depreciation expense		**609**	409
Other operating expenses	12	**5,470**	5,977
Total operating expenses		**39,044**	48,274
Operating profit (loss)		**82**	5,067
Other income:			
Finance and other income	13(a)	**1,264**	1,646
Finance costs	13(b)	**512**	(163)
Other gains (losses) net	13(c)	**13**	23
OTHER INCOME, NET		**1,789**	1,506
Profit / (Loss) before income taxes		**1,871**	6,573
Income tax expense	14	**(397)**	(1,189)
Profit / (Loss) for the year		**1,474**	5,384
OTHER COMPREHENSIVE INCOME (OCI):			
Items that will not be reclassified subsequently to profit and loss:			
Remeasurement of defined employee benefit plans	15	**(291)**	(137)
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR		**1,183**	5,247

Demian Astorga
General Manager

Jhonatan Fonseca
General Accountant

SEE NOTES TO THE ACCOMPANYING FINANCIAL STATEMENTS

Statements of Changes in Equity

(In thousands of USD)

	Note	Share capital	Legal reserves	Retained earnings	Adoption of IFRS	Total Retained Earnings	Total equity
Balance As at December 31, 2022	US$	3,001	1,506	8,215	(140)	8,075	12,582
Profit for the year		-	-	5,384	-	5,384	5,384
Other comprehensive income	15	-	-	(137)	-	(137)	(137)
Dividends		-	-	(3,000)	-	(3,000)	(3,000)
Balance As at December 31, 2023		3,001	1,506	10,462	(140)	10,322	14,829
Profit for the year		**-**	**-**	**1,474**	**-**	**1,474**	**1,474**
Other comprehensive income	**15**	**-**	**-**	**(291)**	**-**	**(291)**	**(291)**
Dividends		**-**	**-**	**(400)**	**-**	**(400)**	**(400)**
Balance As at December 31, 2024	**US$**	**3,001**	**1,506**	**11,245**	**(140)**	**11,105**	**15,612**

Loss of US$ -291 thousand and Loss of US$ -137 thousand on remeasurement of defined employee benefit plans (net of tax) is recognised as a part of retained earnings for the year ended December 31, 2024 and 2023, respectively.

Demian Astorga
General Manager

Jhonatan Fonseca
General Accountant

SEE NOTES TO THE ACCOMPANYING FINANCIAL STATEMENTS

Statements of Cash Flows

(In thousands of USD)

	Year ended December 31, 2024	Year ended December 31, 2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the year	**1,474**	5,384
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation expense	**609**	409
Allowances for expected credit losses and bad debts written off	**-**	(566)
Income tax expense	**397**	1,189
Net gain on disposal of property and equipment	**(5)**	-
Net change in:		
Trade receivables		
Billed	**576**	149
Unbilled	**174**	(358)
Other financial assets (current and non-current)	**29**	(2)
Other current assets	**779**	(370)
Other non-current assets	**1**	3
Trade and other payables	**(181)**	(344)
Other financial liabilities (current)	**(3,273)**	2,446
Unearned and deferred revenues	**(427)**	(31)
Employee benefit obligations	**(42)**	52
Other liabilities current	**426**	(992)
Other non current liabilities	**1,057**	(515)
Cash provided from operations	**1,596**	6,455
Taxes paid (net of refunds)	**(2,451)**	(2,011)
Net cash provided by operating activities	**(855)**	4,444
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payment for purchase of property, plant and equipment	**(1,341)**	(136)
Net cash (used in) investing activities	**(1,341)**	(136)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Dividends paid	**(400)**	(3,000)
Repayment of Lease liabilities	**(192)**	(123)
Net cash (used in) financing activities	**(592)**	(3,123)
Net increase in cash	**(2,788)**	1,185
Cash and cash equivalents, beginning of the year	**22,902**	21,717
Cash and cash equivalents, end of the year	**20,114**	22,902
Supplementary Cash flow Information		
Interest paid	**34**	20
Interest received	**1,240**	1,628

Demian Astorga
General Manager

Jhonatan Fonseca
General Accountant

SEE NOTES TO THE ACCOMPANYING FINANCIAL STATEMENTS.

Notes to the financial statements

1. General information

Tatasolution Center S.A., a subsidiary of Tata Consultancy Services Chile S.A., was incorporated in Ecuador on December 28, 2006 and began operations on June 1, 2007. The Company's principal activity is the provision of IT services, software development and management services and Business Processing Operations (BPO), principally to financial sector institutions.

The principal client of Tatasolution Center S.A. is Banco Pichincha C.A., representing approximately 83% of its total revenues. Among the most significant services provided to the bank are software development services and maintenance and business processing operations (BPO).

Information included in these financial statements is the responsibility of Company´s management.

2. Statement of Compliance

These financial statements have been prepared in accordance with International Financial Reporting IFRS Accounting Standards, as issued by the International Accounting Standard Board (IASB).

3. Basis of preparation

These financial statements have been prepared on historical cost basis except for certain financial instruments and defined benefits plans which are measured at fair value or amortized cost at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for 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. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

The statement of cashflow has been prepared using indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The Company classifies interest paid and interest and dividend received as cash flow from operating activities. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value to be cash equivalents.

The functional currency of the Company is the United States of America dollar (U.S. dollar). The functional currency of the Company is the currency of the primary economic environment in which the entity operates. Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are retranslated at the exchange rate prevailing on the dates of statement of financial position and exchange gains and losses arising on settlement and restatement are recognised in profit or loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

The material accounting policy information used in preparation of the financial statements have been discussed in the respective notes.

4. Use of estimates and judgments

The preparation of financial statements in conformity with the recognition and measurement principles of International Financial Reporting Standards (IFRS) requires management to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures of contingent liabilities at the date of the financial statements and the reported amounts of income and expenses for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The Company uses the following critical accounting judgements, estimates and assumptions in preparation of its financial statements:

Notes to the financial statements

a. Revenue recognition

Revenue for fixed-price contracts is recognised using percentage-of-completion method. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.

b. Useful lives of property, plant and equipment

The company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods. Refer note 10(a)

c. Impairment of financial assets (other than at fair value)

Measurement of impairment of financial assets require use of estimates and judgements, which have been explained in the note on financial assets, financial liabilities and equity instruments, under impairment of financial assets (other than at fair value). Refer note 8

d. Provision for income tax and deferred tax assets

The Company uses judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

e. Provisions and contingent liabilities

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Company uses significant judgement to assess contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

f. Employee benefits

The accounting of employee benefit provisions depends on various factors that are determined using an actuarial calculation based on various assumptions. The assumptions used in determining the net cost of the benefits include a discount rate. Any change in assumptions impacts the carrying amount of the employee benefit provisions.

The actuary contracted by the Company to perform the actuarial calculation uses the discount rate, the mortality rate and the turnover rate at the end of each year as reported by Company management. The discount rate is the interest rate to be used to determine the present value of estimated expected future cash flows that will be required to comply with the benefit obligation, which is determined by reference to market yields, at the end of the year, corresponding to high quality corporate bonds in the currency in which the profits will be paid.

The accounting of employee benefit plans in the nature of defined benefit requires the Company to use assumptions. These assumptions have been explained under employee benefits note.

g. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of IFRS 16. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a

Notes to the financial statements

lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

5. NATURE AND PURPOSE OF RESERVES

a. Legal Reserve

The Companies' Law requires that at least 10% of annual income be appropriated as a legal reserve until such reaches a minimum of 50% of share capital. This reserve is not available for payment of dividends but may be capitalized in its entirety.

b. Retained Earnings

A summary of retained earnings is as follows:

(In thousands of USD)

	As at December 31, 2024	As at December 31, 2023
Retain Earnings – distributable	**11,245**	10,462
Accumulated Losses (*)	**(140)**	(140)
Total	**11,105**	10,322

*Generated on first time adoption of IFRS

Accumulated earnings from first-time adoption of IFRS - include amounts resulting from adjustments arising from first-time adoption of IFRS. The debt balance may be absorbed by accumulated earnings and those of the previous terminated year, if any, in accordance with the Resolution issued by the Superintendence of Companies on October 14, 2011.

6. Offsetting balances and transactions

As a general rule neither assets and liabilities nor income and expenses are offset in the financial [1]statements, except in those cases in which compensation is required or permitted under a standard and such presentation reflects the essence of the transaction.

Income and expenses originating in transactions that, contractually or by statute, provide for the possibility of offset and that the Company has the intention of settling for their net amount or realizing the assets and proceeding to pay the liability simultaneously are presented net in profit and loss.

7. Recent accounting standards

The Company has not applied the following new and revised IFRSs that have been issued but are not yet effective.

Amendments to IAS 21 – The Effects of Changes in Foreign Exchange Statements[1]

Amendments to IFRS 9 and IFRS 7[2]

IFRS 18 – Presentation and Disclosures in Financial Statements[3]

IFRS 19 – Subsidiaries without Public Accountability: Disclosures[3]

1 Effective for annual periods beginning on or after January 1, 2025.

2 Effective for annual periods beginning on or after January 1, 2026.

3 Effective for annual periods beginning on or after January 1, 2027.

Notes to the financial statements

IAS 21 – The Effects of Changes in Foreign Exchange Rates

In August 2023, the IASB issued 'Lack of Exchangeability (Amendments to IAS 21)' to provide guidance to specify which exchange rate to use when the currency is not exchangeable. An entity must estimate the spot exchange rate as the rate that would have applied to an orderly transaction between market participants at the measurement date and that would faithfully reflect the economic conditions prevailing. The Company does not expect this amendment to have any significant impact in its financial statements.

IFRS 9 and IFRS 7 – Financial Instruments and Financial Instruments: Disclosure

In May 2024, the IASB issued "Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) to address matters identified during the post-implementation review of IFRS 9. The amendments relate to derecognition of a financial liability settled through electronic transfer, classification of financial assets and disclosures of certain financial assets and financial liabilities. The Company will evaluate the amendments and implement them accordingly.

IFRS 18 – Presentation and Disclosures in Financial Statements

In April 2024, the IASB issued its new standard IFRS 18 – Presentation and Disclosures in Financial Statements that will replace IAS 1 – Presentation of Financial Statements. The new standard aims at improving how entities communicate in their financial statements. The Company will evaluate the standard and implement it accordingly.

IFRS 19 – Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued a new standard IFRS 19 - Subsidiaries without Public Accountability: Disclosures. The standard allows a subsidiary which does not have public accountability and has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards, to elect IFRS 19. Such an entity applies the requirements in other IFRS Accounting Standards, except for the disclosure requirements, instead the entity applies the requirements in IFRS 19.

IFRIC 23 Interpretation Uncertainty over Income Tax Treatment

IFRIC 23 interpretation addresses the accounting for income taxes when there is uncertainty over tax treatments. It clarifies that an entity must consider the probability that the tax authorities will accept a treatment retained in its income tax filings, assuming that they have full knowledge of all relevant information when making their examination. In such a case, the income taxes shall be determined in line with the income tax filings.

Application of IFRIC 23

The Company reviewed its income tax treatments in order to determine whether IFRIC 23 interpretation could have an impact on the financial statements. In that respect, the Company observed that there are no continuous instances of any uncertain tax treatment in the past and on that basis, it is reasonable to conclude that all the tax treatments are accepted by the tax officer and hence IFRIC-23 is not applicable.

8. Financial assets, financial liabilities and equity instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

The Company derecognizes a financial asset only 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 entity. The Company derecognizes financial liabilities when, and only when, the company's obligations are discharged, cancelled or have expired.

Notes to the financial statements

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

The company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in other comprehensive income.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

Financial liabilities

Financial liabilities are measured at amortized cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received net of direct issue cost.

Impairment of financial assets (other than at fair value)

The Company assesses at each date of statement of financial position whether a financial asset or a Company of financial assets is impaired. IFRS 9 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. In determining the allowances for expected credit losses, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Notes to the financial statements

a) Cash and Cash Equivalents

Cash and cash equivalents consists of the following

(In thousands of USD)

	As at December 31, 2024	As at December 31, 2023
Current account balances with banks	**348**	50
Cash on hand	**-**	1
Deposits with banks	**19,766**	22,851
Total	**20,114**	22,902

(1) At December 31, 2024, Deposit with banks correspond to certificates of deposit and sweep account with local financial institutions maturing up to January, February and March (up to January and February 2024 for year 2023) with an average interest rate of 6.89%, 6.80% and 7.15% respectively (8.60% and 8.80% for year 2023).

b) Trade Receivables – Billed

Trade receivables - Billed – Current

(In thousands of USD)

	As at December 31, 2024	As at December 31, 2023
Trade receivables - Billed	**381**	957
Less: Allowances for expected credit losses	**(91)**	(91)
Total	**290**	866

Trade receivables include balances with related parties (Refer Note 17)

c) Trade receivables - Unbilled – Current

(In thousands of USD)

	As at December 31, 2024	As at December 31, 2023
Trade receivables - Unbilled	**1,680**	1,854
Total	**1,680**	1,854

Trade receivables include balances with related parties (Refer Note 17)

Notes to the financial statements

d) Other Financial Assets

Other financial assets consist of the following:

Other financial assets - Current

(In thousands of USD)

	As at December 31, 2024	As at December 31, 2023
Restricted Cash (1)	**447**	483
Employee advances	**48**	47
Deposits for premises	**1**	41
Accrued Interest	**132**	109
Others	**2**	1
Total	**630**	681

(1) Restricted cash comprises of Deposits with lien.

e) Other financial assets – Non Current

(In thousands of USD)

	As at December 31, 2024	As at December 31, 2023
Deposits for premises	**45**	24
Others	**1**	-
Total	**46**	24

f) Trade and Other Payables

(In thousands of USD)

	As at December 31, 2024	As at December 31, 2023
Trade payables	**272**	612
Accrued expenses	**696**	532
Total	**968**	1,144

Trade and Other payables include balances with related parties (Refer Note 17)

g) Other financial liabilities – Current

(In thousands of USD)

	As at December 31, 2024	As at December 31, 2023
Profit sharing	**359**	1,189
Social Benefits	**253**	346
Other employee accounts payable	**445**	2,786
Payable for volume discount	**7**	13
Capital Creditors	**15**	18
Total	**1,079**	4,352

Notes to the financial statements

Employee profit-sharing - In accordance with current legislation, workers are entitled to a 15% share in a company's profits applicable to accounting for pre-tax profits. Movements in the provision for employee profit-sharing were as follows:

(In thousands of USD)

	As at December 31, 2024	As at December 31, 2023
Balances, beginning of year	**1,189**	1,300
Provision for the year	**330**	1,160
Payment made	**(1,160)**	(1,271)
Balances, end of year	**359**	1,189

h) Financial instruments by category

The carrying value of financial instruments by categories as at December 31, 2024 is as follows:

(In thousands of USD)

2024	Amortised cost	Total carrying value
Financial assets		
Cash and cash equivalents	**20,114**	**20,114**
Earmarked balances with banks	**447**	**447**
Trade receivables		
Billed	**290**	**290**
Unbilled	**1,680**	**1,680**
Other financial assets	**229**	**229**
Total	**22,760**	**22,760**
Financial liabilities		
Trade and other payables	**968**	**968**
Lease liabilities	**961**	**961**
Other financial liabilities	**1,079**	**1,079**
Total	**3,008**	**3,008**

Notes to the financial statements

The carrying value of financial instruments by categories as at December 31, 2023 is as follows:

(In thousands of USD)

2023	Amortised Cost	Total carrying value
Financial assets		
Cash and cash equivalents	22,902	22,902
Earmarked balances with banks	483	483
Trade receivables		-
Billed	866	866
Unbilled	1,854	1,854
Other financial assets	221	221
Total	26,326	26,326
Financial liabilities		
Trade and other payables	1,144	1,144
Lease liabilities	438	438
Other financial liabilities	4,351	4,351
Total	5,933	5,933

Carrying amounts of cash and cash equivalents, trade receivables, and trade payables as at December 31, 2024 and 2023 approximate the fair value due to their nature. Carrying amounts of bank deposits, earmarked balances with banks, other financial assets, other financial liabilities which are subsequently measured at amortised cost also approximates the fair value due to their nature in each of the periods presented. Fair value measurement of lease liabilities is not required.

i) 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.

j) Financial risk management

The Company is exposed primarily to credit, liquidity and interest rate risks, which may adversely impact the fair value of its financial instruments.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

- **Foreign currency exchange rate risk**

  The Company is not exposed to foreign currency exchange rate risk.

- **Interest rate risk**

  The company's investments are primarily in fixed rate interest bearing investments. Hence, the Company is not significantly exposed to interest rate risk.

Notes to the financial statements

Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to credit risk consist of trade receivables, cash and cash equivalents, and other financial assets. Cash and cash equivalents include an amount of 20,262 thousand USD held with a Bank in Ecuador having high credit rating which are individually in excess of 10% or more of the Company's total cash and cash equivalents as at 31st December' 2024. None of the other financial instruments of the Company result in material concentration of credit risk.

- **Exposure to credit risk**

  The carrying amount of financial assets and contract assets represents the maximum credit exposure. The maximum exposure to credit risk was USD 23,020 thousand and USD 26,326 thousand as at December 31, 2024 and 2023, respectively, being the total of the carrying amount of balances with banks, trade receivables, contract assets and other financial assets.

  Company's exposure to customers is diversified, and single customer which contributes individually to more than 10% of outstanding trade receivable and contract assets as at December 31, 2024 and December 31, 2023, respectively are as follows:

(In thousands of USD)

	As at December 31, 2024		As at December 31, 2023	
	Total trade receivables and Contract Assets	Percentage	Total trade receivables and Contract Assets	Percentage
Customer A	**1,740**	**78**	2,084	75
Customer B	**346**	**16**	150	6
Customer C	**3**	**0**	442	16

Geographic concentration of credit risk

Geographic concentration of trade receivables (gross and net of allowances) and contract assets is as follows:

	As at December 31, 2024	As at December 31, 2023
	Net Percentage	Net Percentage
Ibero America	**98**	99
Americas	**2**	1

Geographical concentration of trade receivables (gross and net allowances) and contract assets is allocated based on the location of the customers.

The allowance for lifetime expected credit loss on trade receivables for the years ended Dec 31, 2024 and 2023 was USD 91 thousand and USD 91 thousand respectively. The reconciliation of allowance for expected credit losses is as follows:

(In thousands of USD)

	Year ended December 31, 2024	Year ended December 31, 2023
Balance at the beginning of the year	**91**	658
Charge to Profit and Loss	**-**	-
Provision written back		(567)
Closing balance	**91**	91

Notes to the financial statements

Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company consistently generated sufficient cash flows from operations to meet its financial obligations including lease liabilities as and when they fall due.

The tables below provide details regarding the contractual maturities of significant financial liabilities as at:

(In thousands of USD)

As at December 31, 2024	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5 years	Total
Non-derivative financial liabilities					
Trade & other payables	**968**	**-**	**-**	**-**	**968**
Lease liabilities	**307**	**307**	**445**	**-**	**1,059**
Other financial liabilities	**1,079**	**-**	**-**	**-**	**1,079**
Total	**2,354**	**307**	**445**	**-**	**3,106**

(In thousands of USD)

As at December 31, 2023	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5 years	Total
Non-derivative financial liabilities					
Trade & other payables	1,144	-	-	-	1,144
Lease liabilities	144	144	36	-	324
Other financial liabilities	4,351	-	-	-	4,351
Total	5,639	144	36	-	5,819

k) Equity instruments

The authorised, issued, subscribed and fully paid up share capital consist of following:

Paid-in share capital comprises 3,000,800 shares with a nominal value of USD1.00.

Fully paid equity shares, which have a par value of USD3,000,800 (USD 1) each carry one vote per share and have a right to dividend. In the event of liquidation of the Company, the holders of shares are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

(In thousands of USD)

	As at December 31, 2024	As at December 31, 2023
Authorised		
Equity shares of USD1 each (3,000,800 shares)	**3,001**	3,001
	3,001	3,001
Issued, Subscribed and Fully paid up		
Equity shares of USD1 each (3,000,800 shares)	**3,001**	3,001
	3,001	3,001

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. The Company is not subject to any externally imposed capital requirements.

Notes to the financial statements

9. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand alone price of the lease component and the aggregate standalone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in profit or loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease-by-lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and profit or loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in profit or loss.

The Company has elected not to apply the requirements of IFRS 16 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

The details of the right-of-use asset held by the Company is as follows:

(In thousands of USD)

	Additions for the year ended December 31, 2024	Net carrying amount as on December 31, 2024
Buildings	**720**	**941**
Total	**720**	**941**

(In thousands of USD)

	Additions for the year ended December 31, 2023	Net carrying amount as on December 31, 2023
Buildings	-	423
Total	-	423

Notes to the financial statements

Depreciation on right-of-use asset is as follows:

(In thousands of USD)

	Year ended December 31, 2024	Year ended December 31, 2023
Buildings	**203**	135
Total	**203**	135

Interest on lease liabilities is USD 34 thousand and USD 20 thousand for the years ended on December 31, 2024 and 2023, respectively.

The Company incurred USD 61 thousand and USD 150 thousand for the years ended December 31, 2024 and 2023, respectively, towards expenses relating to short-term leases and leases of low-value assets.

The total cash outflow for leases is USD 287 thousand and USD 294 thousand for the years ended December 31, 2024 and 2023, respectively, including cash outflow for short-term leases and leases of low-value assets.

Lease contracts entered by the company majorly pertains for buildings taken on lease to conduct its business in the ordinary course. The company does not have any lease restrictions and commitment towards variable rent as per the contract.

10. Non-financial assets and non-financial liabilities

a) Property, plant and equipment

Property, plant and equipment are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use, less accumulated depreciation (other than freehold land) and impairment loss, if any.

Depreciation is provided for property, plant and equipment on a straight line basis so as to expense the cost less residual values over their estimated useful lives based on a technical evaluation. The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

The estimated useful lives are as mentioned below:

Type Of Asset	Method	Useful life (in years)
Freehold building	Straight line	20
Computer equipment	Straight line	4
Leasehold improvements	Straight line	Lease period
Furniture, fixtures and office equipment	Straight line	5 and 10
Automobiles	Straight line	5

Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use. Capital work-in-progress includes capital advances.

Property, plant and equipment with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss.

Notes to the financial statements

Property, plant and equipment consist of the following:

(In thousands of USD)

	Leasehold improvements	Computer equipment	Furniture and fixtures	Office equipment	Plant and machinery	Total
Gross block As at Dec 31, 2023	**132**	**2,349**	**168**	**508**	**400**	**3,557**
Additions	**332**	**768**	**52**	**183**	**-**	**1,335**
Disposals	**-**	**(387)**	**(4)**	**(33)**	**(217)**	**(641)**
Gross block As at Dec 31, 2024	**464**	**2,730**	**216**	**658**	**183**	**4,251**
Accumulated depreciation As at Dec 31, 2023	**57**	**2,046**	**86**	**421**	**400**	**3,010**
Disposals	**-**	**(387)**	**(4)**	**(33)**	**(217)**	**(641)**
Depreciation for the year	**58**	**284**	**26**	**38**	**-**	**406**
Accumulated depreciation As at Dec 31, 2024	**115**	**1,943**	**108**	**426**	**183**	**2,775**
Net carrying amount As at Dec 31, 2024	**349**	**787**	**108**	**232**		**1,476**
Capital work-in-progress (including capital advances)						**6**
Total	**464**	**2,730**	**215**	**660**	**183**	**1,482**

(In thousands of USD)

	Leasehold improvements	Computer equipment	Furniture and fixtures	Office equipment	Plant and machinery	Total
Gross block As at Dec 31, 2022	132	2,541	125	518	400	3,717
Adjustments*						-
Additions	-	133	43	10	-	185
Disposals	-	(325)		(20)	-	(345)
Gross block As at Dec 31, 2023	132	2,349	168	508	400	3,558
Accumulated depreciation As at Dec 31, 2022	34	2,167	66	414	400	3,081
Adjustments*	-	-	-	-	-	-
Disposals	-	(325)	-	(20)	-	(345)
Depreciation for the year	23	204	20	27	-	274
Accumulated depreciation As at Dec 31, 2023	57	2,046	86	421	400	3,010
Net carrying amount As at Dec 31, 2023	75	302	82	87	-	546
Capital work-in-progress (including capital advances)						-
Total						546

Notes to the financial statements

b) Other intangible assets

Intangible assets purchased including acquired in business combination, are measured at cost as at the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

Intangible assets consist of rights under licensing agreement and software licences and customer-related intangibles.

Following table summarises the nature of intangibles and their estimated useful live

Type of asset	Useful lives
Rights under licensing agreement and software licences	Lower of licence period and 2-5 years
Customer-related intangibles	3 years

Intangible assets are amortized on a straight line basis over the period of its economic useful life.

Intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss.

c) Other Assets

Other assets - Current

(In thousands of USD)

	As at December 31, 2024	As at December 31, 2023
Prepaid expenses	**16**	807
Advance to suppliers	**8**	102
Tax Credit Entitlements	**-**	99
Contract assets	**260**	55
Contract fulfillment costs	**3**	3
Total	**287**	1,066

Other assets - Non current

(In thousands of USD)

	As at December 31, 2024	As at December 31, 2023
Prepaid expenses	**0**	1
Total	**0**	1

(1) Contract fulfillment costs of USD 3 thousand and USD 3 for the years ended December 31, 2024 and 2023, respectively, have been amortized in the profit or loss. Refer note 11 for changes in contract assets.

d) Other liabilities- Current

(In thousands of USD)

	As at December 31, 2024	As at December 31, 2023
Indirect tax payable and other statutory liabilities	**1,660**	1,234
Total	**1,660**	1,234

Notes to the financial statements

11. Revenue recognition

The Company earns revenue primarily from providing IT services, consulting and business solutions. The Company offers a consulting-led, cognitive powered, integrated portfolio of IT, business and engineering services and solutions.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.
- In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract costs incurred determining the degree of completion of the performance obligation. The contract cost used in computing the revenues include cost of fulfilling warranty obligations.
- Revenue from the sale of distinct internally developed software and manufactured systems and third party software is recognised upfront at the point in time when the system / software is delivered to the customer. In cases where implementation and / or customisation services rendered significantly modifies or customises the software, these services and software are accounted for as a single performance obligation and revenue is recognised over time on a POC method .
- Revenue from the sale of distinct third party hardware is recognised at the point in time when control is transferred to the customer.
- The solutions offered by the Company may include supply of third-party equipment or software. In such cases, revenue for supply of such third party products are recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent of the customer. The Company recognises revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract and to ascribe the transaction price to each distinct performance obligation. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Contract fulfilment costs are generally expensed as incurred except for certain software licence costs which meet the criteria for capitalisation. Such costs are amortised over the contractual period or useful life of the licence, whichever

Notes to the financial statements

is less. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there are billings in excess of revenues.

The billing schedules agreed with customers could include periodic performance based payments and/or milestone based progress payments. Invoices are payable within contractually agreed credit period.

In accordance with IAS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Company disaggregates revenue from contracts with customers by nature of services, industry verticals, and geography.

Revenue disaggregation by nature of services is as follows:

(In thousands of USD)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Consultancy services	**38,989**	53,074
Sale of equipment and software licences	**137**	267
Total	**39,126**	**53,341**

Revenue disaggregation by industry vertical is as follows:

(In thousands of USD)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Banking, Financial Services	**37,193**	52,300
Communication, Media & technology	**1,172**	888
Consumer Business	**144**	169
Manufacturing	**19**	35
Others	**598**	(51)
Total	**39,126**	53,341

Revenue disaggregation by geography is as follows:

(In thousands of USD)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Ibero America	**39,091**	53,071
America	**35**	270
Total	**39,126**	53,341

Notes to the financial statements

Geographical revenue is allocated based on the location of the customers.

While disclosing the aggregate amount of transaction price yet to be recognised as revenue towards unsatisfied (or partially satisfied) performance obligations, along with the broad time band for the expected time to recognise those revenues, the Company has applied the practical expedient in IFRS 15. Accordingly, the Company has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognised corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts.

Unsatisfied (or partially satisfied) performance obligations are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc). The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is USD 7,989 thousand out of which 58.22% is expected to be recognised as revenue within the next year and the balance thereafter. No consideration from contracts with customers is excluded from the amount mentioned above.

Changes in contract assets are as follows :

(In thousands of USD)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Balance at the beginning of the year	**55**	250
Invoices raised that were included in the contract + assets balance at the beginning of the year	**(55)**	(250)
Increase due to revenue recognised during the - year excluding amounts billed during the year	**260**	55
+/- Translation Exchange difference	**-**	-
Balance at the end of the year	**260**	55

Changes in unearned and deferred revenue are as follows:

(In thousands of USD)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Balance at the beginning of the year	**427**	458
Revenue recongnized that was included in the		
- unearned and deferred revenue balance at the		
beginning of the period	**(36)**	(458)
Increase due to invoicing during the year		
+ excluding amounts recognized as revenue during the year	**(391)**	427
+/- Translation Exchange difference	**-**	-
Balance at the end of the year	**-**	427

12. Cost recognition

Costs and expenses are recognised when incurred and have been classified according to their primary functions in the following categories:

The costs of the Company are broadly categorized into employee benefits expenses, depreciation and other operating expenses. Employee benefits expenses include employee compensation, allowances paid, contribution to various funds and staff welfare expenses. Other operating expenses mainly include fees to external consultants, facility expenses, travel expenses, cost of equipment and software licenses, communication expenses, bad debts, and other expenses.

Notes to the financial statements

Other Operating expenses

(In thousands of USD)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Bad debts and advances written off, allowances for expected credit losses	**16**	(567)
Communication Expenses	**181**	258
Cost of equipment and software licences	**132**	-
Facility expenses	**700**	968
Fees to external consultants	**1,329**	1,816
Other expenses	**2,878**	3,256
Travel expenses	**234**	246
Total	**5,470**	5,977

Refer note 15 for function wise bifurcation of employee cost

Details of costs and expenses by their function are as follows:

(In thousands of USD)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Cost of revenue	**25,464**	35,946
Selling, general and administrative expenses	**13,580**	12,328
Total	**39,044**	48,274

13. Other income

a. Finance and other income

Interest income is recognised using effective interest method.

(In thousands of USD)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Interest on bank balances and bank deposits	**1,264**	1,646
Others	**-**	-
Total	**1,264**	1,646

b. Finance costs

(In thousands of USD)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Interest on lease liabilities	**33**	20
Interest on tax matters	**(545)**	143
Total	**(512)**	163

Notes to the financial statements

c. Other gains (net)

(In thousands of USD)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Net gain/ (loss) on disposal of property, plant and equipment	**4**	0
Others	**9**	23
Total	**13**	23

14. Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax - The tax currently payable is based on taxable profit for the year. Taxable profit differs from reported profit because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates enacted at the end of the reporting period.

Deferred taxes - Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that the Company will have taxable profits available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The Company offsets deferred tax assets against deferred tax liabilities when, and only when, there is a legally enforceable right to set off from the taxation authority amounts recognised in these items, and when they relate to income taxes levied and the Company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred taxes

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to a transaction or event that is recognised outside profit or loss, whether in profit and loss or directly in equity, in which case the tax is also recognised outside profit or loss, or where they arise from the initial accounting for a business combination.

Current year assets and liabilities - A summary of current asset and liability taxes is as follows:

(In thousands of USD)

		As at December 31, 2024	As at December 31, 2023
Tax credit on income tax withholdings at source and total			
Current income tax withholdings	US$	**-**	-
Non-current income tax withholdings		**796**	-
		796	-

Notes to the financial statements

(In thousands of USD)

		As at December 31, 2024	As at December 31, 2023
Tax credit on VAT and VAT withholdings at source and total			
Current VAT and VAT withholdings	US$	**-**	99
Non-current income VAT and VAT withholdings		**-**	-
		-	99
Current tax liabilities:			
Value Added Tax - VAT payable and withholdings		**481**	89
Income tax payable		**-**	1,064
Income tax withholdings at source payable		**269**	341
Contributions and other taxes payables		**376**	106
		1,126	1,600

Tax reconciliation - current income tax - A reconciliation between profit (loss) according to the financial statements and the current income tax expense is as follows:

(In thousands of USD)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Profit (loss) according to the financial statements, before income tax	**1,871**	6,573
Non deductible expenses	**(216)**	(491)
Taxable income	**1,655**	6,083
Income tax 25% (1)	**414**	1,521
Prior Period Income Tax (2)	**-**	(332)
Tax on income at different rates (3)	**(17)**	
Income tax charged to profit and loss:		
Current	**922**	1,352
Deferred	**(525)**	(163)
	397	1,189
Effective tax rate	**21%**	18%

In accordance with current legislation, income tax was determined using a rate of 25% on profits subject to distribution (25% for 2023) and 15% on reinvested profits for some industries.

(1) The Company recorded USD 414 and USD 1,521 thousand respectively in the income statement, corresponding to the income tax caused.

(2) For year 2023, it pertains to income tax adjustment for 2021 according to DTAA approved for local tax authority (Double taxation avoidance agreement) between TCS Ltd & TCS Ecuador for technical services expenses.

(3) For year 2024, Applied reduction on income tax rate for new investments (from 25% to 22%)

Tax returns for years 2021, 2022, 2023 and 2024 are subject to revision.

Notes to the financial statements

Movement in the provision for income tax (tax credit)- Movements in the provision for income tax (tax credit) were as follows:

(In thousands of USD)

	As at December 31, 2024	As at December 31, 2023
Balances, beginning of year	**-**	-
Provision for the year	**(1,387)**	(1,638)
Payment made	**922**	1,638
Balances, end of year	**(465)**	-

Payments made - Comprise withholdings at source and payment of the income tax balance due at beginning of year.

Deferred tax balances- Movements for deferred tax assets were as follows:

(In thousands of USD)

		Balances at beginning of year	Recognized in profit and loss	Balances at end of year
Year 2024:				
Deferred tax assets in relation to:				
Provision for bonuses	US$	**59**	**(24)**	**35**
Provision for bonuses (Gifcards to employees)		**2**	**2**	**4**
Retirement benefits		**666**	**522**	**1,188**
Other provisions		**8**	**26**	**34**
	US$	**735**	**526**	**1,261**

(In thousands of USD)

		Balances at beginning of year	Recognized in profit and loss	Balances at end of year
Year 2023:				
Deferred tax assets in relation to:				
Provision for bonuses	US$	33	26	59
Provision for bonuses (Gifcards to employees)		14	(12)	2
Retirement benefits		514	153	666
Other provisions		12	(4)	8
	US$	572	163	735

Direct tax contingencies

(a) Year 2014 Income Tax Assessment

On October 31, 2018, the Regional Director of the Internal Revenue Service (SRI) issued a Determination Order for year 2014, requiring the Company to pay additional income tax of USD 2,661,525.09.

On July 14, 2021, the District Tax Litigation Court - DTLC ruled the case. All of TATA´s claims were accepted by the DTLC. Consequently, the amount not claimed by TATA before the DTLC would be outstanding once the process ends, this amount would be US$593,993.79 (US $288.257,56 plus interest). On August 31, 2022, the payment of the $591,782.46 was made. The IRS has filed a cassation appeal before the National Court of Justice - NCJ to challenge the ruling issued by the DTLC. If the cassation appeal is admitted to procedure, TATA will be required to file a response before the NCJ.

Notes to the financial statements

To this date, the total amount claimed by the IRS is US$2,661,525.09. In our opinion, the likelihood to obtain a favourable ruling by NCJ is probable. Therefore, if the cassation appeal is dismissed, the company. Final amount would depend on the final ruling by NCJ which is pending.

As of December 31, 2024, the Company has generated a guarantee for USD 244,088.

(b) Year 2015 Income Tax Assessment

On March 13, 2020, the Regional Director of the Internal Revenue Service (SRI) issued a Determination Order for year 2015, requiring the Company to pay additional income tax of USD 2,505,205.12.

On April 24, 2021, TATA filed a lawsuit before the DTLC against the income tax assessment of 2015. On June 7, 2021, DTLC suspended all effects of the income tax assessment. On July 19, 2021, IRS filed its response.

On August 24, 2022, the preliminary hearing took place.

On July 25, 2024, $430,477.58 was paid to the IRS for the values accepted by TATA.

As of December 31, 2024, the Company has generated a guarantee for USD 202,466.

Transfer Pricing

In accordance with current legislation, taxpayers subject to income tax and that have performed operations with overseas and/or local related parties within the same fiscal period for an accumulated amount exceeding USD10 million are obliged to file a Transfer Pricing study to verify that such operations have been undertaken at arm's length prices.

Company operations with overseas related parties during the years 2024 and 2023, did not exceed the referred amount.

The Company Management based on the preliminary diagnosis performed together with its tax advisors for 2024 transactions, does not expect any adjustment to the expense or current tax liability, however, once said study is finished it may be determined if operations with related parties for the year ended at December 31, 2024, have met the arm's length principle.

15. Employee benefit

Defined benefits: For defined benefits, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the date of each statement of financial position.

The service cost is recognised in profit and loss for the year in which such is generated, as well as the financing interest generated on the defined benefit obligation.

The new measurements, which include actuarial gains and losses, are recognised in the statement of financial position with a charge or credit to other comprehensive income in the period in which they occur.

Recognition of actuarial gains and losses in other comprehensive income is recognised immediately in accumulated earnings and is not reclassified to profit or loss for the period.

Employee profit-sharing - The Company recognises a liability and an expense for employee profit-sharing in Company income. This benefit is calculated based on 15% of pre-tax income in accordance with current legislation.

Executive bonuses - The Company recognizes an expense for bonuses paid to its principal executives and commercial area personnel. Bonus calculations are paid based on goals and compliance with key performance indicators.

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex- gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Notes to the financial statements

Compensated absences

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as undiscounted liability at the date of statement of financial position.

Employee benefit expenses consist of the following:

(In thousands of USD)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Salaries, incentives and allowances	**24,521**	32,434
Contributions to provident and other funds	**7,410**	7,915
Staff welfare	**1,034**	1,539
	32,965	41,888

a) Employee benefit obligation - Current

(In thousands of USD)

	As at December 31, 2024	As at December 31, 2023
Compensated absenses	**477**	526
Other employee benefit obligations	**15**	8
	492	534

Other employee benefit obligation: Company provisioned USD 15 thousand at the end of December 2024 (USD 8 thousand at the end of December 2023) to be paid as long service awards and start of the month recognition according to corporate policies.

b) Employee benefit obligation - Non Current

Defined Benefit Obligations

(In thousands of USD)

	As at December 31, 2024	As at December 31, 2023
Retirement	**3,338**	3,539
Severance	**1,464**	1,868
	4,802	5,407

Retirement - In accordance with the Labor Code, employees with twenty-five or more years' continuous or interrupted service are entitled to receive pensions from their employers without prejudicing their right as affiliates to receive pensions from the Ecuadorian Social Security Institute.

Movements in the present value of the retirement obligation were as follows:

(In thousands of USD)

	Year ended December 31, 2024	Year ended December 31, 2023
Balances, beginning of year	**3,539**	3,670
Cost of the services	**601**	712
Cost of interest	**141**	131
Actuarial losses (gains) Reversal provision	**(1,106)**	(1,042)
Actuarial losses (gains) current year	**163**	68
Balances, end of year	**3,338**	3,539

Notes to the financial statements

Severance - In accordance with the Labor Code, when an employee's labor contract is terminated either by the employee of the employer, the Company shall pay an amount equivalent to 25% of their last monthly salary for each year of service.

Movements in the present value of the severance obligation were as follows:

(In thousands of USD)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Balances, beginning of year	**1,868**	2,115
Cost of the services	**93**	103
Cost of interest	**70**	82
Actuarial losses (gains)	**(57)**	69
Reversal Provision	**(7)**	(2)
Short provision	**678**	731
Benefits paid	**(1,181)**	(1,230)
Balances, end of year	**1,464**	1,868

The actuarial calculations for the present value of the accrued defined benefits were performed at December 31, 2024 and 2023 by an independent actuary. The present value of defined benefit obligations (DBO) and the current service cost and the previous service cost were calculated using the projected credit unit method.

Under this method pension benefits must be attributed to the employee's period of service and based on the plan formula so that the same benefit amount is attributed to each year of service based on an actuarial hypothesis to calculate the present value of the referred benefits.

This hypothesis reflects the value in money over time, the salary increases and the probability of paying a pension.

Actuarial gains and losses arising from adjustments for experience and changes in actuarial assumptions are credited or charged to other comprehensive income.

The significant actuarial assumptions used to determine the defined benefit obligations are the discount rate, expected salary increases and mortality.

The principal assumptions used for the actuarial calculations are as follows:

(In thousands of USD)

	As at December 31, 2024	As at December 31, 2023
	Percentage	Percentage
Discount rate (s)	**5.44**	4.92
Expected salary increase rate (s)	**1.90**	2.98
Turnover rate	**32.96**	41.01

Notes to the financial statements

The sensitivity analysis included below has been developed based on reasonably expected changes that may occur at the end of the reference period for the respective assumptions.

(In thousands of USD)

	As at December 31, 2024	As at December 31, 2023
DBO variance (discount rate - 0.5%)	**191**	217
DBO variance (discount rate + 0.5%)	**(217)**	(204)
DBO variance (salary increase + 0.5%)	**176**	173
DBO variance (salary increase - 0.5%)	**160**	(165)

The sensitivity analysis presented above may not be representative of a real change in the defined benefit obligation, since it is unlikely that any change in the assumptions would occur in isolation from others (some of the assumptions may be correlated).

Note that the present value of the defined benefit obligation included in the developed sensitivity is calculated using the projected unit credit method, the same used in the calculation of the defined benefit obligation recognised in the statement of financial position.

Amounts recognised in the statement of profit/ loss and other comprehensive income for the referred defined benefit plans are as follows:

(In thousands of USD)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Statement of profit and loss		
Service cost	**694**	815
Interest cost	**211**	213
	905	1,028
Other comprehensive income:		
Actuarial losses (gains) and subtotal	**291**	137
	1,196	1,165

16. Commitments and contingencies

(a) Capital Commitments - The Company has contractually committed (net of advances) USD 22 thousands and USD 112 thousands value as at December 31, 2024 and 2023 respectively, for purchase of property, plant and equipment.

(b) Contingencies

(a) Direct tax matters

Refer note on direct tax contingencies in Note 14 income taxes

(b) Indirect tax matters

There are no contigency in relation to Indirect tax matters.

Notes to the financial statements

17. Related Party transactions and Balances

Company's principal related parties consist of its ultimate holding company Tata Consultancy Services Limited and its subsidiaries, affiliates and key managerial personnel. The company's related party transactions and outstanding balances are with related parties with whom the Company routinely enter into transactions in the ordinary course of business.

Transactions with related parties are as follows:

(In thousands of USD)

	Year ended December 31, 2024	Year ended December 31, 2023
Revenue from operations		
Tata Consulatancy Services Limited	**141**	270
Total	**141**	270
Purchases of goods and services (including)		
Tata Consulatancy Services Limited	**1,676**	2,911
Subsidiaries of Tata Consultancy Services Limited	**-**	
Tata Consultancy Services De Mexico S.A.,De C.V.	**94**	240
Tcs Solutions Center Sucursal Colombia	**271**	164
TCS Do Brazil Ltda.	**-**	-
TCS Inversions Chile Ltda	**126**	254
Total	**2,167**	3,569
Brand equity contribution		
Tata Sons Private Limited, its subsidiaries and associates		
Tata Sons Private Limited	**97**	133
Total	**97**	133
Dividend paid		
Subsidiaries of Tata Consultancy Services Limited		
Tata Consultancy Services Chile SA	**396**	2,970
TCS Inversiones Chile Limitada	**4**	30
Total	**400**	3,000
Other income		
Subsidiaries of Tata Consultancy Services Limited		
Tata Consultancy Services De Mexico S.A.,De C.V.	**-**	-
Total	**-**	-

Balances receivable from related parties are as follows:

(In thousands of USD)

	As at December 31, 2024	As at December 31, 2023
Trade receivables, Unbilled Revenues and contract assets		
Tata Consulatancy Services Limited	**41**	37
Subsidiaries of Tata Consultancy Services Limited		
Total	**41**	37
Loans, other financial assets and other assets		
Tata Consulatancy Services Limited	**1**	14
Subsidiaries of Tata Consultancy Services Limited		
Tata Consultancy Services De Mexico S.A.,De C.V.	**2**	20
Total	**2**	34

Notes to the financial statements

Balances payable to related parties are as follows:

(In thousands of USD)

	As at December 31, 2024	As at December 31, 2023
Trade payables, unearned and deferred revenue, other financial liabilities and other liabilities		
Tata Sons Private Limited, its subsidiaries and associates		
Tata Sons Private Limited	**195**	97
Tata Consulatancy Services Limited	**184**	55
Subsidiaries of Tata Consultancy Services Limited		
Tata Consultancy Services De Mexico S.A.,De C.V.	**14**	38
Tata Consultancy Services Inversiones Chile S.A.	**29**	81
Tcs Solutions Center Sucursal Colombia	**27**	48
Total	**448**	318

Transactions with key management personnel is as follows:

(In thousands of USD)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Short Term Benefits	**600**	565
	600	565

The above figures do not include retirement benefits, as separate actuarial valuation are not available.

18. Subsequent event

There were no subsequent events observed until the approval of financials.

19. Approval of the Financial Statements

The financial statements for the year ended December 31, 2024 were approved by Company Management on 24th February and will be presented to the Shareholders for approval. In the opinion of Company Management, the financial statements will be approved by the Shareholders without any modification.

Tata Consultancy Services Bulgaria EOOD
(Registration Number: 206636516)

ANNUAL FINANCIAL STATEMENTS

For the period ended
December 31, 2024

TATA CONSULTANCY SERVICES CHILE S.A.

CONTENTS **PAGE**

Directors' report	50.2
Independent auditor's report	50.5
Statement of Financial Position	50.7
Statement of Profit or Loss and Other Comprehensive Income	50.8
Statement of Changes in Equity	50.9
Statement of Cash Flows	50.10
Notes forming part of the Financial Statements	50.11

Back to main content

DIRECTORS' REPORT

For the period January 1, 2024 to December 31, 2024

Principal activities and business review including principal risks and uncertainties

The business purpose of Tata Consultancy Services Bulgaria EOOD ("The Company") is to provide its main customer, Xerox with a range of services across Leasing, Accounting, Pricing and FP&A functions, while also continuing to expand the services Tata Consultancy Services Bulgaria EOOD can offer Xerox across its other capabilities.

The principal key performance indicators used by management to monitor performance are as follows:-

- Actual financial results versus forecasts
- Regulatory filings
- Employee turnover
- Customer satisfaction

The principal risks and uncertainties facing the company are as follows:

- the movement in currency rates between USD and BGN.
- increase in labour costs in the local market.
- Economic impact of war in Ukraine.

Results and dividends

Profit on ordinary activities before taxation for the period ended 31 December, 2024 amounted to BGN 5,983,379

The directors do not recommend the payment of a dividend.

Future developments

The company is expected to increase its level of operations throughout the year 2025.

Events since the end of the financial year

There have been no significant events affecting the company since the balance sheet date.

Financial Risk Management

The Company is exposed to financial risk through both its financial assets and liabilities. The most important components of this financial risk for the Company are credit risk, foreign exchange risk, interest rate risk and liquidity risk.

Risk Management Framework

The Company's internal organisational and management structure and its system of internal financial reporting to the board of directors is the basis for identifying the predominant source and nature of the differing risks facing the entity.

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Credit risk is controlled by the Company by ensuring credit limits and the credit worthiness of customers are monitored on an ongoing basis.

The Company has identified the credit risks associated with the cash and deposits it has placed with third party banking institutions.

Liquidity Risk

Liquidity risk is the risk that cash may not be available to pay obligations when due at a reasonable cost, the Company maintains a significant proportion of its funds in liquid form and maintains sufficient liquidity even at unexpected levels of demand.

Interest Rate Risk

Interest rate risk is the risk that the value/future cash flows of a financial instrument will fluctuate because of changes in interest rates. Based on current company operations it is not envisaged that the entity is exposed to significant interest rate risk.

Foreign Exchange Risk

Tata Consultancy Services Bulgaria EOOD conducts business in foreign countries with certain transactions denominated in currencies other than the functional currency of the Company (BGN). The purpose of the Company's foreign currency management is to manage the effect of exchange rate fluctuations on transactions denominated in foreign currencies (US dollars). The Company has an internal hedging agreement in place to mitigate its exposure, this is used for internal management reporting.

Accounting Records

The directors believe that they have complied with the requirements the Companies Act in Bulgaria with regard to adequate accounting records by employing accounting personnel with appropriate expertise and by providing adequate resources to the financial function. The accounting records of the Company are maintained at Sofia Business Park, Building 3, 1st floor, 1766 Sofia Bulgaria

The names of the persons who were directors for the period ended 31 December, 2024 are set out below:

1. **Amit Kapur**
   (Director)
2. **Rabindran Vennimalai**
   (Director)
3. **Sapthagiri Chapalapalli**
   (Director)

Directors' and secretary's interests

The directors who held office at 31 December, 2024 had no disclosable interests in the shares, debentures or loan stock of the Company or group companies.

Political contribution

The Company made no political contributions or incurred any political expenditure during the period.

Directors Compliance Statement

The directors, in accordance with the Companies Act in Bulgaria, acknowledge that they are responsible for securing the Company's compliance with certain obligations.

The directors confirm that:

- A compliance policy statement has been drawn up setting out the Company's policies with regard to such compliance;
- Appropriate arrangements or structures that are designed to secure material compliance with the Company's relevant obligations have been put in place; and
- A review of the arrangements and structures referred to above has been conducted during the financial period ended 31 December, 2024.

Relevant audit information

The directors believe that they have taken all steps necessary to make themselves aware of any relevant audit information and have established that the Company's statutory auditors are aware of that information. In so far as they are aware, there is no relevant audit information of which the Company's statutory auditors are unaware.

Going concern

Management has made an assessment of the Company's ability to continue as a going concern taking into account all available information about the future which is at least, but not limited to, twelve months from the end of the reporting period. Based on the analysis they have concluded that the Company has sufficient resources to continue as a going concern.

For and on behalf of board of directors of
Tata Consultancy Services Bulgaria EOOD
Date: _____

Amit Kapur
Director
United Kingdom

Rabindran Vennimalai
Director
Netherlands

INDEPENDENT AUDITOR'S REPORT

UDIN:

TO THE BOARD OF DIRECTORS
TATA CONSULTANCY SERVICES BULGARIA EOOD

SPECIAL PURPOSE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying special purpose financial statements of Tata Consultancy Services Bulgaria EOOD ('the Company'), which comprise the statement of financial position as of 31st December 2024, and the related statement of profit or loss and other comprehensive income, changes in equity, and cash flow for the year ended on 31st December 2024, and the related notes to the special purpose financial statements. The special purpose financial statements have been prepared by the management as described in Note 2 to the Special Purpose financial statements in accordance with the International Financial Reporting Standards (IFRS).

In our opinion, the special purpose financial statements referred to above present fairly, in all material respects, the financial position of the Company as of 31st December 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS as issued by the International Accounting Standard Board.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) generally accepted in India. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Special purpose financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Special purpose financial statements under the provisions of the Act and the Rules there under and fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide basis for our opinion.

Management's Responsibility for special purpose Financial Statements

The Company's management and Board of Directors are responsible preparation of these Special purpose financial statements that give a true and fair view of the state of affairs, profit/ loss and (including other comprehensive income), changes in equity cash flows of the Company in accordance with the IFRS. 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 Special purpose financial statements that give a true and fair view and are free from misstatement, whether due to fraud or error.

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

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

Auditors' Responsibility

Our objectives are to obtain reasonable assurance about whether the Special purpose 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 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 Special purpose financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. We are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

  Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue going concern.
- Evaluate the overall presentation, structure statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Restriction on Distribution and Use

Audit of this special purpose financial statements, in accordance with IFRS of the Company for the period ended 31st December 2024 have been prepared for the limited purpose of consolidated financial statements, to comply with the Section 129(3) of the Companies Act 2013, of Tata Consultancy Services Ltd. for the year ended 31st December 2024. Our report is strictly intended solely for the information and use by TCS for the preparation of consolidated financial statements and for the use at their annual general meetings for the information of their members. It is not intended to be and should not be used by anyone other than specified parties.

Place: Mumbai
Date: ____ May 2025

For K B J & ASSOCIATES
(Chartered Accountants)
(ICAI Firm Registration No. 114934W)

Kaushik B. Joshi
Proprietor
(ICAI Membership No. 48889)

STATEMENT OF FINANCIAL POSITION

(Amount in BGN)

	Note	As at December 31, 2024	As at December 31, 2023
ASSETS			
Non-current assets			
Property, Plant and Equipment	8(c)	**656,407**	903,962
Right of use assets	8(a)	**1,540,039**	1,961,150
Capital work-in-progress	8(b)	**67,046**	69,430
Non-current financial assets	7(d)	**259,916**	259,916
Advance income tax		**329,545**	-
Total non-current assets		**2,852,953**	3,194,458
CURRENT ASSETS			
Cash and cash equivalents	7(a)	**11,275,649**	5,422,986
Trade receivables	7(b)	**3,019,604**	5,104,037
Unbilled receivables	7(b)	**25,797**	66,996
Other Financial Assets	7(c)	**4,142**	1,528
Other assets	8(d)	**528,301**	302,297
Total current assets		**14,853,494**	10,897,843
TOTAL ASSETS		**17,706,447**	14,092,301
EQUITY AND LIABILITIES			
Equity			
Share capital		**2**	2
Retained earnings		**11,395,768**	6,064,547
Total equity		**11,395,770**	6,064,549
LIABILITIES			
Non Current Liabilities			
Lease Liability	7(f)	**1,006,412**	1,617,536
Total Non Current liabilities		**1,006,412**	1,617,536
CURRENT LIABILITIES			
Trade payables	7(e)	**255,752**	318,837
Lease Liability	7(g)	**651,417**	436,982
Other financial liabilities	7(h)	**3,904,396**	5,034,718
Income tax liabilities (net)		**327,132**	420,126
Other liabilities	8(e)	**165,565**	199,552
Total current liabilities		**5,304,263**	6,410,215
TOTAL EQUITY AND LIABILITIES		**17,706,445**	14,092,301

SEE ACCOMPANYING NOTES FORMING PART OF THE FINANCIAL STATEMENTS 1-18

As per our report of even date attached

For KBJ & Associates
Chartered Accountants
Firm registration no. 114934W

Kaushik B. Joshi
Proprietor
Membership number : 48889
Mumbai
Date : 30 Apr,2025

For and on behalf of the Board of Directors of
Tata Consultancy Services Bulgaria EOOD

Amit Kapur
Director
United Kingdom

Rabindran Vennimalai
Director
Netherlands

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(Amount in BGN)

	Note	For the period January 1, 2024 to December 31, 2024	For the period January 1, 2023 to December 31, 2023
Revenue	9	**18,428,187**	19,164,902
Operating expenses			
Employee cost	14	**10,907,601**	14,908,264
Finance costs	12	**131,027**	157,014
Other operating expenses	10	**1,799,088**	2,091,085
TOTAL OPERATING EXPENSES		**12,837,716**	17,156,363
Operating profit		**5,590,471**	2,008,538
Other income			
Other losses (net)	11	**(377,321)**	752,184
TOTAL OTHER INCOME		**(377,321)**	752,184
Profit before taxes		**5,967,792**	1,256,355
Income tax expense	13	**636,571**	142,359
Profit for the period		**5,331,221**	1,113,996
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**5,331,221**	1,113,996
SEE ACCOMPANYING NOTES FORMING PART OF THE FINANCIAL STATEMENTS			**1-18**

As per our report of even date attached

For KBJ & Associates
Chartered Accountants
Firm registration no. 114934W

Kaushik B. Joshi
Proprietor
Membership number : 48889
Mumbai
Date : 30 Apr,2025

For and on behalf of the Board of Directors of
Tata Consultancy Services Bulgaria EOOD

Amit Kapur
Director
United Kingdom

Rabindran Vennimalai
Director
Netherlands

STATEMENT OF CHANGES IN EQUITY

(Amount in BGN)

	Share capital	Retained earnings	Total equity
Balance as at January 1, 2024	**2**	**6,064,547**	**6,064,549**
Total comprehensive income for the period	**2**	**6,064,547**	**6,064,549**
Profit for the period	**-**	**5,331,221**	**5,331,221**
Balance as at December 31, 2024	**2**	**11,395,768**	**11,395,770**

(Amount in BGN)

	Share capital	Retained earnings	Total equity
Balance as at January 1, 2023	2	4,950,552	4,950,554
Total comprehensive income for the period	2	4,950,552	4,950,554
Profit for the period	-	1,113,996	1,113,996
Balance as at December 31, 2023	2	6,064,547	6,064,549

SEE ACCOMPANYING NOTES FORMING PART OF THE FINANCIAL STATEMENTS **1-18**

As per our report of even date attached

For KBJ & Associates
Chartered Accountants
Firm registration no.114934W

Kaushik B. Joshi
Proprietor
Membership number : 48889
Mumbai
Date : 30 Apr,2025

For and on behalf of the Board of Directors of
Tata Consultancy Services Bulgaria EOOD

Amit Kapur
Director
United Kingdom

Rabindran Vennimalai
Director
Netherlands

STATEMENT OF CASH FLOW

(Amount in BGN)

	Note	For the period January 1, 2024 to December 31, 2024	For the period January 1, 2023 to December 31, 2023
CASH FLOWS FROM OPERATING ACTIVITIES:			
Profit for the period		**53,31,221**	11,13,996
Adjustment to reconcile profit or loss to net cash provided by operating activities:			
Depreciation	10	**7,34,607**	6,94,733
Finance costs		**1,31,027**	1,57,014
Income tax expense		**6,36,571**	1,42,359
Unrealised exchange (gain)/loss		**(1,70,752)**	1,83,660
Gain on disposal of PPE		**985**	-
Operating profit before working capital changes		**66,63,659**	22,91,761
Net change in:			
Trade receivables		**20,84,432**	(19,18,291)
Unbilled receivables		**41,199**	48,69,432
Other Financial assets		**(2,615)**	2,739
Other assets		**(2,26,004)**	2,71,287
Trade paybles		**(63,084)**	2,23,863
Other financial liabilities		**(11,94,227)**	10,88,984
Other liabilities and provisions		**(33,987)**	(92,825)
Cash generated from operating activities		**72,69,375**	67,36,951
Taxes paid (net of refunds)		**(10,59,110)**	(2,89,147)
Net cash generated from operating activities		**62,10,265**	64,47,804
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property, plant and equipment		**(637)**	(5,49,094)
Deposit for the Premise		**-**	(2,59,916)
Net cash used in investing activities		**(637)**	(8,09,009)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Repayment of lease liabilities		**(3,96,689)**	(3,79,732)
Repayment of lease Interest		**(82,389)**	(99,810)
Interest paid		**(48,638)**	(57,204)
Net cash used in financing activities		**(5,27,716)**	(5,36,746)
Net change in cash and cash equivalents		**56,81,911**	51,02,048
Cash and cash equivalents at the beginning of the period		**54,22,986**	5,04,597
Exchange difference on translation of foreign currency cash and cash equivalent		**1,70,752**	(1,83,659)
Cash and cash equivalents at the end of the period		**1,12,75,649**	54,22,986
SEE ACCOMPANYING NOTES FORMING PART OF THE FINANCIAL STATEMENTS	1-18		

As per our report of even date attached

For KBJ & Associates
Chartered Accountants
Firm registration no. 114934W

Kaushik B. Joshi
Proprietor
Membership number : 48889
Mumbai
Date : 30 Apr,2025

For and on behalf of the Board of Directors of
Tata Consultancy Services Bulgaria EOOD

Amit Kapur
Director
United Kingdom

Rabindran Vennimalai
Director
Netherlands

Back to content

Notes forming part of the Financial Statements

1. CORPORATE INFORMATION

Tata Consultancy Services Bulgaria EOOD ("the Company") provides IT services, consulting and business solutions. The Company offers a consulting-led, cognitive powered, integrated portfolio of IT, business and engineering services and solutions. This is delivered through its unique Location-Independent Agile delivery model recognised as a benchmark of excellence in software development. The Company will provide F&A operations supporting EU region for Xerox for the F&A consolidation / transformation initiative.

The Company was incorporated on 31 August, 2021 in Bulgaria. The registered address of the company is Sofia Business Park, Building 3, 1st Floor, 1766 Sofia, Bulgaria. Tata Consultancy Services Bulgaria EOOD is a 100% subsidiary of Tata Consultancy Services Ireland Limited.

2. STATEMENT OF COMPLIANCE

These special purpose financial statements have been prepared in accordance with the International Financial Reporting Standards (referred to as "IFRS") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time for sole purpose of inclusion for Tata Consultancy Services Limited (Intermediate Holding Company) under the requirement of Section 129(3) of the Companies Act, 2013('the Act'). The presentation currency of these financial statements is BGN.

3. BASIS OF PREPARATION

These financial statements have been prepared on historical cost basis except for certain financial instrument which are measured at fair value or amortised cost at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for 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.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customer and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

Cash flows have been prepared using the indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value to be cash equivalents.

The functional and reporting currency of the Company is Bulgarian lev ("BGN").

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are retranslated at the exchange rate prevailing on the dates of statement of financial position and exchange gains and losses arising on settlement and restatement are recognised in profit or loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

The material accounting policy information used in preparation of the financial statements have been discussed in the respective notes.

4. USE OF ESTIMATES AND JUDGMENTS

The preparation of these financial statements is in conformity with the recognition and measurement principles of International Financial Reporting Standards (IFRS) requires management to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses for the years presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.

The Company uses the following critical accounting estimates in preparation of its financial statements:

Notes forming part of the financial statements

a. Revenue recognition

Revenue for fixed-price contracts are recognised using percentage-of-completion method. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.

The Company exercises judgement for identification of performance obligations, determination of transaction price, ascribing the transaction price to each distinct performance obligation and in determining whether the performance obligation is satisfied at a point in time or over a period of time. These judgements have been explained in detail under the revenue recognition note (Refer note.9)

b. Useful lives of property, plant and equipment

The Company reviews the useful lives of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

c. Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

d. Provision for income tax and deferred tax assets

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

e. Provisions and contingent liabilities

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Company uses significant judgements to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

f. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of IFRS 16. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Notes forming part of the financial statements

g. Employee benefits

The accounting of employee benefit plans in the nature of defined benefit requires the company to use assumptions. These assumptions have been explained under employee benefits note.

5. NATURE AND PURPOSE OF RESERVES

a. Retained earnings

This reserve represents undistributed accumulated earnings of the Company as on the date of statement of financial position.

6. RECENT ACCOUNTING STANDARDS

The Company has not applied the following new and revised IFRSs that have been issued but are not yet effective

Amendments to IAS 21 : The Effects of Changes in Foreign Exchange Rates[1]

Amendments to IFRS 9 and IFRS 7 2

IFRS 18 – Presentation and Disclosures in Financial Statements 3

IFRS 19 – Subsidiaries without Public Accountability: Disclosures 3

[1]Effective for annual periods beginning on or after January 1, 2025.

[2]Effective for annual periods beginning on or after January 1, 2026.

[3]Effective for annual periods beginning on or after January 1, 2027.

IAS 21 – The Effects of Changes in Foreign Exchange Rates

In August 2023, the IASB issued 'Lack of Exchangeability (Amendments to IAS 21)' to provide guidance to specify which exchange rate to use when the currency is not exchangeable. An entity must estimate the spot exchange rate as the rate that would have applied to an orderly transaction between market participants at the measurement date and that would faithfully reflect the economic conditions prevailing. The Group does not expect this amendment to have any significant impact in its financial statements.

IAS 1 – Non-current Liabilities with Covenants

In October 2022, IASB issued 'Non-current Liabilities with Covenants (Amendments to IAS 1)' to clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The Group does not expect the amendments to have any significant impact on its classification of non-current liabilities in its statement of financial position.

IFRS 9 and IFRS 7 – Financial Instruments and Financial Instruments: Disclosure

In May 2024, the IASB issued "Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) to address matters identified during the post-implementation review of IFRS 9. The amendments relate to derecognition of a financial liability settled through electronic transfer, classification of financial assets and disclosures of certain financial assets and financial liabilities. The Group will evaluate the amendments and implement them accordingly.

IFRS 18 – Presentation and Disclosures in Financial Statements

In April 2024, the IASB issued its new standard IFRS 18 – Presentation and Disclosures in Financial Statements that will replace IAS 1 – Presentation of Financial Statements. The new standard aims at improving how entities communicate in their financial statements. The Group will evaluate the standard and implement it accordingly.

IFRS 19 – Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued a new standard IFRS 19 - Subsidiaries without Public Accountability: Disclosures. The standard allows a subsidiary which does not have public accountability and has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards, to elect IFRS 19. Such an entity applies the requirements in other IFRS Accounting Standards, except for the disclosure requirements, instead the entity applies the requirements in IFRS 19.

Notes forming part of the financial statements

7. FINANCIAL ASSETS, FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and 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 measured on initial recognition of financial asset or financial liability.

The company derecognises a financial asset only 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 entity. The company derecognises financial liabilities when, and only when, the Company obligations are discharged, cancelled or have expired.

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

The Company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in other comprehensive income.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments recognised by the Company are recognised at the proceeds received net of direct issue cost.

Impairment of financial assets (other than at fair value)

The Company assesses at each date of statement of financial position whether a financial asset or a group of financial assets is impaired. IFRS 9 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. In determining the allowance forexcepted credit loss the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

a. Cash and cash equivalents

(Amount in BGN)

	As at December 31, 2024	As at December 31, 2023
Balances with bank	**11,275,649**	5,422,986
Total	**11,275,649**	5,422,986

Notes forming part of the financial statements

b. Trade receivables

Trade receiavbles consist of the following:

(Amount in BGN)

Trade receivables - Current	As at December 31, 2024	As at December 31, 2023
Trade receivables	**3,019,604**	5,104,037
Less: Allowance for doubtful trade receivables	**-**	-
Total	**3,019,604**	5,104,037
Unbilled receivables	**25,797**	66,996
Total	**3,045,401**	5,171,033

c. Other Financial Asset-Current

(Amount in BGN)

Other Financial Asset - Current	As at December 31, 2024	As at December 31, 2023
Employee advances	**4,142**	1,528
Total	**4,142**	1,528

d. Other Financial Asset-Non Current

(Amount in BGN)

Other Financial Asset-Non Current	As at December 31, 2024	As at December 31, 2023
Premises Deposits - Non Current	**259,916**	259,916
Total	**259,916**	259,916

e. Trade payables

Trade payables consist of the following:

(Amount in BGN)

Trade payables - Current	As at December 31, 2024	As at December 31, 2023
Trade payables	**255,752**	318,837
Total	**255,752**	318,837

f. Lease Liability - Non Current

(Amount in BGN)

	As at December 31, 2024	As at December 31, 2023
Lease Liability	**1,006,412**	1,617,536
Total	**1,006,412**	1,617,536

g. Lease Liability - Current

(Amount in BGN)

	As at December 31, 2024	As at December 31, 2023
Lease Liability	**651,417**	436,982
Total	**651,417**	436,982

Notes forming part of the financial statements

h. Other financial liabilities - current

(Amount in BGN)

	As at December 31, 2024	As at December 31, 2023
Accrued payroll	**749,429**	1,835,614
Accrued expenses	**118,377**	261,757
Capital Creditors	**67,054**	3,149
Unsecured Borrowings - loan from related parties	**2,934,059**	2,934,198
Accrued interest	**35,477**	-
Total	**3,904,396**	5,034,718

i. Financial instruments by category

The carrying value of financial assets and financial liabilities as at December 31, 2024 is as follows:

(Amount in BGN)

Financial assets	Amortised cost	Total carrying Value
Cash and cash equivalents	**11,275,649**	11,275,649
Trade receivables	**3,019,604**	3,019,604
Unbilled receivables	**25,797**	25,797
Other financial Assets	**264,058**	264,058
Total	**14,585,109**	14,585,109
Financial liabilities		
Trade payables	**255,752**	255,752
Lease Liabilities	**1,657,829**	1,657,829
Other financial liabilities	**3,904,396**	3,904,396
Total	**5,817,978**	5,817,978

The carrying value of financial assets and financial liabilities as at December 31, 2023 is as follows:

(Amount in BGN)

Financial assets	Amortised cost	Total carrying Value
Cash and cash equivalents	**5,422,986**	5,422,986
Trade receivables	**5,104,037**	5,104,037
Unbilled receivables	**66,996**	66,996
Other financial Assets	**261,444**	261,444
Total	**10,855,462**	10,855,462
Financial liabilities		
Trade payables	**318,837**	318,837
Lease Liabilities	**2,054,518**	2,054,518
Other financial liabilities	**5,034,718**	5,034,718
Total	**7,408,073**	7,408,073

Carrying amounts of cash and cash equivalents, trade receivables, unbilled receivables and trade payables as at December 31, 2024 approximate the fair value.

Notes forming part of the financial statements

j. 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.

k. Financial risk management

The Company is exposed primarily to fluctuations in foreign currency exchange rates, credit, liquidity and interest rate risks, which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which covers risks associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors. The focus of the risk management committee is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the Company.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

- **Foreign currency exchange rate risk**

  The fluctuation in foreign currency exchange rate may have potential impact on the statement of financial statement, where any transaction references more than one currency or where assets/ liabilities are denominated in a currency other than functional currency of the company. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries.

  The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

  The risk primarily relate to fluctuation of USD and EUR against the functional currency of the Company.

  The foreign exchange rate sensitivity is calculated by aggregation of the net foreign exchange rate exposure and a simultaneous parallel foreign exchange rates shift of all the currencies by 10% against the functional currency of the company.

  The following table sets forth information relating to foreign currency exposure as at December 31, 2024:

(Amount in BGN)

	USD (equivalent BGN)	EUR (equivalent BGN)
Net financial assets	**13,760,285**	333,990
Net financial liabilities	**65,020**	4,995,561

Notes forming part of the financial statements

The following table sets forth information relating to foreign currency exposure as at December 31, 2023:

(Amount in BGN)

	USD (equivalent BGN)	EUR (equivalent BGN)
Net financial assets	**7,593,417**	3,193,223
Net financial liabilities	**171,515**	4,967,428

10% depreciation / appreciation of the respective foreign currencies with respect to functional currency of T ata Consultancy Services Bulgaria EOOD Company would result in decrease / increase in the Company's profit before taxes by approximately BGN 903,369 and BGN 564,770 for the period ended December 31, 2024 and December 31, 2023 respectively.

- **Interest rate risk**

The Company is not exposed to interest rate risk.

Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, unbilled receivables, cash and cash equivalents, and other financial assets.

- **Exposure to credit risk**

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was BGN 14,585,109 and BGN 10,526,724 as of December 31, 2024 and December 31, 2023 respectively, being the total of the carrying amount of balances with bank, bank deposit, trade receivable, unbilled receivables, and other financial assets.

Tata Consultancy Services Bulgaria EOOD Company's exposure to customers is diversified and single customer contributes to more than 10% of outstanding trade receivables, unbilled receivables as at December 31, 2024 and December 31, 2023 respectively.

(Amount in BGN)

Client Name	As at December 31, 2024	
	Amount	Percentage
Customer A	**3,045,401**	**100%**

(Amount in BGN)

Client Name	As at December 31, 2023	
	Amount	Percentage
Customer A	5,217,098	100%

Notes forming part of the financial statements

- ***Geographic concentration of credit risk***

The Company has a geographic concentration of trade receivables (net of allowances), unbilled receivables and contract assets as given below:

(Amount in BGN)

	As at December 31, 2024	
	Gross	Net
UK	**100%**	**100%**

(Amount in BGN)

	As at December 31, 2023	
	Gross	Net
UK	100%	100%

Geographical concentration of trade receivables, unbilled receivables and contract assets is allocated based on the location of the customers.

Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company consistently generates sufficient cash flows from operations to meet its financial obligations including lease liabilities as and when they fall due.

The tables below provide details regarding the contractual maturities of significant financial liabilities as at:

(Amount in BGN)

December 31, 2024	Due in 1st year	Due in 2nd to 5th year	Total
Financial liabilities			
Trade and other payables	**255,752**	**-**	**255,752**
Lease Liability	**651,417**	**1,006,412**	**1,657,829**
Other financial liabilities	**3,904,396**	**-**	**3,904,396**
Total	**4,811,565**	**1,006,412**	**5,817,978**

(Amount in BGN)

December 31, 2023	Due in 1st year	Due in 2nd to 5th year	Total
Financial liabilities			
Trade and other payables	318,837	-	318,837
Lease Liability	436,982	1,617,536	2,054,518
Other financial liabilities	5,034,718	-	5,034,718
Total	5,790,537	1,617,536	7,408,073

Notes forming part of the financial statements

l. Equity instruments

(Amount in BGN)

	As at December 31, 2024	As at December 31, 2023
a) Authorised		
2 ordinary shares of BGN 1 each	**2**	2
(b) Issued, Subscribed and Fully paid up		
2 ordinary shares of BGN 1 each	**2**	2

(Amount in BGN)

Share holding	Percentage	Percentage
Tata Consultancy Services Ireland Limited	**100%**	100%

Capital management

The Company's objective for capital management is to maximize shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated.The Company is not subject to any externally imposed capital requirements.

8. NON-FINANCIAL ASSETS AND LIABILITIES

a. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight–line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in profit or loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease-by-lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying

Notes forming part of the financial statements

amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and profit or loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in profit or loss.

The Company has elected not to apply the requirements of IFRS 16 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

The details of the right-of-use asset held by the Company is as follows:

(Amount in BGN)

	ROU Building	Total
Gross Block as on 01. 01. 2024	**2,486,456**	**2,486,456**
Additions	**-**	**-**
Disposals	**-**	**-**
Gross Block as on 31. 12. 2024	**2,486,456**	**2,486,456**
Accumulated Depreciation as on 01.01.2024	**525,306**	**525,306**
Elimination on Disposal	**-**	**-**
Depreciation for the year	**421,111**	**421,111**
Accumulated Depreciation as on 31.12.2024	**946,417**	**946,417**
Net Carrying Amount as on 31.12.2024	**1,540,039**	**1,540,039**

(Amount in BGN)

	ROU Building	Total
Gross Block as on 1. 01. 2023	2,486,456	2,486,456.01
Purchases	-	-
Disposals	-	-
Gross Block as on 31. 12. 2023	2,486,456	2,486,456
Accumulated Depreciation as on 1.01.2023	105,925.03	105,925.03
Elimination on Disposal	-	-
Depreciation for the year	419,381	419,381
Accumulated Depreciation as on 31.12.2023	525,306	525,306
Net Carrying Amount as on 31.12.2023	1,961,150	1,961,150

Interest on lease liabilities are BGN 82,389 and 99,809 for the period ended on December 31, 2024 and December 31, 2023 respectively.

Lease contracts entered by the Company majorly pertains for buildings taken on lease to conduct its business in the ordinary course. The Company does not have any lease restrictions and commitment towards variable rent as per the contract.

b. Capital work-in-progress

(Amount in BGN)

	As at December 31, 2024	As at December 31, 2023
Capital work in progress	**67,046**	69,430
Total	**67,046**	69,430

Notes forming part of the financial statements

c. Property, plant and equipment

Property, plant and equipment are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use, less accumulated depreciation (other than freehold land) and impairment loss, if any.

Depreciation is provided for property, plant and equipment on a straight line basis so as to expense the cost less residual values over their estimated useful lives based on a technical evaluation. The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

The estimated useful lives are as mentioned below:

Type of Asset	Useful Lives
Computer equipment	4 years
Electrical Installations	10 years
Office Equipments	5 years
Furnitures and Fixtures	5 years
Leasehold Improvements	6 years

Depreciation is not recorded on capital work in progress until construction and installation are complete and the asset is ready for its intended use. Capital work-in-progress includes capital advances.

Property, plant and equipment with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss.

Property, plant and equipment consist of the following:

(Amount in BGN)

	Computers	Electrical Installations	Office Equipments	Furnitures and Fixtures	Leasehold Improvements	Total
Gross Block as on 01. 01. 2024	**812,326**	**55,766**	**123,611**	**142,395**	**120,260**	**1,254,358**
Purchases	**66,927**	**-**	**-**	**-**	**-**	**66,927**
Disposals	**(1,670)**	**-**	**-**	**-**	**-**	**(1,670)**
Gross Block as on 31. 12. 2024	**877,584**	**55,766**	**123,611**	**142,395**	**120,260**	**1,319,616**
Accumulated Depreciation as on 01.01.2024	**270,743**	**5,565**	**24,490**	**28,420**	**21,179**	**350,397**
Disposals	**(685)**	**-**	**-**	**-**	**-**	**(685)**
Depreciation for the year	**233,331**	**5,588**	**24,773**	**28,538**	**21,266**	**313,496**
Accumulated Depreciation as on 31.12.2024	**503,390**	**11,153**	**49,263**	**56,958**	**42,445**	**663,208**
Net Carrying Amount as on 31.12.2024	**374,194**	**44,613**	**74,348**	**85,437**	**77,815**	**656,407**

Notes forming part of the financial statements

(Amount in BGN)

	Computers	Electrical Installations	Office Equipments	Furnitures and Fixtures	Leasehold Improvements	Total
Gross Block as on 31. 08. 2023	337,268	-	-	-	-	337,268
Purchases	475,058	55,766	123,611	142,395	120,260	917,090
Disposals	-	-	-	-	-	-
Gross Block as on 31. 12. 2023	812,326	55,766	123,611	142,395	120,260	1,254,358
Accumulated Depreciation as on 31.08.2023	75,045	-	-	-	-	75,045
Disposal	-	-	-	-	-	-
Depreciation for the year	195,698	5,565	24,490	28,420	21,179	275,352
Accumulated Depreciation as on 31.12.2023	270,743	5,565	24,490	28,420	21,179	350,397
Net Carrying Amount as on 31.12.2023	541,583	50,201	99,121	113,975	99,081	903,962

d. Other assets

Other assets consist of the following:

(Amount in BGN)

	As at December 31, 2024	As at December 31, 2023
Other assets - Current		
Advance to suppliers	**219,598**	79,954
Prepaid expenses - Current	**83,140**	39,124
Tax Credit Entitlements	**124,440**	137,155
Prepaid Rent	**100,767**	46,065
Contract fulfillment costs	**356**	-
Total	**528,301**	302,297

e. Other liabilities

Other liabilities consist of the following:

(Amount in BGN)

	As at December 31, 2024	As at December 31, 2023
Other liabilities - current		
Indirect tax payable and other statutory liabilities	**146,557**	191,472
Other current liabilities - Others	**15,756**	1,330
Unearned and deferred revenue	**-**	2,920
Other employee benefits - Current	**3,252**	3,830
Total	**165,565**	199,552

9. REVENUE RECOGNITION

The Company earns revenue primarily from providing information technology , consultancy services and business solutions for its customers. The Company offers a consulting-led, integrated portfolio of IT, business and engineering services and solutions.

Notes forming part of the financial statements

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.
- In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract cost incurred determining the degree of completion of the performance obligation. The contract cost used in computing the revenues include cost of fulfilling warranty obligations.
- Revenue from the sale of distinct internally developed software and manufactured systems and third party software is recognised upfront at the point in time when the system / software is delivered to the customer. In cases where implementation and / or customisation services rendered significantly modifies or customises the software, these services and software are accounted for as a single performance obligation and revenue is recognised over time on a POC method .
- Revenue from the sale of distinct third party hardware is recognised at the point in time when control is transferred to the customer.
- The solutions offered by the Company may include supply of third-party equipment or software. In such cases, revenue for supply of such third party products are recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent of the customer. The Company recognises revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

  Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

  The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

  Judgement is also required to determine the transaction price for the contract and to ascribe the transaction price to each distinct performance obligation. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

  The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

  Judgement is also required to determine the transaction price for the contract and to ascribe the transaction price to each distinct performance obligation. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant

Notes forming part of the financial statements

reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Contract fulfilment costs are generally expensed as incurred except for certain software licence costs which meet the criteria for capitalisation. Such costs are amortised over the contractual period or useful life of the licence, whichever is less. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

The billing schedules agreed with customers include periodic performance based payments and/or milestone based progress payments. Invoices are payable within contractually agreed credit period.

In accordance with IAS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Company disaggregates revenue from contracts with customers by nature of services, industry verticals and geography.

Revenue disaggregation by nature of services is as follows:

(Amount in BGN)

	For the period Jan 1, 2024 to Dec 31, 2024	For the period Jan 1, 2023 to Dec 31, 2023
Revenue from consultancy services	**18,428,187**	19,164,902
Total	**18,428,187**	19,164,902

Revenue disaggregation by industry vertical is as follows:

(Amount in BGN)

Industry vertical	For the period Jan 1, 2024 to Dec 31, 2024	the period Jan 1, 2023 to Dec 31, 2023
Hi-Tech Industry Practice	**18,428,187**	19,164,902
Total	**18,428,187**	19,164,902

Notes forming part of the financial statements

Revenue disaggregation by geography is as follows:

(Amount in BGN)

Geography	For the period Jan 1, 2024 to Dec 31, 2024	For the period Jan 1, 2023 to Dec 31, 2023
UK	**18,428,187**	19,164,902
Total	**18,428,187**	19,164,902

Geographical revenue is allocated based on the location of the customers.

While disclosing the aggregate amount of transaction price yet to be recognized as revenue towards unsatisfied or partially satisfied performance obligations, along with the broad time band for the expected time to recognize those revenues, the Company has applied the practical expedient in IFRS 15. Accordingly, the Company has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognized corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts.

10. COST RECOGNITION

Costs and expenses are recognised when incurred and have been classified according to their primary functions in the following categories:

Cost of Revenue

These costs primarily include employee compensation of personnel engaged in providing services, travel expenses, fees to external consultants, cost of equipment and software licences, depreciation and amortisation of production related equipment and software, facility expenses, communication expenses and other project related expenses.

Selling, general and administrative expenses

Selling costs primarily include employee compensation for sales and marketing personnel, travel expenses, advertising, business promotion expenses, bad debts and advances written off, allowance for doubtful trade receivables and advances, facility expenses for sales and marketing offices and market research costs.

General and administrative costs primarily include employee compensation for administrative, supervisory, managerial and practice management personnel, depreciation and amortisation expenses of non-production equipment and software, facility expenses for administrative offices, communication expenses, fees to external consultants and other general expenses.

(Amount in BGN)

Expenses by function	For the period Jan 1, 2024 to Dec 31, 2024	For the period Jan 1, 2023 to Dec 31, 2023
Cost of revenue	**14,114,983**	16,300,733
Selling, general and administrative expenses	**(1,408,295)**	698,616
Total	**12,706,688**	16,999,349

Notes forming part of the financial statements

Costs and expenses are recognized when incurred and have been classified according to their nature.

(Amount in BGN)

Expenses by nature	For the period Jan 1, 2024 to Dec 31, 2024	For the period Jan 1, 2023 to Dec 31, 2023
Other operating expenses		
Facility running expenses	**632,518**	626,351
Fees to external consultants	**365,714**	299,732
Travel expenses	**2,413**	6,868
Communication	**2,737**	-
Depreciation expenses	**734,607**	694,733
Other expenses	**61,099**	463,401
Total	**1,799,088**	2,091,085

11. OTHER INCOME

a. Other gains (net)

(Amount in BGN)

	For the period Jan 1, 2024 to Dec 31, 2024	For the period Jan 1, 2023 to Dec 31, 2023
Net foreign exchange loss/(gain)	**(377,321)**	752,184
Total	**(377,321)**	752,184

12. FINANCE COSTS

Finance costs consist of the following:

(Amount in BGN)

	For the period Jan 1, 2024 to Dec 31, 2024	For the period Jan 1, 2023 to Dec 31, 2023
Finance costs - Interest on obligations under finance leases	**82,389**	99,810
Interest on bank overdrafts and loans	**48,638**	57,121
Finance costs - Other interest expense	**-**	83
Total	**131,027**	157,014

13. INCOME TAXES

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year.

Current income taxes

Current tax is based on the taxable profit for the year and is calculated using tax rates that have been enacted by the end of the reporting period. Advance taxes and provisions for current income taxes are presented in the statement of financial position after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying unit intends to settle the asset and liability on a net basis.

Deferred income taxes

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the 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 or loss at the time of the transaction.

Deferred Tax amount is immaterial hence not disclosed.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax liabilities are recognised for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

The income tax expense consists of the following:

(Amount in BGN)

	For the period Jan 1, 2024 to Dec 31, 2024	For the period Jan 1, 2023 to Dec 31, 2023
Current tax		
Current tax expense for current year	**636,571**	142,359
Total tax expense	**636,571**	142,359

The reconciliation of estimated income tax expense at the Statutory income tax rate to income tax expense reported in statement of profit or loss and other comprehensive income is as follows:

(Amount in BGN)

	For the period Jan 1, 2024 to Dec 31, 2024	For the period Jan 1, 2023 to Dec 31, 2023
Current tax expenses		
Income before taxes	**5,967,792**	1,256,355
Statutory tax rate	**10.00%**	10.00%
Expected income tax expense	**596,779**	125,635
Add : Disallowed expense - (Depreciation)	**39,792**	16,724
Total tax expense	**636,571**	142,359

14. EMPLOYEE BENEFITS

The Company provides for amount payable to be employees for compensated absences as per the company's policy, which are expected to occur within twelve months after the end of the period in which the employee render the related services are recognised as undiscounted liability at the date of statement of financial position.

Staff numbers

Employee cost consist of the following:

(Amount in BGN)

	For the period January 1, 2024 to December 31, 2024	For the period January 1, 2023 to December 31, 2023
Salaries & bonus	**9,152,742**	13,028,680
Contributions to social security	**1,603,430**	1,690,282
Staff welfare	**151,428**	189,301
Total	**10,907,601**	14,908,264

Average number of persons employed by the company (including directors) is 198 and 212 for year ending on December 31, 2024 and December 31, 2023 respectively.

15. RELATED PARTY TRANSACTIONS

Tata Consultancy Services Bulgaria EOOD's principal related parties consist of its ultimate holding company Tata Sons Private Limited, its parent of holding company Tata Consultancy Services Limited and its subsidiaries, affiliates and its key managerial personnel. The Company routinely enters into transactions with its related parties in the ordinary course of business.

Transactions with related parties

(Amount in BGN)

Particulars	For the period January 1, 2024 to December 31, 2024			
	With Tata Sons Private Limited, Ultimate Holding Company	With Tata Consultancy Services Limited, Parent of Holding Company	With Subsidiaries of TCSL	Total
Brand equity contribution	**(3,821)**	**-**	**-**	**(3,821)**
Finance cost	**-**	**-**	**48,638**	**48,638**
Fees to External consultants	**-**	**165,108**	**-**	**165,108**

(Amount in BGN)

Particulars	For the period August 31, 2023 to December 31, 2023			
	With Tata Sons Private Limited, Ultimate Holding Company	With Tata Consultancy Services Limited, Parent of Holding Company	With Subsidiaries of TCSL	Total
Brand equity contribution	47,912	-	-	47,912
Finance cost	-	-	57,121	57,121
Fees to External consultants	-	139,790	-	139,790

Balances with related parties

(Amount in BGN)

Particulars	For the period January 1, 2024 to December 31, 2024			
	With Tata Sons Private Limited, Ultimate Holding Company	With Tata Consultancy Services Limited, Parent of Holding Company	With Subsidiaries of TCSL	Total
Trade payables, unearned and deferred revenue, other financial liabilities and other liabilities	**-**	**82,017**	**88,435**	**170,451**
Borrowings	**-**	**-**	**2,934,059**	**2,934,059**
Trade receivables, unbilled receivables and prepayments (net)	**-**	**45,741**	**-**	**45,741**

(Amount in BGN)

Particulars	For the period August 31, 2023 to December 31, 2023			
	With Tata Sons Private Limited, Ultimate Holding Company	With Tata Consultancy Services Limited, Parent of Holding Company	With Subsidiaries of TCSL	Total
Trade payables, unearned and deferred revenue, other financial liabilities and other liabilities Borrowings	105,269	200,013	118,708	423,989
Borrowings	-	-	2,934,198	2,934,198
Fees to External consultants	-	47,072	-	47,072

16. DIRECTOR'S REMUNERATION

Remuneration paid/ payable to directors for the year ended is Nil.

17. Going concern

Management have made an assessment of the Company's ability to continue as a going concern taking into account all available information about the future , but not limited to, twelve months from the end of the reporting period. Based on the analysis they have concluded that the Company has sufficient resources to continue as a going concern.

18. Subsequent events

There have been no circumstances of a material nature that have occurred between the financial year end and the date of approval of these financial statements that require adjustment or disclosure in the financial statements.

As per our report of even date attached

For KBJ & Associates
Chartered Accountants
Firm registration no.114934W

Kaushik B. Joshi
Proprietor
Membership number : 48889
Mumbai
Date : 30 Apr,2025

For and on behalf of the Board of Directors of
Tata Consultancy Services Bulgaria EOOD

Amit Kapur
Director
United Kingdom

Rabindran Vennimalai
Director
Netherlands

Back to content

TATA CONSULTANCY SERVICES GUATEMALA, S.A.

FINANCIAL STATEMENTS

For the year ended
December 31, 2024

FINANCIAL STATEMENTS OF TATA CONSULTANCY SERVICES GUATEMALA, S.A.

CONTENT **PAGE**

Independent Auditors' Report	51.2
Statements of Financial Position	51.4
Statements of Profit or Loss and other Comprehensive Income	51.5
Statements of Changes in Equity	51.6
Statements of Cash Flows	51.7
Notes to Financial Statements	51.8

Back to main content

REPORT OF THE INDEPENDENT AUDITOR

TO THE BOARD OF DIRECTORS AND THE SHAREHOLDERS OF TATA CONSULTANCY SERVICES GUATEMALA, S.A.

Opinion

We have audited the financial statements of Tata Consultancy Services Guatemala, S.A., comprising the Statement of Financial Position as at December 31, 2024, the income statements and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, as well as the explanatory notes to the financial statements, which include a summary of significant accounting policies. The financial statements have been prepared by management using International Financial Reporting Standards (IFRS).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of TATA CONSULTANCY SERVICES GUATEMALA, S.A., as of December 31, 2024, as well as its financial performance and cash flows for the years then ended, in accordance with International Financial Reporting Standard – IFRS --, indicated in Note 3.

Basis of the opinion

We have conducted our audit in accordance with International Standards on Auditing (ISAS). Our responsibilities under these standards are described later in the section. Auditor's responsibilities for auditing the financial statements of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Guatemala – Code of Ethics for Accounting Professionals issued by the International Ethical Standards Board for Accountants (IESBA Code of Ethics) and have fulfilled our other ethical responsibilities in accordance with such code. We believe that the auditor's evidence we have obtained provides a sufficient and adequate basis for our opinion.

Responsibilities of the entity's management and governance over the financial statements

Management is responsible for the preparation and fair presentation of the financial statements, in accordance with International Financial Reporting Standard (IFRS), and for the internal control that management deems necessary to enable the preparation of financial statements free from material misstatement, due to fraud or error.

Auditor's responsibilities for auditing the financial statements.

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether arising from fraud or error and to issue the auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement where it exists. Misaccuracies may arise from fraud or error and are considered material if, individually or in the aggregate, they can reasonably be expected to affect the economic decisions users make on the basis of these financial statements.

As part of an ISA compliance audit, the auditor exercises professional judgment and maintains professional skepticism throughout the audit. We too:

1. We identify and assess the risks of material misstatement in the financial statements, whether due to fraud or error, design and perform the audit procedures that responded to those risks; and obtained sufficient and appropriate audit evidence to provide the basis for our opinion. The risk of failing to detect a material misstatement resulting from fraud is greater than that resulting from an error, since fraud involves collusion, falsification, intentional omissions, distortion, or override of internal control.

2. We obtained an important knowledge of internal control for the audit, in order to design audit procedures that are appropriate according to the circumstances and not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

3. We evaluate the appropriateness of the accounting policies used and the reasonableness of the accounting estimates and related disclosures made by management in accordance with the applied basis of accounting.

4. We evaluate the overall presentation, structure and content of the financial statements, including disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a reasonable presentation.

5. We conclude on the appropriateness of management's use of the going concern bases and, based on the evidence obtained, determine whether or not there is material uncertainty regarding events or conditions that may give rise to significant doubt about the Company's ability to continue as a going concern. If we conclude that material uncertainty exists, we are asked to draw attention in our auditor's report to the respective disclosures in the financial statements or, if such disclosure is insufficient, we must modify our opinion. Our findings are based on audit evidence obtained to date from our auditor's report, however, future events or conditions may cause the company to cease to be a going concern.

We communicate with government officials regarding, among other issues, the expected scope and timing of the audit and important audit findings, including potential significant deficiencies in the internal control we identified during our audit.

Guatemala, Guatemala City

February 24, 2025

Statement of Financial Position

(In Quetzals)

	Note	As at December 31, 2024	As at December 31, 2023
ASSETS			
Current assets			
Cash and cash equivalents	6 (a)	**23,059,489**	18,093,030
Trade receivables			
Billed	6(b)	**13,099,505**	15,261, 624
Unbilled		**2,032,100**	6,587,812
Other financial assets	6(c)	**117,496**	117,496
Other assets	8(c)	**669,023**	933,104
Total current assets		**38,977,613**	40,993,066
Non-current assets			
Deferred tax assets (net)		**664,892**	542,180
Property, plant and equipment	8(a)	**659,790**	1,207,362
Total non-current assets		**1,324,682**	1,749,542
TOTAL ASSETS		**40,302,295**	42,742,608
LIABILITIES AND EQUITY			
Liabilities			
Current liabilities			
Trade payables		**777,913**	1,919,569
Borrowings - Short Term	6(d)	**-**	5,212,673
Other financial liabilities	6(e)	**1,753,489**	1,797,148
Unearned and deferred revenue			948,844
Employee benefit obligations	13(a)	**2,888,007**	2,685,736
Income tax liabilities (net)		**258,944**	224,953
Other liabilities	8(d)	**654,199**	636,730
Total current liabilities		**6,332,552**	13,425,653
Non-current liabilities			
Borrowings - Long Term	6(d)	**-**	5,628,414
Total non-current liabilities		**-**	5,628,414
TOTAL LIABILITIES		**6,332,552**	19,054,067
Equity			
Share capital	6(i)	**7,800,000**	7,800,000
Retained earnings		**25,375,316**	15,427,456
Legal reserve		**794,427**	461,085
TOTAL EQUITY		**33,969,743**	23,688,541
TOTAL LIABILITIE S AND EQUITY		**40,302,295**	42,742,608

SEE ACCOMPANYING NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Statement of Profit or Loss and Other Comprehensive Income

(In Quetzals)

	Note	Year ended December 31, 2024	Year ended December 31, 2023
Revenue	9	**65,052,004**	61,056,926
Operating expenses			
Employee benefits expenses	13	**47,621,830**	47,226,438
Depreciation and amortisation expense	7 and 8	**546,834**	542,299
Other operating expenses	10	**2,649,664**	3,510,479
TOTAL OPERATING EXPENSES		**50,818,328**	51,279,216
Operating profit		**14,233,676**	9,777,710
Other (expense) / income			
Finance costs	11(a)	**(305,406)**	(605,539)
Other gains / (losses) net	11(b)	**(22,962)**	(14,126)
OTHER (EXPENSE) (NET)		**(328,368)**	(619,665)
Profit before taxes		**13,905,308**	9,158,045
Income tax expense	12	**3,624,106**	2,491,203
PROFIT FOR THE YEAR		**10,281,202**	6,666,842
OTHER COMPREHENSIVE INCOME, NET OF TAXES		**-**	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**10,281,202**	6,666,842

SEE ACCOMPANYING NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Statement of Changes in Equity

(In Quetzals)

	Note	Equity share capital	Legal reserve	Retained earnings	Total equity
Balance as at January 1, 2023		7,800,000	95,870	9,125,829	17,021,699
Profit for the year		-	-	6,666,842	6,666,842
Transfer to legal reserve		-	365,215	(365,215)	-
Balance as at December 31, 2023		7,800,000	461,085	15,427,456	23,688,541
Balance as at January 1, 2024		**7,800,000**	**461,085**	**15,427,456**	**23,688,541**
Profit for the year		**-**	**-**	**10,281,202**	**10,281,202**
Transfer to legal reserve		**-**	**333,342**	**(333,342)**	**-**
Balance as at December 31, 2024		**7,800,000**	**794,427**	**25,375,316**	**33,969,743**

SEE ACCOMPANYING NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Statement of Cash Flows

(In Quetzals)

	Note	Year ended December 31, 2024	Year ended December 31, 2023
CASH FLOWS FROM OPERATING ACTIVITIES		10,281,202	6,666,842
Profit for the Period year			
Adjustment for:			
Depreciation and amortisation expense		**546,834**	542,299
Income tax expense	12	**3,624,106**	2,491,203
Unrealised foreign exchange gain		**(111,284)**	(40,015)
Net gain / loss on disposal of property, plant and equipment		**738**	-
Operating profit before working capital changes		**14,341,596**	9,660,329
Net change in			
Trade receivables			
Billed		**2,162,119**	(3,551,123)
Unbilled		**4,555,712**	12,873,616
Other financial assets			562,314
Other assets		**264,081**	(110,051)
Trade payables		**(1,141,656)**	555,554
Unearned and deferred revenue		**(948,844)**	946,865
Other financial liabilities		**(43,659)**	(1,856,138)
Other liabilities and provisions		**219,739**	402,345
Cash generated from operations		**19,409,088**	19,483,711
Taxes paid (net of refunds)		**(3,712,827)**	(3,013,199)
Net cash generated from operating activities		**15,696,261**	16,470,512
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for purchase of property, plant and equipment		**-**	(13,999)
Net cash used in investing activities		**-**	(13,999)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		**(10,737,938)**	(4,486,807)
Net cash used in financing activities		**(10,737,938)**	(4,486,807)
Net change in cash and cash equivalents		**4,958,323**	11,969,706
Cash and cash equivalents at the beginning of the year		**18,093,030**	6,125,188
Exchange difference on translation of foreign currency cash and cash		**8,136**	(1,864)
Cash and cash equivalents at the end of the year	6(a)	**23,059,489**	18,093,030
Supplement cash flow information			
Interest paid		**359,778**	976,318
Interest received		**114,556**	58,463

SEE ACCOMPANYING NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Notes forming part of the Financial Statements

1. CORPORATE INFORMATION

Tata Consultancy Services Guatemala S.A., with registered offices in Guatemala City (Diagonal 6 10-65 Zone 10 Las Margaritas Office 1501 B Tower 1), was incorporated according to Guatemalan Law on September 1, 2021 through the testimony of deed No. 111 and No. 112 under registration N ° 20170 Folio: 919 of the Electronic Book 91 of mercantile companies. Its corporate purpose is the provision of professional services within the IT, telecommunications, and engineering fields, consultancy services, delegated administration of IT services and business processes (outsourcing).

The authorized share capital of the Company is Seven Million Eight Hundred Thousand Quetzals (Q 7,800,000.00), represented by Seven Thousand Eight Hundred (7,800) shares with a par value each share of One Thousand Quetzals (Q1, 000.00) each one of them. The Shareholders of the Company are TCS Iberoamerica S.A. (Owns 99% of the shares of the subscribed and paid capital stock) and TCS Uruguay S.A. (Owns 1% of the shares of the subscribed and paid capital stock). Both Shareholders are registered offices are in the Oriental Republic of Uruguay.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), with their interpretations, conceptual framework, conclusion foundations and application guides authorized and issued by the International Accounting Standards Board (IASB); and other legal provisions defined by surveillance entities that may differ in some aspects with those set out by other state control bodies. On February 24, 2025, the Shareholders authorized the issuance of the financial statements.

3. BASIS OF PREPARATION

These financial statements have been prepared on historical cost basis except for certain financial instruments defined benefit plans which are measured at fair value or amortised cost at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for 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. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

The statement of cash flow has been prepared under indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The Company classifies interest paid and interest and dividend received as cash flow from operating activities. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value to be cash equivalents.

The functional currency of the Company is the Guatemalan Quetzal (GTQ). Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are retranslated at the exchange rate prevailing on the dates of statement of financial position and exchange gains and losses arising on settlement and restatement are recognised in profit or loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

The material accounting policy information used in preparation of the financial statements have been discussed in the respective notes.

4. USE OF ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with the recognition and measurement principles of International Financial Reporting Standards (IFRS) requires management to make estimates and judgments that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of the financial statements and the reported amounts of Income and expenses for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The Company uses the following critical accounting judgments, estimates and assumption estimates in preparation of its financial statements:

Notes forming part of the Financial Statements

a. Revenue recognition

Revenue for fixed-price contracts is recognised using percentage-of-completion method. The Company uses estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.

The company exercises judgement for identification of performance obligations, determination of transaction price, ascribing the transaction price to each distinct performance obligation and in determining whether the performance obligation is satisfied at a point in time or over a period of time. These judgements have been explained in detail under the revenue recognition note (Refer note 9).

b. Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods (Refer note 8 (a)).

c. Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

d. Impairment of financial assets (other than at fair value)

Measurement of impairment of financial assets require use of estimates and judgements, which have been explained in the note on financial assets, financial liabilities and equity instruments, under impairment of financial assets (other than at fair value) (Refer note 6).

e. Provision for income tax and deferred tax assets

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

f. Provisions and contingent liabilities

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Company uses significant judgement to asses contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

g. Employee benefits

The accounting of employee benefit plans in the nature of defined benefit requires the Company to use assumptions. These assumptions have been explained under employee benefits note (Refer note 13).

h. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of IFRS 16. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

Notes forming part of the Financial Statements

The Company determines the lease term as the noncancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

5. RECENT ACCOUNTING STANDARDS

The Company has not applied the following new and revised IFRSs that have been issued but are not yet effective.

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates[1]

Amendments to IFRS 9 and IFRS 7[2]

IFRS 18 – Presentation and Disclosures in Financial Statements[3]

IFRS 19 – Subsidiaries without Public Accountability: Disclosures[3]

[1]Effective for annual periods beginning on or after January 1, 2025.

[2]Effective for annual periods beginning on or after January 1, 2026.

[3]Effective for annual periods beginning on or after January 1, 2027.

IAS 21 – The Effects of Changes in Foreign Exchange Rates

In August 2023, the IASB issued 'Lack of Exchangeability (Amendments to IAS 21)' to provide guidance to specify which exchange rate to use when the currency is not exchangeable. An entity must estimate the spot exchange rate as the rate that would have applied to an orderly transaction between market participants at the measurement date and that would faithfully reflect the economic conditions prevailing. The Company does not expect this amendment to have any significant impact in its financial statements.

IFRS 9 and IFRS 7 – Financial Instruments and Financial Instruments: Disclosure

In May 2024, the IASB issued "Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) to address matters identified during the post-implementation review of IFRS 9. The amendments relate to derecognition of a financial liability settled through electronic transfer, classification of financial assets and disclosures of certain financial assets and financial liabilities. The Company will evaluate the amendments and implement them accordingly.

IFRS 18 – Presentation and Disclosures in Financial Statements

In April 2024, the IASB issued its new standard IFRS 18 – Presentation and Disclosures in Financial Statements that will replace IAS 1 – Presentation of Financial Statements. The new standard aims at improving how entities communicate in their financial statements. The Company will evaluate the standard and implement it accordingly.

IFRS 19 – Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued a new standard IFRS 19 - Subsidiaries without Public Accountability: Disclosures. The standard allows a subsidiary which does not have public accountability and has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards, to elect IFRS 19. Such an entity applies the requirements in other IFRS Accounting Standards, except for the disclosure requirements, instead the entity applies the requirements in IFRS 19.

Notes forming part of the Financial Statements

6. FINANCIAL ASSETS, FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

The Company derecognises a financial asset only 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 entity. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

Cash and cash equivalents

The Company considers all highly liquid investments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

The Company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in other comprehensive income.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in profit or loss.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received net of direct issue cost.

Impairment of financial assets (other than at fair value)

The Company assesses at each date of statement of financial position whether a financial asset or a group of financial assets is impaired. IFRS 9 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. In determining the allowances for expected credit losses, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Notes forming part of the Financial Statements

a. Cash and cash equivalents

Cash and cash equivalents consist of the following:

(In Quetzals)

	As at December 31, 2024	As at December 31, 2023
Balance with banks	**23,059,489**	18,093,030
Total	**23,059,489**	18,093,030

b. Trade receivables - Billed

Trade receivables - Billed consist of the following:

Trade receivable - Billed - Current

(In Quetzals)

	As at December 31, 2024	As at December 31, 2023
Trade receivables - Billed	**13,099,505**	15,261,624
Total	**13,099,505**	15,261,624

c. Other financial assets

Other financial assets consist of the following:

Other financial assets - Current

(In Quetzals)

	As at December 31, 2024	As at December 31, 2023
Security deposits	**58,059**	58,059
Others	**59,437**	59,437
Total	**117,496**	117,496

d. Borrowings

Borrowings consist of the following:

Borrowings – Current

(In Quetzals)

	As at December 31, 2024	As at December 31, 2023
Loans from related party	**-**	5,212,673
Total	**-**	5,212,673

Borrowings – Non Current

(In Quetzals)

	As at December 31, 2024	As at December 31, 2023
Loans from related party	**-**	5,628,414
Total	**-**	5,628,414

Notes forming part of the Financial Statements

e. Other financial liabilities

Other financial liabilities consist of the following:

Other financial liabilities – Current

(In Quetzals)

	As at December 31, 2024	As at December 31, 2023
Accrued payroll	**1,716,421**	1,726,690
Accrued interest	**-**	54,787
Volume discount	**37,068**	14,519
Others	**-**	1,152
Total	**1,753,489**	1,797,148

f. Financial instruments by category

The carrying value of financial instruments by categories as at December 31, 2024 is as follows:

(In Quetzals)

	Amortised cost	Total carrying value
Financial assets		
Cash and cash equivalents	**23,059,489**	**23,059,489**
Trade receivables		
Billed	**13,099,505**	**13,099,505**
Unbilled	**2,032,100**	**2,032,100**
Other financial assets	**117,496**	**117,496**
Total	**38,308,590**	**38,308,590**
Financial liabilities		
Trade payables	**777,913**	**777,913**
Other financial liabilities	**1,753,489**	**1,753,489**
Total	**2,531,402**	**2,531,402**

The carrying value of financial instruments by categories as at December 31, 2023 is as follows:

(In Quetzals)

	Amortised cost	Total carrying value
Financial assets		
Cash and cash equivalents	18,093,030	18,093,030
Trade receivables		
Billed	15,261,624	15,261,624
Unbilled	6,587,812	6,587,812
Other financial assets	117,496	117,496
Total	40,059,962	40,059,962
Financial liabilities		
Trade payables	1,919,569	1,919,569
Borrowings	10,841,087	10,841,087
Other financial liabilities	1,797,148	1,797,148
Total	14,557,804	14,557,804

Notes forming part of the Financial Statements

Carrying amounts of cash and cash equivalents, trade receivables and trade payables as at December 31, 2024 and December 31, 2023 approximate the fair value due to their nature. Carrying amounts of bank deposits, earmarked balances with banks other financial assets, other financial liabilities and borrowings which are subsequently measured at amortised cost also approximate the fair value due to their nature in each of the periods presented. Fair value measurement of lease liabilities is not required.

g. 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.

h. Financial risk management

The Company is exposed primarily to fluctuations in foreign currency exchange rates, credit, liquidity and interest rate risks, which may adversely impact the fair value of its financial instruments. The Company's has a risk management policy which covers risks associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors. The focus of the risk management committee is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the Company.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

- **Foreign currency exchange rate risk**

  The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the entity. Considering the economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries.

  The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

  The foreign exchange rate sensitivity is calculated by aggregation of the net foreign exchange rate exposure and a simultaneous parallel foreign exchange rates shift of all the currencies by 10% against the respective functional currency of the Company.

  The following analysis has been worked out based on the net exposures of the Company as of the date of statement of financial position which could affect the statement of profit or loss and other comprehensive income and equity.

  The following table sets forth information relating to foreign currency exposure as at December 31, 2024:

(In Quetzals)

	MXN	USD	TOTAL
Net financial assets	-	17,842,648	17,842,648
Net financial liabilities	14,752	538,599	553,351

Notes forming part of the Financial Statements

10% appreciation / depreciation of the respective foreign currencies with respect to functional currency of the Company would result in decrease / increase in the Company's profit before taxes by approximately, 1,728,930 Quetzals for the year ended December 31, 2024.

The following table sets forth information relating to foreign currency exposure as at December 31, 2023:

(In Quetzals)

	MXN	USD	TOTAL
Net financial assets	-	22,018,673	22,018,673
Net financial liabilities	-	12,519,118	12,519,118

10% appreciation / depreciation of the respective foreign currencies with respect to functional currency of the Company would result in decrease / increase in the Company's profit before taxes by approximately, 949,955 Quetzals for the year ended December 31, 2023.

- **Interest rate risk**

  The Company is not exposed to interest rate risk.

Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Refer note 4 for methods, assumptions and information used to measure expected credit losses.

Financial instruments that are subject to measure expected credit losses of trade receivables, cash and cash equivalents and other financial assets. Cash and cash equivalents include an amount of 23,059,489 Quetzals held with a bank in Guatemala having high quality credit rating which are individually in excess of 10% or more of the Company's total cash and cash equivalents and Bank deposits as at December 31, 2024. None of the other financial instruments of the Company result in material concentration of credit risk.

- **Exposure to credit risk**

The carrying amount of financial assets and contract assets represents the maximum credit exposure. The maximum exposure to credit risk was 38,308,590 Quetzals and 40,059,963 Quetzals as at December 31, 2024 and December 31, 2023, respectively, being the total of the carrying amount of balances with banks, bank deposits, trade receivables, contract assets and other financial assets.

Company's exposure to customers is diversified, and single customer contributes individually to more than 10% of outstanding trade receivable, and contract assets as at December 31, 2024 and as at December 31, 2023 as follows:

(In Quetzals)

	As at December 31, 2024	
	Total trade receivables, Unbilled receivables and contract Assets	Percentage
Customer A	**12,801,245**	**85%**
Customer B	**1,690,461**	**11%**

(In Quetzals)

	As at December 31, 2023	
	Total trade receivables , Unbilled receivables and contract Assets	Percentage
Customer A	18,420,870	84%

Notes forming part of the Financial Statements

- **Geographic concentration of credit risk**

Geographic concentration of trade receivables, (gross and net of allowances) and contract assets is as follows:

	Year ended December 31, 2024	Year ended December 31, 2023
	Net %	Net %
Americas	**96%**	96%
Ibero America	**4%**	3%
India	**0%**	1%
	100%	100%

Geographical concentration of trade receivables, (gross and net of allowances) and contract assets is allocated based on the location of the customers.

Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company consistently generated sufficient cash flows from operations to meet its financial obligations including lease liabilities as and when they fall due.

The tables below provide details regarding the contractual maturities of significant financial liabilities as of:

(In Quetzals)

December 31, 2024	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5 years	Total
Non-derivative financial liabilities:					
Trade payables	**777,913**	**-**	**-**	**-**	**777,913**
Other financial liabilities	**1,753,490**	**-**	**-**	**-**	**1,753,490**
Total	**2,531,403**	**-**	**-**	**-**	**2,531,403**

(In Quetzals)

December 31, 2023	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5 years	Total
Non-derivative financial liabilities:					
Trade payables	1,919,569	-	-	-	1,919,569
Borrowings	5,212,674	4,887,216	741,199	-	10,841,089
Other financial liabilities	1,797,147	-	-	-	1,797,147
Total	8,929,390	4,887,216	741,199	-	14,557,805

i. Equity instruments

The authorized, issued, subscribed and fully paid-up share capital consists of the following:

(In Quetzals)

	As at December 31, 2024	As at December 31, 2023
Authorized		
Equity share of 1,000 each	**7,800,000**	7,800,000
Issued, subscribed and fully paid up		
Equity share of 1,000 each	**7,800,000**	7,800,000

Notes forming part of the Financial Statements

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. The Company is not subject to any externally imposed capital requirements.

7. LEASES

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognizes right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in profit or loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease-by-lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and profit or loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in profit or loss.

The Company has elected not to apply the requirements of IFRS 16 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

8. NON-FINANCIAL ASSETS AND NON-FINANCIAL LIABILITIES

a. Property, plant and equipment

Property, plant and equipment are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use, less accumulated depreciation (other than freehold land) and impairment loss, if any.

Depreciation is provided for property, plant and equipment on a straight-line basis so as to expense the cost less residual values over their estimated useful lives based on a technical evaluation. The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

Notes forming part of the Financial Statements

The estimated useful lives are as mentioned below:

Type of asset	Useful lives
Leasehold improvements	Lease term
Computer equipment	4 years
Furniture, fixtures, office equipment and other assets	2-10 years

Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use. Capital work-in-progress includes capital advances.

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss.

Property, plant and equipment consist of the following:

(In Quetzals)

	Computer equipment	Office equipment	Total
Gross block as at January 1, 2024	**2,174,461**	**10,973**	**2,185,434**
Purchases	**-**	**-**	**-**
Disposals	**(2,164)**	**-**	**(2,164)**
Gross block as at December 31, 2024	**2,172,297**	**10,973**	**2,183,270**
Accumulated depreciation as at January 1, 2024	**975,312**	**2,760**	**978,072**
Depreciation for the period	**544,635**	**2,199**	**546,834**
Disposals	**(1,426)**	**-**	**(1,426)**
Accumulated depreciation as at December 31, 2024	**1,518,521**	**4,959**	**1,523,480**
Net carrying amount as at December 31, 2024	**653,776**	**6,014**	**659,790**
Capital work-in-progress	**-**		**-**
Total	**653,776**	**6,014**	**659,790**

(In Quetzals)

	Computer equipment	Office equipment	Total
Gross block as at January 1, 2023	2,161,614	9,821	2,171,435
Purchases	12,847	1,152	13,999
Gross block as at December 31, 2023	2,174,461	10,973	2,185,434
Accumulated depreciation as of January 1, 2023	434,984	789	435,773
Depreciation for the period	540,328	1,971	542,299
Accumulated depreciation as of December 31, 2023	975,312	2,760	978,072
Net carrying amount as of December 31, 2023	1,199,149	8,213	1,207,362
Capital work-in-progress	-		-
Total	1,199,149	8,213	1,207,362

Notes forming part of the Financial Statements

b. Other Intangible assets

Intangible assets purchased including acquired in business combination, are measured at cost as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

Intangible assets consist of rights under licensing agreement and software licences.

Following table summarises the nature of intangibles and their estimated useful lives:

Type of asset	Useful lives
Rights under licensing agreement and software licences	Lower of licence period and 2-5 years

Intangible assets are amortised on a straightline basis over the period of its economic useful life.

Intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss.

As at December 31,2024, and December 31, 2023 Company did not have Intangible assets.

c. Other assets

Other assets consist of the following:

Other assets – Current

(In Quetzals)

	As at December 31, 2024	As at December 31, 2023
Indirect tax recoverable	**646,514**	516,082
Prepaid expenses	**22,509**	417,022
Total	**669,023**	933,104

Refer note 9 for changes in contract assets

d. Other liabilities

Other liabilities consist of the following:

Other liabilities – Current

(In Quetzals)

	As at December 31, 2024	As at December 31, 2023
Indirect tax payable and other statutory liabilities	**654,199**	636,730
Total	**654,199**	636,730

9. REVENUE RECOGNITION

The Company earns revenue primarily from providing IT services, consulting and business solutions. The Company offers a consulting-led, cognitive powered, integrated portfolio of IT, business and engineering services and solutions.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

Notes forming part of the Financial Statements

- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.
- In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract costs incurred determining the degree of completion of the performance obligation. The contract costs used in computing the revenues include cost of fulfilling warranty obligations.
- Revenue from the sale of distinct internally developed software and manufactured systems and third party software is recognised upfront at the point in time when the system / software is delivered to the customer. In cases where implementation and / or customisation services rendered significantly modifies or customises the software, these services and software are accounted for as a single performance obligation and revenue is recognised over time on a POC method.
- Revenue from the sale of distinct third party hardware is recognised at the point in time when control is transferred to the customer.
- The solutions offered by the Company may include supply of third-party equipment or software. In such cases, revenue for supply of such third party products are recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent of the customer. The Company recognises revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract and to ascribe the transaction price to each distinct performance obligation. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Contract fulfilment costs are generally expensed as incurred except for certain software licence costs which meet the criteria for capitalisation. Such costs are amortised over the contractual period or useful life of the licence, whichever is less. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

Notes forming part of the Financial Statements

The billing schedules agreed with customers could include periodic performance based payments and/or milestone based progress payments. Invoices are payable within contractually agreed credit period.

In accordance with IAS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Company disaggregates revenue from contracts with customers by nature of services, industry verticals and geography.

Revenue disaggregation by nature of services is as follows:

(In Quetzals)

	Year ended December 31, 2024	Year ended December 31, 2023
Consultancy Services	**65,052,004**	61,056,926
Total	**65,052,004**	61,056,926

Revenue disaggregation by industry vertical is as follows:

(In Quetzals)

	Year ended December 31, 2024	Year ended December 31, 2023
Industry Vertical		
Communication, Media and Technology	**57,765,622**	58,383,733
Transportation	**3,607,078**	-
Manufacturing	**1,878,401**	829,281
Retail and Consumer Business	**830,381**	1,843,912
Life Sciences & Healthcare	**797,672**	-
Banking, Financial and Insurance	**172,850**	-
Total	**65,052,004**	61,056,926

Revenue disaggregation by geography is as follows:

(In Quetzals)

	Year ended December 31, 2024	Year ended December 31, 2023
Geography		
America	**62,343,222**	59,588,235
Ibero America	**2,708,782**	1,468,691
Total	**65,052,004**	61,056,926

Geographical revenue is allocated based on the location of the customers.

While disclosing the aggregate amount of transaction price yet to be recognized as revenue towards unsatisfied (or partially satisfied) performance obligations, along with the broad time band for the expected time to recognize those revenues, the Company has applied the practical expedient in IFRS 15. Accordingly, the Company has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognised corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts.

Notes forming part of the Financial Statements

Unsatisfied (or partially satisfied) performance obligations are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc.). The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is 1,425,513 Quetzals, out of which 87.41% is expected to be recognized as revenue within the next year and the balance thereafter. No consideration from contracts with customers is excluded from the amount mentioned above.

Changes in contract assets are as follows:

(In Quetzals)

	Year ended December 31, 2024	Year ended December 31, 2023
Balance at the beginning of the year	**-**	92,688
Invoice raised that were included in the contract assets balance at the beginning of the year	**-**	(92,390)
Increase due to revenue reconginsed during the year excludng amounts billed during the year	**-**	-
Adjustments during the year	**-**	-
Translation exchange difference	**-**	(298)
Balance at the end of the year	**-**	-

Changes in unearned and deferred revenue are as follows:

(In Quetzals)

	Year ended December 31, 2024	Year ended December 31, 2023
Balance at the beginning of the year	**(948,844)**	(1,979)
Revenue recognised that was included in the unearned and deferred revenue at the beginning of the year	**943,648**	1,971
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year.	**(661)**	(950,761)
Translation exchange difference	**5,857**	1,925
Balance at the end of the year	**-**	(948,844)

10. COST RECOGNITION

Costs and expenses are recognized when incurred and have been classified according to their nature in the following categories:

Cost of revenue

The costs of the Company are broadly categorized into employee benefits expenses, depreciation and amortization and other operating expenses. Employee benefits expenses include employee compensation, allowances paid, contribution to various funds and staff welfare expenses. Other operating expenses mainly include fees to external consultants, facility expenses and other expenses.

Selling, general and administrative expenses

Selling costs primarily include employee compensation for sales and marketing personnel, travel expenses, advertising, business promotion expenses, bad debts and advances written off, allowance for expected credit losses and doubtful advances (net), facility expenses for sales and marketing offices and market research costs.

General and administrative costs primarily include employee compensation for administrative, supervisory, managerial and practice management personnel, depreciation and amortisation expenses of non-production equipment and software, facility expenses for administrative offices, communication expenses, fees to external consultants and other general expenses.

Notes forming part of the Financial Statements

Expenses by nature

(In Quetzals)

	Year ended December 31, 2024	Year ended December 31, 2023
Facility expenses	**439,040**	494,327
Fees to external consultants and others	**1,829,893**	2,351,187
Travel expense	**14,067**	14,786
Communication expense	**6,107**	6,054
Other expenses	**360,557**	644,125
Total	**2,649,664**	3,510,479

- **Expenses by function**

(In Quetzals)

	Year ended December 31, 2024	Year ended December 31, 2023
Cost of revenue	**46,482,360**	46,148,640
Selling, general and administrative expenses	**4,335,968**	5,130,576
Total	**50,818,328**	51,279,216

11. OTHER INCOME

a. Finance costs

(In Quetzals)

	Year ended December 31, 2024	Year ended December 31, 2023
Interest on loans other than banks	**305,406**	605,539
Total	**305,406**	605,539

b. Other Gains / (Losses) (net)

(In Quetzals)

	Year ended December 31, 2024	Year ended December 31, 2023
Net foreign exchange gains (losses)	**(283,850)**	(84,152)
Disposal of assets (losses)	**(4)**	-
Others	**260,892**	70,026
Total	**(22,962)**	(14,126)

12. INCOME TAXES

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Notes forming part of the Financial Statements

Current income taxes

The charge for current income tax is calculated based on enacted, or substantially enacted, tax laws at the balance sheet date. The management assesses periodically the positions assumed in the tax returns filed regarding situations in which the tax laws are subject to interpretation. The Company, as corresponds, creates provisions on amounts expected to be obliged to pay to tax authorities.

Advance taxes and provisions for current income taxes are presented in the statement of financial position after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying unit intends to settle the asset and liability on a net basis.

Deferred income taxes

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination, affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax liabilities are recognised for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

The income tax expense consists of the following:

(In Quetzals)

Current Tax	Year ended December 31, 2024	Year ended December 31, 2023
Current tax expense for current year	**3,746,818**	2,525,790
	3,746,818	2,525,790

(In Quetzals)

Deferred tax	Year ended December 31, 2024	Year ended December 31, 2023
Deferred tax (benefit) / expense for current year	**(122,712)**	(34,587)
	(122,712)	(34,587)
Total	**3,624,106**	2,491,203

Notes forming part of the Financial Statements

The reconciliation of estimated income tax expense at statutory income tax rate to income tax expense reported in statement of profit or loss is as follows:

(In Quetzals)

	Year ended December 31, 2024	Year ended December 31, 2023
Profit before taxes	**13,905,308**	9,158,045
Federal income tax rate	**25%**	25%
Expected income tax expense	**3,476,327**	2,289,511
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense		
Income exempt from tax	**(28,639)**	(13,705)
Permanent differences	**176,418**	215,397
Total income tax expense	**3,624,106**	2,491,203

Significant components of net deferred tax assets and liabilities for the period ended December 31, 2024 are as follows:

(In Quetzals)

	Opening balance	Recognised in profit or loss	Closing balance
Deferred tax assets in relation to			
Provision for Employee Benefits	**542,180**	**122,712**	**664,892**
Total deferred tax asset / (liabilities)	**542,180**	**122,712**	**664,892**

Significant components of net deferred tax assets and liabilities for the period ended December 31, 2023 are as follows:

(In Quetzals)

	Opening balance	Recognised in profit or loss	Closing balance0
Deferred tax assets in relation to			
Provision for Employee Benefits	507,593	34,587	542,180
Total deferred tax asset / (liabities)	507,593	34,587	542,180

Direct Tax Contingencies

There are no contingencies in relation to Direct tax matters.

13. EMPLOYEE BENEFITS

Defined contribution plans

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits.

The Company provides retirement benefit such as pension (other than Company managed fund) and foreign defined contribution plans to its employees which are treated as defined contribution plans.

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Notes forming part of the Financial Statements

Compensated absences

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as undiscounted liability at the date of statement of financial position. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the date of statement of financial position using the Projected Unit Credit Method.

Employee cost consists of the following:

	Year ended December 31, 2024	Year ended December 31, 2023
Salaries, incentives and allowances	**42,126,251**	41,760,101
Contribution to provident and other funds	**4,467,805**	4,503,174
Staff welfare expenses	**1,027,774**	963,163
	47,621,830	47,226,438

Employee benefit obligations consist of the following:

(a) Employee benefit obligations – Current

(In Quetzals)

	As at December 31, 2024	As at December 31, 2023
Benefits to employees	**2,888,007**	2,685,736
Total	**2,888,007**	2,685,736

14. COMMITMENTS AND CONTINGENCIES

Capital Commitments

The Company has contractually capital commitment (net of advances) Nil Quetzals as at December 31, 2024 and December 31, 2023 for purchase of property, plant and equipment.

Contingencies

(a) Direct tax matters

Refer note No. 12

(b) Indirect tax matters

There are no contingency in relation to Indirect tax matters.

(c) Other claims

Claims aggregating GTQ 107,000 and GTQ 107,000 as at December 31, 2024 and December 31, 2023 respectively, against the Company have not been acknowledged as debts.

Notes forming part of the Financial Statements

15. RELATED PARTY TRANSACTIONS

The Company's principal related parties consist of its ultimate holding company Tata Consultancy Services Limited and its subsidiaries and key managerial personnel. The related party transactions and outstanding balances are with related parties with whom the Company routinely enter into transactions in the ordinary course of business.

Transactions with related parties are as follows:

(In Quetzals)

	Year ended December 31, 2024	Year ended December 31, 2023
Revenue from operations		
Tata Consultancy Services Limited	**6,238,608**	2,682,128
Total	**6,238,608**	2,682,128
Purchases of goods and services (including reimbursements)		
Tata Consultancy Services Limited	**233,120**	348,115
Subsidiaries of Tata Consultancy Services Limited		
Tata Consultancy Services De Mexico S.A.,De C.V.	**470,408**	664,527
Total	**703,528**	664,527
Loan Repaid		
Subsidiaries of Tata Consultancy Services Limited		
TCS Uruguay S. A.	**10,737,938**	4,486,807
Total	**10,737,938**	4,486,807
Interest Expense		
Subsidiaries of Tata Consultancy Services Limited		
TCS Uruguay S. A.	**305,406**	605,539
Total	**305,406**	605,539
Brand equity contribution		
Tata Sons Private Limited, its subsidiaries and associates		
Tata Sons Private Limited	**(42,109)**	147,062
Total	**(42,109)**	147,062

Notes forming part of the Financial Statements

Balances receivable and payable to related parties are as follows:

(In Quetzals)

	As at December 31, 2024	As at December 31, 2023
Trade payables, unearned and deferred revenue, other financial liabilities and other liabilities		
Tata Sons Private Limited, its subsidiaries and associates		
Tata Sons Private Limited	**255,117**	297,225
Tata Consultancy Services Limited	**41,981**	39,797
Total		
Subsidiaries of Tata Consultancy Services Limited		
TCS Uruguay S.A.	**-**	54,787
Tata Consultancy Services De Mexico S.A.,De C.V.	**253,330**	17,741
Total	**253,330**	72,528
Loan taken		
Subsidiaries of Tata Consultancy Services Limited		
TCS Uruguay S.A.	**-**	10,841,087
Total	**-**	10,841,087
Loans, other financial assets and other assets		
Subsidiaries of Tata Consultancy Services Limited		
Tata Consultancy Services De Mexico S.A.,De C.V.	**-**	23,684
Total	**-**	23,684
Trade receivables and unbilled receivables and contract assets		
Tata Consultancy Services Limited	**1,690,461**	1,013,612
Tata Consultancy Services De Mexico, SA. De C.V.	**49,259**	-
Total	**1,739,720**	1,013,612

Compensation to Key Managerial Personnel

(In Quetzals)

	Year ended December 31, 2024	Year ended December 31, 2023
Short-term benefits	**1,487,903**	1,955,739
Total	**1,487,903**	1,955,739

16. SUBSEQUENT EVENTS

There were no subsequent events that need disclosure.

Diligenta (Europe) B.V.

ANNUAL REPORT AND FINANCIAL STATEMENTS

Financial Year
2024 - 25

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

CONTENTS **PAGE**

Auditor's Report	52.2
Balance Sheet	52.4
Profit and Loss	52.5
Changes in Equity	52.6
Cash Flow Statement	52.7
Notes forming part of the Financial Statements	52.8

Back to main content

Independent Auditor's Report

To the Board of Directors
Diligenta (Europe) B.V.
Report on the special purpose Ind AS Financial Statements

Opinion

We have audited the accompanying Special purpose Ind AS financial statements of Diligenta (Europe) B.V. (the Company), which comprises the Balance Sheet as at 31st March 2025, the Statement of Profit and Loss, other comprehensive income, changes in equity, and cash flow for the year then ended, and the related notes to the special purpose financial statements. The special purpose Ind AS financial statements have been prepared by the management as described in Note 2 to the Special Purpose Ind AS financial statements.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Special purpose Ind AS financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2025, and it's profit (including other Comprehensive Income), Changes in Equity and its Cash Flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Special purpose Ind AS financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Special purpose Ind AS financial statements under the provisions of the Act and the Rules thereunder and fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the Special purpose Ind AS financial Statements

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Special purpose Ind AS financial statements that give a true and fair view of the state of affairs, profit/ loss and (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (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 Special purpose Ind AS financial statements that give a true and fair view and are free from misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Special purpose Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Special purpose Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is 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 Special purpose Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

  Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

(To the extent applicable to a Company incorporated outside India)

1. As required by Section 143(3) of the Act, we report that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   b) In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books.
   c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.
   d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

Restriction on Distribution and Use

This Special purpose Ind AS financial statements have been prepared for the limited purpose of consolidated financial statements, to comply with the Section 129(3) of the Companies Act 2013, of Tata Consultancy Services Limited for the year ended 31st March, 2025 in accordance with Accounting Standard specified in section 133 of the Companies Act 2013. Our report is intended solely for the information and use of Board of Directors of the company and Tata Consultancy Services Limited for the preparation of consolidated this Special purpose Ind AS financial statements as aforesaid and for the use at their annual general meetings for the information of their members. It is not intended to be and should not be used by anyone other than specified parties.

For KBJ & ASSOCIATES
(Chartered Accountants)
(Firm Registration No. 114934W)

Kaushik B. Joshi
Proprietor
(Membership No.48889)

Date: April 30, 2025
Place: Mumbai

Balance Sheet

Amount in EUR

	Note	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
(b) Right-of-use Assets	7	**-**	79,572
Total non-current assets		**-**	79,572
Current assets			
(i) Trade receivables			
Billed	6(a)	**204,683**	1,012,958
Unbilled	6(a)	**162,083**	160,826
(ii) Cash and cash equivalents	6(b)	**963,747**	1
(iii) Other Assets		**146,803**	-
Total current assets		**1,477,316**	1,173,784
TOTAL ASSETS		**1,477,316**	1,253,357
EQUITY AND LIABILITIES			
Equity			
(a) Share capital	6(g)	**1**	1
(b) Other equity	9	**3,877**	2,176
Total Equity		**3,878**	2,177
Liabilities			
Non-current liabilities			
(i) Lease Liabilities	7	**-**	63,384
Total non-current liabilities		**-**	63,384
Current liabilities			
(i) Lease Liabilities	7	**-**	16,568
(ii) Trade payables	6(c)	**1,296,724**	995,030
(c) Income tax liabilities (net)		**911**	396
(d) Other liabilities	8(a)	**175,803**	175,803
Total current liabilities		**1,473,438**	1,187,796
TOTAL EQUITY AND LIABILITIES		**1,477,316**	1,253,357

NOTES FORMING PART OF FINANCIAL STATEMENTS 1-17

As per our report of even date attached

For KBJ & Associates
Chartered Accountants
Firm registration no.114934W

Kaushik B. Joshi
Proprietor
Membership number: 48889

Mumbai
Date: 30th April, 2025

For and on behalf of the Board of Directors
of Diligenta (Europe) B.V.

Daniel Praveen
Director
Cambridgeshire

Josu Devasia
Director
Netherlands

Back to content

Statement of Profit and Loss

Amount in EUR

		Note	For the year ended March 31, 2025	For the year ended March 31, 2024
	Revenue	10	**1,963,611**	997,981
I.	OTHER INCOME	10(a)	**1,018**	-
II.	**TOTAL INCOME**		**1,964,629**	997,981
III.	**Expenses**			
	(a) Depreciation expense	7	**8,843**	4,421
	(b) Other expenses	11(a)	**1,952,097**	990,192
	(c) Finance costs		**1,474**	796
	TOTAL EXPENSES		**1,962,414**	995,409
	PROFIT/(LOSS) BEFORE TAX		**2,215**	2,572
IV.	**Tax expenses**			
	(a) Current tax	14	**514**	396
	TOTAL TAX EXPENSES		**514**	396
	PROFIT/(LOSS) FOR THE YEAR		**1,701**	2,176
V.	**TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR**		**1,701**	2,176
VI.	**NOTES FORMING PART OF FINANCIAL STATEMENTS**	1-17		

As per our report of even date attached

For KBJ & Associates
Chartered Accountants
Firm registration no.114934W

Kaushik B. Joshi
Proprietor
Membership number: 48889

Mumbai
Date: 30th April, 2025

For and on behalf of the Board of Directors
of Diligenta (Europe) B.V.

Daniel Praveen
Director
Cambridgeshire

Josu Devasia
Director
Netherlands

Statement of Changes in Equity

A. EQUITY SHARE CAPITAL

Amount in EUR

Balance as at April 1, 2024	Change in equity share capital during the period	Balance as at March 31, 2025
1	-	1

Amount in EUR

Balance as at April 1, 2023	Change in equity share capital during the period	Balance as at March 31, 2024
NA	1.00	1

B. OTHER EQUITY

Amount in EUR

	Reserves and surplus	
	Retained earnings	Total equity
Balance as at April 1, 2024	**2,176**	**2,176**
Profit for the year	**1,701**	**1,701**
Balance as at March 31, 2025	**3,877**	**3,877**

NOTES FORMING PART OF FINANCIAL STATEMENTS 1-17

Amount in EUR

	Reserves and surplus	
	Retained earnings	Total equity
Profit for the year	2,176	2,176
Balance as at March 31, 2024	2,176	2,176

NOTES FORMING PART OF FINANCIAL STATEMENTS 1-17

As per our report of even date attached

For KBJ & Associates
Chartered Accountants
Firm registration no.114934W

Kaushik B. Joshi
Proprietor
Membership number: 48889

Mumbai
Date: 30th April, 2025

For and on behalf of the Board of Directors
of Diligenta (Europe) B.V.

Daniel Praveen
Director
Cambridgeshire

Josu Devasia
Director
Netherlands

Statement of Cash flows for the period from 1st April, 2024 to 31st March, 2025

Amount in EUR

	Note	March 31, 2025	March 31, 2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/ (loss) for the year		**1,701**	2,176
Adjustments to reconcile profit and loss to net cash provided by operating activities			
Depreciation expense		**8,843**	4,421
Tax Expense	14	**514**	396
Finance Costs		**1,474**	796
Operating Profit/(Loss) before working capital changes		**12,532**	7,788
Net change in			
Trade receivables	6(a)	**808,275**	(1,012,958)
Unbilled receivables		**(1,257)**	(160,826)
Other assets		**(146,803)**	-
Trade payables	6(c)	**301,694**	995,029
Other liabilities		**-**	175,805
Cash generated (used) from operations		**974,440**	5,234
Taxes paid (net of refund)		**(1,019)**	-
Net cash generated (used) in operating activities		**973,421**	4,838
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of lease liabilities		**(8,202)**	(4,041)
Repayment of lease Interest	5(12)	**(1,474)**	(796)
Net cash used in financing activities		**(9,676)**	(4,838)
Net change in cash and cash equivalents		**963,745**	1
Cash and cash equivalents at the beginning of the year		**1**	0
Cash and cash equivalents, as at the end of the year (Refer Note 6(b))		**963,747**	1

NOTES FORMING PART OF FINANCIAL STATEMENTS 1-17

As per our report of even date attached

For KBJ & Associates
Chartered Accountants
Firm registration no.114934W

Kaushik B. Joshi
Proprietor
Membership number: 48889

Mumbai
Date: 30th April, 2025

For and on behalf of the Board of Directors
of Diligenta (Europe) B.V.

Daniel Praveen
Director
Cambridgeshire

Josu Devasia
Director
Netherlands

Back to content

Notes forming part of the Financial Statements

1. CORPORATE INFORMATION

Diligenta (Europe) B.V. is into business of providing a wide range of information technology and consultancy services.

The Company was incorporated on September 14, 2023 in Netherland. The address is 6th floor of the office building situated at Kruseman van Eltenweg 1 in (1817 BC) Alkmaar. Diligenta Limited (UK), the holding Company owned 100% of the Company's equity share capital.

2. STATEMENT OF COMPLIANCE

This special purpose financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time for sole purpose of inclusion for Tata Consultancy Services Limited (Intermediate Holding Company) under the requirement of Section 129(3) of the Companies Act, 2013 ('the Act').

3. BASIS OF PREPARATION

These financial statements have been prepared on the historical cost basis, except for certain financial instruments, which are measured at fair values or amortised cost at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for 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. All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle. Based on the nature of services rendered to customer and time elapsed between deployment of resources and realisation in cash and cash equivalents of the consideration for such a services rendered, the Company has considered an operating cycle of 12 months.

The statement of cash flows have been prepared under indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value to be cash equivalents.

These financial statements have been presented in EUR which is the functional currency of the Company.

The functional currency is the currency of the primary economic environment in which the Company operates.

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and restatement of foreign currency denominated monetary assets and liabilities are recognised in the statement of profit and loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

The material accounting policies used in preparation of the standalone financial statements have been discussed in the respective notes.

4. USE OF ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The Company uses the following critical accounting estimates in preparation of its financial statements:

Notes forming part of the Financial Statements

a. Revenue recognition

Revenue for fixed-price contracts is recognised using percentage-of-completion method. The Company estimates the future cost-to completion of the contracts which is used to determine degree of completion of the performance obligation.

The Company exercises judgement for identification of performance obligations, determination of transaction price, ascribing the transaction price to each distinct performance obligation and in determining whether the performance obligation is satisfied at a point in time or over a period of time. These judgements have been explained in detail under the revenue recognition note (Refer note 10).

b. Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

c. Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

d. Provision for income tax and deferred tax assets

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

e. Provisions and contingent liabilities

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Company uses significant judgements to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

f. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Notes forming part of the Financial Statements

5. RECENT PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2025,MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

6. FINANCIAL ASSETS, FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and 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 measured on initial recognition of financial asset or financial liability.

The Company derecognises a financial asset only 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 asset to another entity. The Company derecognises a financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

Cash and cash equivalents

The Company considers all highly liquid investments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets amortised cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

The Company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in other comprehensive income.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit and loss are immediately recognised in statement of profit and loss.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received net of direct issue cost.

Impairment of financial assets (other than at fair value)

The Company assesses at each date of Balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience

Notes forming part of the Financial Statements

and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, the Company recognises lifetime expected losses for all contract assets and/or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

a. Trade Receivables

Trade receivables (unsecured) consist of following:

Amount in EUR

	As at March 31, 2025	As at March 31, 2024
Trade Receivable - Current		
Considered Good	**204,683**	1,012,958
	204,683	1,012,958

Above balances of trade receivables includes balance with related parties (Refer Note 17)

Ageing for trade receivables - current outstanding as at March 31, 2025 is as follows:

Amount in EUR

	Outstanding for following periods from due date of payment				
Particulars	**Not due**	**Less than 6 months**	**6 months - 1 year**	**1-2 years**	**Total**
Undisputed trade receivables - considered good	**201,527**	**3,156**	**-**	**-**	**204,683**
	201,527	**3,156**	**-**	**-**	**204,683**
Less: Allowance for doubtful trade receivables - billed					**-**
					204,683
Trade Receivables - unbilled					**162,083**
					366,766

Ageing for trade receivables - current outstanding as at March 31, 2024 is as follows:

Amount in EUR

	Outstanding for following periods from due date of payment				
Particulars	**Not due**	**Less than 6 months**	**6 months - 1 year**	**1-2 years**	**Total**
Undisputed trade receivables - considered good	-	1,012,958	-	-	1,012,958
	-	1,012,958	-	-	1,012,958
Less: Allowance for doubtful trade receivables - billed					-
					1,012,958
Trade Receivables - unbilled					160,826
					1,173,784

Notes forming part of the Financial Statements

b. Cash and cash equivalents

Cash and cash equivalents consist of the following:

Amount in EUR

	As at March 31, 2025	As at March 31, 2024
Balances with banks		
-In current accounts	**963,747**	1
	963,747	1

c. Trade payables current

Trade payables consist of the following:

Amount in EUR

	As at March 31, 2025	As at March 31, 2024
Trade and other payables	**489,484**	494,945
Accrued expenses	**807,240**	500,085
	1,296,724	995,030

Above balances of trade payables includes balance with related parties (Refer Note 17)

Ageing for trade payable - current outstanding as at March 31, 2025 is as follows:

	Outstanding for following periods from due date of payment				
Particulars	**Not due**	**Less than 6 months**	**6 months - 1 year**	**1-2 years**	**Total**
Others	**489,484**	**-**	**-**		**489,484**
	489,484	**-**	**-**	**-**	**489,484**
Less: Allowance for doubtful trade payables					**-**
					489,484
Accrued expenses					**807,240**
					1,296,724

Ageing for trade payable - current outstanding as at March 31, 2024 is as follows:

Amount in EUR

	Outstanding for following periods from due date of payment				
Particulars	**Not due**	**Less than 6 months**	**6 months - 1 year**	**1-2 years**	**Total**
Others		494,945			494,945
	-	494,945	-	-	494,945
Less: Allowance for doubtful trade payables					-
					494,945
Accrued expenses					500,085
					995,030

Notes forming part of the Financial Statements

d. Financial instruments by category

The carrying value of financial instruments by categories as of March 31, 2024 is as follows:

Amount in EUR

	As at March 31, 2025	As at March 31, 2024
Financial assets		
Cash and cash equivalents	**963,747**	1
Trade receivables	**204,683**	1,012,958
Unbilled receivables	**162,083**	160,826
Total	**1,330,513**	1,173,784
Financial liabilities		
Trade payables	**1,296,724**	995,030
Lease liabilities	**-**	79,952
Total	**1,296,724**	1,074,982

Carrying amounts of cash and cash equivalents, trade receivables, unbilled receivables and trade payables as at March 31, 2025 approximate the fair value. Difference between carrying amounts and fair values of balances with banks, other financial assets and other financial liabilities subsequently measured at amortised cost is not significant in each of the periods presented. Fair value measurement of lease liabilities is not required.

e. 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 consist 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 are no financial liabilities or assets measured at fair value at the end of each reporting period.

f. Financial risk management

The Company is exposed primarily to fluctuations in credit, liquidity and interest rate risks, which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which covers risks associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors. The focus of the risk management committee is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the Company.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

- ***Interest rate risk***

  The Company is not exposed to interest rate risk.

Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of

Notes forming part of the Financial Statements

deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, unbilled receivables, cash and cash equivalents, bank deposits and other financial assets. None of the other financial instruments of the Company result in material concentration of credit risk.

- ***Exposure to credit risk***

  The carrying amount of financial assets represents the maximum credit exposure. Being no carrying amount of balances with banks, trade receivables, unbilled receivables and other financial assets excluding equity & loans.

- ***Trade Receivables and Contract Assets***

  The entity's exposure to credit risk with regards to trade receivables and Unbilled Receivables is influenced mainly by the individual characteristics of each customer in relation to the industry practices and business environment in which they operate. The entity limits its exposure to credit risk from trade receivables by establishing a maximum payment period of 365 days for its customers after which they are in default (credit impaired). To manage this risk, the Company has a robust Credit Management process in place. The Company has adopted a policy of dealing only with creditworthy counterparties. The Company's exposure of the counterparties is continuously monitored and necessary changes to the credit terms are made. The carrying amounts of financial assets represent the maximum credit risk exposure. None of the customer balances have been written off and no customer balances have been credit impaired at the reporting date.

  The Company's exposure to customers is diversified and single customer contributes to more than 10% of outstanding trade receivables, unbilled receivables and contract assets as at December 31, 2021.

Amount in EUR

	As at March 31, 2025	
	Total Trade receivables and Unbilled revenue	**Percentage**
Customer A	**366,766**	**100%**

Amount in EUR

	As at March 31, 2024	
	Total Trade receivables and Unbilled revenue	**Percentage**
Customer A	117,3783	100%

Company's cash and cash equivalents, trade receivables, unbilled receivables other financial assets are substantially held in Netherlands.

- ***Geographic concentration of credit risk***

  The Company is not exposed to the risk as the customer base of Company is concentrated in Europe.

Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company consistently generated sufficient cash flows from operations to meet its financial obligations as and when they fall due.

Notes forming part of the Financial Statements

The tables below provide details regarding the contractual maturities of significant financial liabilities as of:

Amount in EUR

As at March 31, 2025	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Total
Non-derivative financial liabilities				
Trade payables	**1,296,724**	**-**	**-**	**1,296,724**
Total	**1,296,724**	**-**	**-**	**1,296,724**

Amount in EUR

As at March 31, 2024	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Total
Non-derivative financial liabilities				
Trade payables	995,030	-		995,030
Lease Liability	19,350	19,350	48,375	87,075
Total	1,014,380	19,350	48,375	1,082,105

Other risk

Financial assets was EUR 963,747 as at March 31, 2025 & EUR 1 was March 31, 2024 carried at amortised cost is in the form of cash and cash equivalents, where the Company has assessed the counterparty credit risk. Trade receivables of EUR 204,683 as at March 31, 2025 & EUR 1,012,958 as at March 31,2024 forms a significant part of the financial assets carried at amortised cost, which is valued considering provision for allowance using expected credit loss method. The Company has specifically evaluated the potential impact with respect to customers from BFSI (Banking and Financial Services) sector which could have an immediate impact and the rest which could have an impact with a lag. The Company closely monitors its customers who are going through financial stress and assesses actions such as change in payment terms, discounting of receivables with institutions on no-recourse basis, recognition of revenue on collection basis etc., depending on severity of each case. The same assessment is done in respect of unbilled receivables EUR 162,083 as at March 31, 2025 & EUR 160,826 as at March 31, 2024.

g. Equity instruments

Amount in EUR

	As at March 31, 2025	As at March 31, 2024
Authorised:		
Equity share capital	**1**	1
(Share Capital of EUR 1)		
	1	1
Issued, subscribed		
Equity share capital	**1**	1
(Share Capital of EUR 1)		
	1	1

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. The Company is not subject to any externally imposed capital requirements.

Notes forming part of the Financial Statements

h. Reconciliation

Amount in EUR

	As at March 31, 2025	As at March 31, 2024
Equity shares		
Opening balance*	**1**	-
Changes during the year	**-**	1
Closing balance	**1**	1

* The Company does not have number of equity shares.

ii. Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares which is an 100% investment by Diligenta Limited (UK). Since Diligenta Limited (UK) is the only shareholder for the Company,Diligenta Limited (UK) carry a right to dividend and also in the event of liquidation, Diligenta Limited (UK) is eligible to receive the remaining assets of the Company.

iii. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Amount in EUR

Equity Shares	As at March 31, 2025	As at March 31, 2024
Diligenta Limited (UK)	**1**	1
% Holding in class	**100%**	100%

iv. Disclosure of shareholding promoters

Disclosure of shareholding of promoters as at March 31st 2025 is as follow:

Amount in EUR

Shares Held by Promoters

	As at March 31, 2025	
Promoter name	**Amount in Euro**	**%of Total Shares**
Diligenta Limited (UK)	**1**	**100%**
Total	**1**	**100%**

Disclosure of shareholding of promoters as at March 31st 2024 is as follow:

Amount in EUR

Shares Held by Promoters

	As at March 31, 2024	
Promoter name	**Amount in Euro**	**%of Total Shares**
Diligenta Limited (UK)	1	100%
Total	1	100%

7. LEASES

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Notes forming part of the Financial Statements

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

The details of the right-of-use asset held by the Company is as follows:

Amount in EUR

	Additions for the year ended March 31, 2025	Net carrying amount as at March 31, 2025
Leasehold building	-	-
Total	-	-

Amount in EUR

	Additions for the year ended March 31, 2024	Net carrying amount as at March 31, 2024
Leasehold building	79,572	79,572
Total	79,572	79,572

Depreciation on right-of-use asset is as follows:

Amount in EUR

	Year ended March 31, 2025	Year ended March 31, 2024
Leasehold building	**8,843**	4,421
Total	**8,843**	4,421

Notes forming part of the Financial Statements

Interest on lease liabilities is as follows:

Amount in EUR

	Year ended March 31, 2025	Year ended March 31, 2024
Leasehold building	**1,474**	796
Total	**1,474**	796

Lease contracts entered by the Company majorly pertains Lease office premises. The Company does not have any lease restrictions and commitment towards variable rent as per the contract.

8. NON-FINANCIAL ASSETS AND NON-FINANCIAL LIABILITIES

a. Other liabilities

Other liabilities consist of the following:

Amount in EUR

	As at March 31, 2025	As at March 31, 2024
Other liabilities - Current		
Indirect tax payable and other statutory liabilities	**175,803**	175,803
	175,803	175,803

9. OTHER EQUITY

Other equity consist of the following:

Amount in EUR

	As at March 31, 2025	As at March 31, 2024
Retained earnings		
Profit/(Loss) for the year	**1,701**	2,176
	1,701	2,176

10. REVENUE RECOGNITION

The Company earns revenue primarily by providing services to the customers from BFSI (Banking and Financial Services) sector.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the entity expects to receive in exchange for those products or services.

- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.
- In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract cost incurred determining the degree of completion of the performance obligation. The contract cost used in computing the revenues include cost of fulfilling warranty obligations.
- Revenue from the sale of distinct internally developed software and manufactured systems and third party software is recognised upfront at the point in time when the system / software is delivered to the customer. In cases where implementation and / or customisation services rendered significantly modifies or customises the software, these services and software are accounted for as a single performance obligation and revenue is recognised over time on a POC method.

Notes forming part of the Financial Statements

- Revenue from the sale of distinct third party hardware is recognised at the point in time when control is transferred to the customer.
- The solutions offered by the Company may include supply of third-party equipment or software. In such cases, revenue for supply of such third party products are recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent of the customer. The Company recognises revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contract fulfilment costs are generally expensed as incurred except for certain software licence costs which meet the criteria for capitalisation. Such costs are amortised over the contractual period or useful life of licence whichever is less. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

In accordance with Ind AS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Company disaggregates revenue from contracts with customers by industry verticals, geography and nature of services.

Revenue disaggregation by nature of services is as follows:

Amount in EUR

	For the Period Apr 24 to Mar 25	For the Period Sep 23 to Mar 24
Consultancy services	**1,963,611**	997,981
Total	**1,963,611**	997,981

Revenue disaggregation by geography is as follows:

Amount in EUR

Geography	For the Period Apr 24 to Mar 25	For the Period Sep 23 to Mar 24
Europe	**1,963,611**	997,981
Total	**1,963,611**	997,981

Geographical revenue is allocated based on the location of the customers.

Information about major customers:

Athora Netherlands N.V. represents 10% or more of the Company's total revenue during the year ended March 31, 2025.

While disclosing the aggregate amount of transaction price yet to be recognized as revenue towards unsatisfied or partially

Notes forming part of the Financial Statements

satisfied performance obligations, along with the broad time band for the expected time to recognize those revenues, the Company has applied the practical expedient in Ind AS 115. Accordingly, the Company has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognized corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts.

Reconciliation of revenue recognized with the Contracted price is as follows :

Amount in EUR

	For the Period Apr 24 to Mar 25	For the Period Sep 23 to Mar 24
Contracted price	**1,963,611**	997,981
Revenue recognised	**1,963,611**	997,981

a. Other income

Other Income consist of the following:

Amount in EUR

	For the Period Apr 24 to Mar 25	For the Period Sep 23 to Mar 24
Net foreign exchange gains/(loss)	**1,018**	-
	1,018	-

11. COST RECOGNITION

Costs and expenses are recognised when incurred and have been classified according to their nature.

The costs of the Company are broadly categorised in, depreciation and amortisation expense and other expenses. Other expenses mainly include fees to external consultants, facility expenses, travel expenses, communication expenses and other expenses. Other expenses is an aggregation of costs which are individually not material such as commission and brokerage, recruitment and training, entertainment, etc.

a. Other expenses

Other expenses consist of the following:

Amount in EUR

	For the Period Apr 24 to Mar 25	For the Period Sep 23 to Mar 24
Fees to external consultants (including subcontractor cost)*	**1,939,316**	969,694
Facility expenses	**9,679**	19,001
Other expenses	**3,103**	1,497
	1,952,097	990,192

* EURO 509,581 Pertains to cost of personnel on deputation from Tata Consultancy Services Netherlands.

12. FINANCE COSTS

Finance costs consist of the following:

Amount in EUR

	For the Period Apr 24 to Mar 25	For the Period Sep 23 to Mar 24
Interest on lease liabilities	**1,474**	796
	1,474	796

Notes forming part of the Financial Statements

13. INCOME TAXES

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current income taxes

The current income tax expense for the entity has been computed based on the tax laws applicable in the jurisdiction in which it operates.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction provided the Company has a legally enforceable right to set off the recognised amounts and intends to settle the asset and liability on a net basis.

Deferred income taxes

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the 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 or loss at the time of the transaction.

Deferred income tax asset are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

The Company recognises interest levied and penalties related to income tax assessments in income tax expenses.

14. INCOME TAXES

The Income-tax expenses consist of the following:

Amount in EUR

	Year ended March 31, 2025	Year ended March 31, 2024
Current tax		
Current tax benefit pertaining to prior years	**514**	396
	514	396
	-	-
Total income tax expense recognised in current year	**514**	396

Notes forming part of the Financial Statements

The reconciliation of

Amount in EUR

	Year ended March 31, 2025	Year ended March 31, 2024
Profit/(Loss) before taxes	**1,701**	2,572
Enacted Income tax rate in Diligenta (Europe)	**19.00%**	19.00%
Expected Income tax expenses	**323**	488
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:	**191**	(92)
	514	396

The tax rates under Diliganta (Europe) B.V. Income Tax Act, for the year ended March 31, 2025 is 19.00%

There are no material temporary tax difference during the year givind rise to Deffered Tax.

15. SEGMENT INFORMATION

The Company publishes the standalone financial statements of the Company along with the consolidated financial statements. In accordance with Ind AS 108, Operating Segments, the Company has disclosed the segment information in the consolidated financial statements.

16. RELATED PARTY TRANSACTIONS

Diligenta (Europe) B.V. principal related parties consist of its holding Company Tata Consultancy Services Netherlands BV, intermediate holding Company Tata Consultancy Services Limited and ultimate holding Company Tata Sons Private Limited. Company routinely enters into transactions with its related parties in the ordinary course of business.

Transactions with related parties are as follows:

Amount in EUR

	Year ended March 31, 2025			
	Tata Sons Private Limited	Tata Consultancy Services (TCS) limited	Subsidiaries of TCS	Total
Fees to External Consultants	**-**	**-**	**509,581**	**509,581**
Facility expenses	**-**	**-**	**9,679**	**9,679**
Finance costs	**-**	**-**	**1,474**	**1,474**
Brand equity contribution	**2,945**	**-**	**-**	**2,945**
Total	**2,945**	**-**	**520,734**	**523,679**

Amount in EUR

	Year ended March 31, 2024			
	Tata Sons Private Limited	Tata Consultancy Services (TCS) limited	Subsidiaries of TCS	Total
Fees to External Consultants	-	-	471,106	471,106
Cost	1,497	-	23,422	24,919
Total	1,497	-	494,528	496,025

Notes forming part of the Financial Statements

Balance Receivable from related parties are as follows:

Amount in EUR

	Year ended March 31, 2025			
	Tata Sons Private Limited	Tata Consultancy Services (TCS) limited	Subsidiaries of TCS	Total
Trade payables, unearned and deferred revenue and Other liabilities	-	-	349,734	349,734
Accrued expenses	-	-	674,147	674,147
Accrued expenses	2,945	-	-	2,945
Total	2,945	-	1,023,881	1,026,826

Balance Payable to related parties are as follows:

Amount in EUR

	Year ended March 31, 2024			
	Tata Sons Private Limited	Tata Consultancy Services (TCS) limited	Subsidiaries of TCS	Total
Trade payables, unearned and deferred revenue and Other liabilities	-	-	494,945	494,945
ROU Assets	-	-	79,572	79,572
Lease Liabilities	-	-	79,952	79,952
Total	-	-	654,469	654,469

Diligenta (Europe) B.V was incorporated on September 14, 2023, hence figures for March 31 2025, and March 31, 2024 are not comparable.

As per our report of even date attached

For KBJ & Associates
Chartered Accountants
Firm registration no.114934W

Kaushik B. Joshi
Proprietor
Membership number: 48889

Mumbai
Date: 30th April, 2025

For and on behalf of the Board of Directors
of Diligenta (Europe) B.V.

Daniel Praveen
Director
Cambridgeshire

Josu Devasia
Director
Netherlands

TCS Safe Harbor Clause

Certain statements in this release concerning our future prospects are forward-looking statements. Forward-looking statements by their nature involve a number of risks and uncertainties that could cause actual results to differ materially from market expectations. These risks and uncertainties include, but are not limited to, our ability to manage growth, intense competition among global IT services companies, various factors which may affect our profitability, such as wage increases or an appreciating Rupee, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-time frame contracts, client concentration, restrictions on cross-border movement of skilled personnel, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, the success of the companies in which TCS has made strategic investments, withdrawal of governmental fiscal incentives, political instability, legal restrictions on raising capital or acquiring companies outside India, unauthorized use of our intellectual property, cyber attacks or security breaches, pandemics, natural disasters and general economic conditions affecting our industry. TCS may, from time to time, make additional written and oral forward-looking statements, including our reports to shareholders. These forward-looking statements represent only the Company's current intentions, beliefs or expectations, and any forward-looking statement speaks only as of the date on which it was made. The Company assumes no obligation to revise or update any forward-looking statements.

IT Services
Business Solutions
Consulting

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