

**Independent Auditor's Examination Report on the
Restated Consolidated Financial Information**

Capillary Technologies India Limited

30 September 2025

Walker Chandiook & Co LLP

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INDEPENDENT AUDITOR'S EXAMINATION REPORT ON THE RESTATED CONSOLIDATED FINANCIAL INFORMATION

The Board of Directors
Capillary Technologies India Limited,
#360 bearing PID No 101, 360,
15th Cross Rd, Sector 4,
HSR Layout, Bengaluru,
Karnataka 560 102

Dear Sirs,

1. We have examined the attached Restated Consolidated Financial Information of **Capillary Technologies India Limited** (the "Company", the "Holding Company") and its subsidiaries (the Company and its subsidiaries together referred to as the "Group"), comprising the Restated Consolidated Statement of Assets and Liabilities as at 30 September 2025, 30 September 2024, 31 March 2025, 31 March 2024 and 31 March 2023, the Restated Consolidated Statements of Profit and Loss (including other comprehensive income), the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Cash Flow Statement for the six-month period ended 30 September 2025 and 30 September 2024 and for the years ended 31 March 2025, 31 March 2024, and 31 March 2023, the Summary Statement of Material Accounting Policies, and other explanatory information (collectively, the "**Restated Consolidated Financial Information**"), as approved by the Board of Directors of the Company at their meeting held on 19 October 2025 for the purpose of inclusion in the Red Herring Prospectus ("RHP") and Prospectus prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO") and prepared in terms of the requirements of:
 - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");
 - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
 - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").
2. The Company's Board of Directors are responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in the RHP and Prospectus to be filed with the Securities and Exchange Board of India, BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) (Collectively the "Stock Exchanges") and Registrar Of Companies, Karnataka at Bangalore ('ROC') in connection with the proposed IPO. The Restated Consolidated Financial Information have been prepared by the management of the Company on the basis of preparation stated in note 2 to the Restated Consolidated Financial Information. The responsibility of the respective Board of Directors of the companies included in the group includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Group complies with the Act, ICDR Regulations and the Guidance Note.

Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

Walker Chandiook & Co LLP is registered
with limited liability with identification
number AAC-2085 and its registered office
at L-41 Connaught Circus, New Delhi,
110001, India

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3. We have examined such Restated Consolidated Financial Information taking into consideration
 - a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 2 April 2025 and addendum dated 15 October 2025 in connection with the proposed IPO of equity shares of the Company;
 - b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
 - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and
 - d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.
4. These Restated Consolidated Financial Information have been compiled by the management from:
 - a) Audited special purpose consolidated interim financial statements of the Group as at and for the six-month period ended 30 September 2025 prepared in accordance with the Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting" as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on 19 October 2025.
 - b) Audited special purpose consolidated interim financial statements of the Group as at and for the six-month period ended 30 September 2024 prepared in accordance with the recognition and measurement principles of Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting" as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India except for the presentation of comparative financial information in accordance with Ind AS 34, which have been approved by the Board of Directors at their meeting held on 27 January 2025.
 - c) Audited Consolidated Ind AS financial statements of the Group as at and for the years ended 31 March 2025, 31 March 2024, and 31 March 2023 prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meetings held on 30 April 2025, 14 June 2024 and 6 September 2023, respectively.
5. For the purpose of our examination, we have relied on:
 - a) Auditors' reports issued by us dated 19 October 2025 and 27 January 2025 on the audited special purpose consolidated interim financial statements of the Group as at and for the six-month period ended 30 September 2025 and 30 September 2024 respectively, as referred in Paragraph 4(a) and (b) above; and
 - b) Auditors' reports issued by us dated 30 April 2025, 14 June 2024 and 6 September 2023 on the audited consolidated financial statements of the Group as at and for the year ended 31 March 2025, 31 March 2024 and 31 March 2023, respectively, as referred in Paragraph 4(c) above.
6. As indicated in our audit reports referred in paragraph 5 above:
 - a) we did not audit financial statements of the subsidiaries mentioned below for the six-month periods ended 30 September 2025 and 30 September 2024 and for the years ended 31 March 2025, 31 March 2024 and 31 March 2023, whose share of total assets, total revenues and net cash inflows / (outflows) included in the consolidated financial statements, for the relevant years is tabulated below, which have been audited by other auditors as mentioned in **Annexure A**, and whose reports have been furnished to us by the Company's management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these components, is based solely on the reports of the other auditors:



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(₹ in million)

Particulars	As at/for the six-month period ended 30 September 2025	As at/for the six-month period ended 30 September 2024	As at/for the year ended 31 March 2025	As at/for the year ended 31 March 2024	As at/for the year ended 31 March 2023
No. of Subsidiaries (number)	2	-	2	2	3
Total assets	50.34	-	25.45	37.95	84.01
Total revenues	38.91	-	93.79	118.50	203.34
Net cash inflow/ (outflows)	16.39	-	2.35	(1.24)	(37.43)

Further, these subsidiaries, are located outside India, whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries, located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of such subsidiaries located outside India, is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our reports on other legal and regulatory requirements, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

- b) we did not audit the financial information of the subsidiary mentioned below for the six-month period ended 30 September 2025 and 30 September 2024 and for the years ended 31 March 2025, 31 March 2024 and 31 March 2023 as indicated in **Annexure B** whose share of total assets, net assets, total revenues and net cash outflows included in the Consolidated Financial Statements, for the relevant year is tabulated below, which are unaudited and have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on such unaudited Financial Information. In our opinion and according to information and explanations given to us by the Management, this Financial Information is not material to the Group.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements, are not modified in respect of the above matter with respect to our reliance on the financial information certified by the management of the Holding Company.

(₹ in million)

Particulars	As at/for the six-month period ended 30 September 2025	As at/for the six-month period ended 30 September 2024	As at/for the year ended 31 March 2025	As at/for the year ended 31 March 2024	As at/for the year ended 31 March 2023
No. of Subsidiaries (number)	2	3	1	1	1
Total assets	141.41	35.32	0.47	1.15	0.05
Net assets	(23.84)	(131.25)	0.43	1.15	0.02
Total revenues	85.14	40.69	Nil	Nil	Nil
Net cash inflow/(outflows)	58.89	8.07	(0.68)	(3.17)	Nil



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7. Based on our examination and according to the information and explanations given to us, we report that the Restated Consolidated Financial Information:
 - a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the six-month period ended 30 September 2024 and years ended 31 March 2025, 31 March 2024 and 31 March 2023 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the six-month period ended 30 September 2025;
 - b) does not contain any qualification requiring adjustments. However, those observations in the Companies (Auditor's Report) Order, 2020 issued by the Central Government of India in terms of sub section (11) of Section 143 of the Act and reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended) which do not require any corrective adjustments in the Restated Consolidated Financial Information have been mentioned in **Part C of Annexure VII** to the Restated Consolidated Financial Information; and
 - c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
8. The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited special purpose consolidated interim financial statements and audited consolidated financial statements mentioned in paragraph 4 above.
9. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
11. Our report is intended solely for use of the Board of Directors for inclusion in the RHP and Prospectus to be filed with Securities and Exchange Board of India, Stock Exchanges and ROC in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For **Walker Chandiook & Co. LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013


Aasheesh Arjun Singh
Partner
Membership Number: 210122
UDIN: 25210122BMONCX2903



Bengaluru
19 October 2025

Walker Chandiook & Co LLP

Annexures to the Independent Auditor's Examination Report on the Restated Consolidated Financial Information

Annexure A: Details of subsidiaries audited by other auditors

Sr. No	Name of the Entity	Nature of relationship to the Company	Name of Auditor				
			30 September 2025	30 September 2024	31 March 2025	31 March 2024	31 March 2023
1.	Capillary Technologies (Malaysia) Sdn Bhd	Step-down subsidiary	NK Associates	Unaudited (refer Annexure B)	NK Associates	NK Associates	NK Associates
2.	PT Capillary Technologies Indonesia	Step-down subsidiary	KAP Tanuwijaya	Unaudited (refer Annexure B)	KAP Tanuwijaya	KAP Tanuwijaya	KAP Tanuwijaya
3.	Capillary Technologies (Shanghai) Co Ltd	Step-down subsidiary	Unaudited (refer Annexure B)	Unaudited (refer Annexure B)	Unaudited (refer Annexure B)	Unaudited (refer Annexure B)	Shanghai Perfect CPA Partnership

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Annexure B: List of the subsidiaries whose financial information as of and for the period ended 30 September 2025 and 30 September 2024 and as of and for the year ended 31 March 2025, 31 March 2024 and 31 March 2023 are neither audited by us nor by other auditors:

Period/year ended	Name of the subsidiaries	Nature of relationship to the Company
30 September 2025	Kognitiv Solutions Inc	Step-down subsidiary
30 September 2025	Capillary Technologies (Shanghai) Co Ltd	Step-down subsidiary
30 September 2024	Capillary Technologies (Shanghai) Co Ltd	Step-down subsidiary
30 September 2024	Capillary Technologies (Malaysia) Sdn Bhd	Step-down subsidiary
30 September 2024	PT Capillary Technologies Indonesia	Step-down subsidiary
31 March 2025	Capillary Technologies (Shanghai) Co Ltd	Step-down subsidiary
31 March 2024	Capillary Technologies (Shanghai) Co Ltd	Step-down subsidiary
31 March 2023	Persuade Holdings Inc	Step-down subsidiary

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Capillary Technologies India Limited (formerly known as Capillary Technologies India Private Limited)

CIN Number - U72200KA2012PLC063060

Annexure I - Restated Consolidated Statement of Assets and Liabilities

(All amounts in Indian Rupees (₹) millions, unless otherwise stated)

	Note	As at September 30, 2025	As at September 30, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
ASSETS						
Non-current assets						
(a) Property, plant and equipment	4	37.81	40.14	34.27	31.21	22.56
(b) Goodwill	5	2,910.53	1,847.66	1,884.98	1,838.44	1,652.92
(c) Other Intangible assets	5	1,489.63	911.14	1,030.39	1,111.88	543.87
(d) Right-of-use assets	4	107.32	30.24	59.84	30.13	18.07
(e) Intangible assets under development	5	-	145.98	-	31.10	54.97
(f) Financial assets						
(i) Investments	8	103.52	-	-	-	-
(ii) Other financial assets	6	275.23	133.45	256.09	144.79	115.69
(g) Deferred tax assets (net)	21A	6.83	8.80	5.62	6.83	-
(h) Other tax assets	7	102.06	64.01	79.88	43.06	50.53
(i) Other non-current assets	12	677.40	768.98	853.25	821.55	707.26
Total non-current assets		5,710.33	3,950.40	4,204.32	4,058.99	3,165.87
Current assets						
(a) Financial assets						
(i) Investments	8	249.09	1,301.01	-	699.25	-
(ii) Trade receivables	9	1,851.01	1,595.97	1,611.21	1,456.51	801.11
(iii) Cash and cash equivalents	10A	603.49	194.01	2,140.71	1,806.68	462.00
(iv) Bank balances other than (iii) above	10B	-	22.06	-	-	-
(v) Loans	11	-	400.10	-	399.99	-
(vi) Other financial assets	6	53.10	36.88	33.93	27.70	159.07
(b) Other current assets	12	456.32	359.39	396.37	261.56	76.08
Total current assets		3,213.01	3,909.42	4,182.22	4,651.69	1,498.26
Total assets		8,923.34	7,859.82	8,386.54	8,710.68	4,664.13
EQUITY AND LIABILITIES						
Equity						
(a) Equity share capital	13	146.65	146.46	146.65	146.46	105.79
(b) Other equity	14	5,815.33	5,233.30	5,535.82	5,243.06	1,759.90
Total equity		5,961.98	5,379.76	5,682.47	5,389.52	1,865.69
Liabilities						
Non-current Liabilities						
(a) Financial liabilities						
(i) Borrowings	15	13.31	12.56	12.82	41.69	432.06
(ii) Lease liabilities	16	61.68	2.73	32.54	8.01	2.10
(iii) Other financial liabilities	17	-	-	-	18.53	18.53
(b) Provisions	18	94.14	71.97	80.71	66.11	43.24
(c) Deferred tax liabilities (net)	21B	59.04	83.45	71.04	94.99	61.90
Total Non-current Liabilities		228.17	170.71	197.11	229.33	557.83
Current Liabilities						
(a) Financial liabilities						
(i) Borrowings	15	876.07	447.70	988.12	729.97	1,042.65
(ii) Lease liabilities	16	50.54	28.63	30.78	23.42	17.94
(iii) Trade payables						
(a) total outstanding dues of micro enterprises and small enterprises	20	12.27	76.90	13.23	73.95	28.77
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	20	711.78	642.81	492.52	654.31	559.80
(iv) Other financial liabilities	17	107.08	139.48	145.39	204.83	130.26
(b) Other current liabilities	22	939.92	926.93	810.98	1,362.02	428.21
(c) Provisions	18	19.87	18.59	18.21	19.33	31.95
(d) Current tax liabilities (net)	19	15.66	28.31	7.73	24.00	1.03
Total current liabilities		2,733.19	2,309.35	2,506.96	3,091.83	2,240.61
Total liabilities		2,961.36	2,480.06	2,704.07	3,321.16	2,798.44
Total equity and liabilities		8,923.34	7,859.82	8,386.54	8,710.68	4,664.13

The above Annexure should be read with the basis of preparation and Material Accounting Policies appearing in Annexure V, notes to the Restated Consolidated Financial Information appearing in Annexure VI and Statement of Restated Adjustments to the Audited Consolidated Financial Statements appearing in Annexure VII.

As per our report of even date

For Walker Chandniok & Co LLP
Chartered Accountants
Firm registration number: 001076N/N500013

Aashish Arjun Singh
Partner

Membership No: 210122

Place: Bengaluru, India
Date: October 19, 2025



For and on behalf of the Board of Directors of
Capillary Technologies India Limited
CIN : U72200KA2012PLC063060

Aneesh Reddy Boddu Anant Choubey Gireddy Bhargavi Reddy
Managing Director and Whole-time Director, Company Secretary and Compliance officer
CEO COO & CFO
DIN: 02214511 DIN: 06536413 Membership Number - A17091

Place: Bengaluru, India Place: Bengaluru, India Place: Bengaluru, India
Date: October 19, 2025 Date: October 19, 2025 Date: October 19, 2025

Note	For the six-month period ended September 30, 2025	For the six-month period ended September 30, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Income					
I Revenue from operations	23				
- Retainership and other services	3,211.06	2,279.55	4,811.05	4,021.29	1,564.31
- Installation revenue	344.64	552.15	1,100.31	746.69	419.56
- Revenue from campaign services on a principal basis (refer note 23 (a))	-	-	-	483.02	569.85
- Revenue from campaign services on an agent basis (refer note 23 (a))	36.48	40.07	71.23	-	-
II Other income	24	33.45	96.06	136.10	103.40
III Total income (I+II)		3,625.63	2,967.83	6,118.69	5,354.40
IV Expenses					
Cost of campaign services (refer note 23 (a))	-	-	-	417.03	482.86
Professional and consultancy expenses	614.61	475.24	994.93	873.15	311.65
Software and server charges	638.87	442.75	921.85	935.84	298.71
Employee benefits expense	1,743.39	1,552.76	2,955.20	2,719.43	1,884.10
Other expenses	230.54	256.36	460.98	423.86	268.60
Total expenses (IV)		3,227.41	2,727.11	5,369.31	3,245.92
V Earnings before interest expense, taxes, depreciation and amortisation before exceptional items (EBITDA)		398.22	240.72	785.73	(583.39)
VI Finance costs	26	29.36	45.20	77.88	112.39
VII Depreciation and amortisation expenses	27	363.70	307.64	601.03	560.61
		393.06	352.84	678.91	479.32
VIII Restated profit/ (loss) before exceptional items and tax from continuing operations (V-VI-VII)		5.16	(112.12)	106.82	(752.60)
IX Exceptional items	41	-	-	-	113.82
X Restated profit/ (loss) before tax ((VIII+IX))		5.16	(112.12)	106.82	(948.89)
XI Tax expenses/ (credit)					
(a) Current tax	29	7.79	4.18	(12.90)	1.93
(b) Deferred tax credit	29	(12.96)	(13.51)	(21.82)	(71.02)
Total tax credit		(5.17)	(9.33)	(34.72)	(69.09)
XII Restated profit/ (loss) for the period/year from continuing operations (X-XI)		10.33	(102.79)	141.54	(683.51)
XIII Restated (loss)/ profit before tax from discontinued operations	42	-	34.57	(8.54)	113.58
XIV Tax expense of discontinued operations	42	-	-	0.20	23.85
XV Restated (loss) / profit from discontinued operations after tax (XIII-XIV)		-	34.57	(8.74)	89.73
XVI Restated profit/ (loss) for the period/year (XII+XV)		10.33	(68.22)	132.80	(877.19)
XVII Restated Other comprehensive income					
Items that will be reclassified to profit or loss:					
(i) Exchange differences on translating financial statements of foreign operations		197.80	2.08	72.74	63.88
Items that will not to be reclassified to profit or loss:					
(i) Re-measurement losses on defined benefit plan		(1.38)	(3.71)	(4.24)	(4.06)
Other comprehensive income for the period/year, net of tax		196.42	(1.63)	68.50	59.82
XVIII Restated total comprehensive income/(loss) for the period/year (XVI+ XVII)		206.75	(69.85)	201.30	(533.96)
XIX Restated earnings/ (loss) per share (EPS)	30				
Restated EPS from continuing operations (face value - ₹ 2 each)					
Basic (in ₹ per share)		0.14	(1.40)	1.93	(12.15)
Diluted (in ₹ per share)		0.14	(1.40)	1.91	(12.15)
Restated EPS from discontinued operations (face value - ₹ 2 each)					
Basic (in ₹ per share)		-	0.47	(0.12)	1.59
Diluted (in ₹ per share)		-	0.46	(0.12)	1.57
Restated EPS from continuing and discontinued operations (face value - ₹ 2 each)					
Basic (in ₹ per share)		0.14	(0.93)	1.81	(10.55)
Diluted (in ₹ per share)		0.14	(0.93)	1.79	(10.55)

The above Annexure should be read with the basis of preparation and Material Accounting Policies appearing in Annexure V, notes to the Restated Consolidated Financial Information appearing in Annexure VI and Statement of Restated Adjustments to the Audited Consolidated Financial Statements appearing in Annexure VII.

As per our report of even date

For Walker Chandok & Co LLP

Chartered Accountants

Firm registration number: 001176N/N500013

Aashish Arjun Singh
Partner

Membership No: 210122

Place: Bengaluru, India
Date: October 19, 2025



For and on behalf of the Board of Directors of

Capillary Technologies India Limited

CIN :U72200KA2012PLC063060

Anesh Reddy Boddu
Managing Director and
CEO

DIN: 02214511

Place: Bengaluru, India
Date: October 19, 2025

Anant Choubey
Whole-time Director,
COO & CFO

DIN: 06536413

Place: Bengaluru, India
Date: October 19, 2025

Gireddy Bhargavi Reddy
Company Secretary and Compliance
officer

Membership Number - A17091

Place: Bengaluru, India
Date: October 19, 2025

A. Equity share capital

Particulars	As at September 30, 2025		As at September 30, 2024	
	Number of shares (in millions)	Amount (₹)	Number of shares (in millions)	Amount (₹)
Equity shares outstanding at the beginning of the period i.e. April 1	73.32	146.65	73.23	146.46
Issuance of share capital (refer note 13(a))	-	-	-	-
Equity shares outstanding at the end of the period i.e. September 30	73.32	146.65	73.23	146.46

A. Equity share capital (continued)

Particulars	As at March 31, 2025		As at March 31, 2024		As at March 31, 2023	
	Number of shares (in millions)	Amount (₹)	Number of shares (in millions)	Amount (₹)	Number of shares (in millions)	Amount (₹)
Equity shares outstanding at the beginning of the year	73.23	146.46	52.89	105.79	50.01	100.03
Issuance of share capital (refer note 13(a) ¹)	0.09	0.19	2.76	5.51	2.66	5.33
Issue of rights shares (refer note 13(a) ²)	-	-	11.05	22.10	-	-
Conversion of External Commercial Borrowings (ECBs) into fully paid equity shares (refer note 13(a) ³)	-	-	0.44	0.87	-	-
Conversion of convertible instruments (refer note 13(a) ⁴)	-	-	5.52	11.05	-	-
Exercise of share based payments (refer note 13(a) ⁵)	-	-	0.57	1.14	-	-
Issue of bonus shares (refer note 13(a) ⁶)	-	-	-	-	0.22	0.43
Equity shares outstanding at the end of the year	73.32	146.65	73.23	146.46	52.89	105.79

B. Other equity

Particulars	Attributable to the equity shareholders - Other equity						Total other equity
	Reserves and surplus					Other Comprehensive income	
	Retained earnings	Capital contribution from Ultimate Holding Company	Securities premium	Share based payment reserve	Capital reserve	Foreign currency translation reserve	
As at April 1, 2022	(3,684.59)	1,814.34	1,759.02	259.17	868.23	45.22	1,061.39
Opening translation adjustment	-	-	-	-	-	66.11	66.11
Loss for the year	(877.19)	-	-	-	-	-	(877.19)
Other comprehensive (loss)/ income for the year (net of taxes)*	(4.92)	-	-	-	-	73.99	69.07
Total comprehensive (loss)/ income for the year	(882.11)	-	-	-	-	73.99	(808.12)
Contributions and distributions							
Issuance of share capital (refer note 13(a) ¹)	-	-	815.27	-	-	-	815.27
Issue of bonus shares (refer note 13(a) ⁶)	-	-	(0.43)	-	-	-	(0.43)
Share based payment (refer notes 25 and 32)	-	(7.31)	-	637.28	-	-	629.97
Corporate guarantee (refer note 35)	-	3.63	-	-	-	-	3.63
Surrender of employee stock options and re-purchase, net (refer note 25 and 32)	-	-	-	(7.92)	-	-	(7.92)
Total contributions and distributions	-	(3.68)	814.84	629.36	-	-	1,440.52
As at March 31, 2023	(4,566.70)	1,810.66	2,573.86	888.53	868.23	185.32	1,759.90
Loss for the year	(593.78)	-	-	-	-	-	(593.78)
Other comprehensive (loss)/ income for the year (net of taxes)*	(4.06)	-	-	-	-	63.88	59.82
Total comprehensive (loss)/ income for the year	(597.84)	-	-	-	-	63.88	(533.96)
Contributions and distributions							
Issuance of share capital (refer note 13(a) ¹)	-	-	844.49	-	-	-	844.49
Issue of rights shares (refer note 13(a) ²)	-	-	464.19	-	-	-	464.19
Conversion of ECBs into fully paid equity shares (refer note 13(a) ³)	-	-	133.13	-	-	-	133.13
Conversion of convertible instruments (refer note 13(a) ⁴)	-	-	1,690.45	-	-	-	1,690.45
Exercise of share based payments (refer note 13(a) ⁵)	-	-	174.63	(174.63)	-	-	-
Warrants issued on behalf of the Group	-	926.15	-	-	-	-	926.15
Share based payment (refer notes 25 and 32)	-	-	-	79.08	-	-	79.08
Surrender of employee stock options and re-purchase, net (refer note 25 and 32)	-	-	-	(120.37)	-	-	(120.37)
Total contributions and distributions	-	926.15	3,306.89	(215.92)	-	-	4,017.12
As at March 31, 2024	(5,164.54)	2,736.81	5,880.75	672.61	868.23	249.20	5,243.06
Total comprehensive income/ (loss) for the period ended							
Loss for the period	(68.22)	-	-	-	-	-	(68.22)
Other comprehensive (loss)/ income for the period (net of taxes)*	(3.71)	-	-	-	-	2.08	(1.63)
Total comprehensive (loss)/ income for the period	(71.93)	-	-	-	-	2.08	(69.85)
Contributions and distributions							
Share based payment (refer notes 25 and 32)	-	-	-	60.09	-	-	60.09
Total contributions and distributions	-	-	-	60.09	-	-	60.09
As at September 30, 2024	(5,236.47)	2,736.81	5,880.75	732.70	868.23	251.28	5,233.30



Capillary Technologies India Limited (formerly known as Capillary Technologies India Private Limited)

CIN Number - U72200KA2012PLC063060

Annexure III - Restated Consolidated Statement of Changes in Equity

(All amounts in Indian Rupees (₹) millions, unless otherwise stated)

B. Other equity (cont'd)

Particulars	Attributable to the equity shareholders - Other equity						
	Reserves and surplus					Other Comprehensive income	Total other equity
	Retained earnings	Capital contribution from Ultimate Holding Company	Securities premium	Share based payment reserve	Capital reserve	Foreign currency translation reserve	
As at April 1, 2024	(5,164.54)	2,736.81	5,880.75	672.61	868.23	249.20	5,243.06
Profit for the year	132.80	-	-	-	-	-	132.80
Other comprehensive (loss)/ income for the year (net of taxes)*	(4.24)	-	-	-	-	72.74	68.50
Total comprehensive income for the year	128.56	-	-	-	-	72.74	201.30
Contributions and distributions							
Issuance of share capital (refer note 13(a) ¹)	-	-	49.73	-	-	-	49.73
Share based payment (refer notes 25 and 32)	-	-	-	89.98	-	-	89.98
Surrender of employee stock options and re-purchase, net (refer note 32)	343.18	-	-	(391.43)	-	-	(48.25)
Total contributions and distributions	343.18	-	49.73	(301.45)	-	-	91.46
Balance as at March 31, 2025	(4,692.80)	2,736.81	5,930.48	371.16	868.23	321.94	5,535.82
Total comprehensive income/ (loss) for the period ended							
Profit for the period	10.33	-	-	-	-	-	10.33
Other comprehensive (loss)/ income for the period (net of taxes)	(1.38)	-	-	-	-	197.80	196.42
Total comprehensive (loss)/ income for the period	8.95	-	-	-	-	197.80	206.75
Contributions and distributions							
Warrants issued on behalf of the Group	-	35.49	-	-	-	-	35.49
Share based payment (refer notes 25 and 32)	-	-	-	37.27	-	-	37.27
Total contributions and distributions	-	35.49	-	37.27	-	-	72.76
As at September 30, 2025	(4,683.85)	2,772.30	5,930.48	408.43	868.23	519.74	5,815.33

*As required under Division II- Ind AS Schedule III, the Group has recognised rereasurement gains/(losses) of defined benefit plans as part of retained earnings.

The above Annexure should be read with the basis of preparation and Material Accounting Policies appearing in Annexure V, notes to the Restated Consolidated Financial Information appearing in Annexure VI and Statement of Restated Adjustments to the Audited Consolidated Financial Statements appearing in Annexure VII.

As per our report of even date

For Walker Chandio & Co LLP
Chartered Accountants
Firm Registration number: 0010767/N500013

For and on behalf of the Board of Directors of
Capillary Technologies India Limited
CIN :U72200KA2012PLC063060

Ansheesh Arjun Singh
Partner
Membership No: 210122

Aneesh Reddy Boddu
Managing Director and CEO
DIN: 02214511

Anant Choubey
Whole-time Director, COO & CFO
DIN: 06536413

Gireddy Bhargavi Reddy
Company Secretary and Compliance officer
Membership Number - A17091

Place: Bengaluru, India
Date: October 19, 2025

Place: Bengaluru, India
Date: October 19, 2025

Place: Bengaluru, India
Date: October 19, 2025

Place: Bengaluru, India
Date: October 19, 2025



	For the six-month period ended September 30, 2025	For the six-month period ended September 30, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
A. Cash flow from operating activities					
Restated profit/ (loss) for the period/year from continuing operations before exceptional items and tax	5.16	(112.12)	106.82	(752.60)	(1,062.71)
Restated profit/ (loss) for the period/year from discontinued operations before tax	-	34.57	(8.54)	113.58	21.62
Adjustments to reconcile loss before tax to net cash flows					
Depreciation and amortisation expenses	363.70	328.59	621.98	582.20	395.68
Loss allowances under expected credit loss model (refer note 28)	33.08	80.98	78.42	41.21	19.19
Share based payments (refer note 25)	34.31	56.53	80.94	68.84	600.61
Profit on sale of investments (refer note 24)	(8.70)	(12.16)	(76.53)	(17.55)	-
Fair value change in financials assets measured at fair value through statement of profit and loss	-	(33.02)	-	(9.59)	-
Interest income on income tax refund	(3.33)	(2.05)	(2.05)	(2.58)	(9.71)
Property, plant and equipment written off (refer note 28)	-	-	0.81	2.31	-
Profit on sale of Property, plant and equipment (refer note 24)	-	-	(0.62)	(0.51)	(0.06)
Interest income on corporate deposit	-	(15.52)	(25.18)	(6.50)	-
Provision / liabilities no longer required, written back (refer note 24)	(0.93)	-	(0.18)	(26.07)	(38.22)
Unrealised exchange loss/ (gain) on foreign currency transactions (net)	9.76	(12.36)	9.76	(19.23)	48.80
Interest income on bank deposits and security deposit	(9.95)	(7.38)	(13.92)	(12.99)	(5.54)
Finance costs	22.73	45.20	68.53	168.30	102.98
Operating profit before working capital changes	445.83	351.26	840.24	128.82	72.64
Working capital adjustments :					
(Increase)/ Decrease in trade receivables	(282.64)	(208.08)	(242.89)	564.87	(289.29)
Decrease/(Increase) in other financial assets and other assets (current and non-curre)	86.54	(132.92)	(178.91)	(705.71)	(16.28)
Increase/(Decrease) in trade payable	219.23	(8.55)	(222.33)	139.69	(37.16)
Increase/(Decrease) in provision	13.72	1.41	9.24	6.19	(10.15)
Increase/(Decrease) in non-current and current other financial & other liabilities	90.64	(518.97)	(629.01)	830.29	58.00
Cash generated from/ (used in) operations	573.32	(515.85)	(423.66)	964.15	(222.24)
Direct taxes (paid) /refund, net	(18.72)	(18.77)	(38.33)	7.20	21.66
Net cash generated from/(used in) from operating activities (A)	554.60	(534.62)	(461.99)	971.35	(200.58)
B. Cash flow from investing activities					
Purchase of property, plant and equipment, intangible assets and intangible assets under development	(183.07)	(232.88)	(474.58)	(369.32)	(282.00)
Proceeds from sale of property, plant and equipment	-	-	0.62	2.31	-
(Purchase)/ sale of current investment, net	(240.39)	(556.58)	775.78	(672.11)	-
Corporate deposits placed	-	(400.10)	(400.00)	(399.99)	-
Proceeds from redemption of corporate deposits	-	399.99	799.99	-	-
Interest income on bank deposits	9.95	7.38	13.92	10.14	2.06
Interest income on corporate deposits	-	15.52	25.18	0.64	-
Redemption of / (investment in) bank deposits	(8.95)	72.14	(105.13)	(29.10)	40.34
Purchase consideration for business purchase	(1,447.43)	-	-	(387.82)	-
Payment for investment in equity shares	(103.52)	-	-	-	-
Advance towards acquisition of a business	-	-	-	-	(696.59)
Net cash (used in) / generated from investing activities (B)	(1,973.41)	(694.53)	635.78	(1,845.25)	(936.19)
C. Cash flow from financing activities					
Proceeds from issue of share capital, (including security premium)	-	-	49.92	1,337.43	820.60
Proceeds from issue of Non Convertible Debentures (NCDs)	-	-	-	50.00	544.00
Repayment of Non Convertible Debentures (NCDs)	-	-	(352.48)	(237.89)	-
Proceeds from issue of Compulsory Convertible Debentures (CCDs)	-	-	-	1,701.50	-
Repayment of long-term borrowings	-	(174.61)	-	(366.82)	(258.02)
Repayment of principal and interest portion of lease liabilities (refer note-33)	(28.53)	(14.21)	(33.04)	(24.23)	(26.68)
(Repayment)/proceeds from towards short-term borrowings (net)	(133.56)	(136.79)	581.06	4.90	369.16
Finance costs paid	(19.01)	(45.20)	(64.62)	(166.91)	(75.42)
Surrender of employee stock options and re-purchase, net	-	-	(48.25)	(120.37)	(7.92)
Net cash (used in)/ generated from financing activities (C)	(181.10)	(370.81)	132.59	2,177.61	1,365.72
Net (decrease)/increase in cash and cash equivalents (A+B+C)	(1,599.91)	(1,599.96)	306.38	1,303.71	228.95
Cash and cash equivalents at the beginning of the period/year	2,140.71	1,806.68	1,806.68	462.00	291.94
Effect of exchange differences on cash and cash equivalents held in foreign currency	62.69	(12.71)	27.65	40.97	(58.89)
Cash and cash equivalents at the end of the period/year	603.49	194.01	2,140.71	1,806.68	462.00
Components of cash and cash equivalents					
Balances with banks					
- On current accounts	603.49	194.01	2,140.71	1,806.68	462.00
Total cash and cash equivalents (refer note 10)	603.49	194.01	2,140.71	1,806.68	462.00



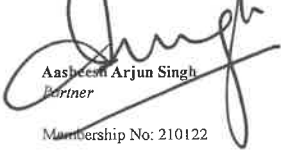
Reconciliation between opening and closing balance sheet for liabilities arising from financing activities

	As at April 1, 2025	Cashflows	Non-cash movement	As at September 30, 2025
Non-current borrowings (including current maturities)	13.54	-	0.39	13.93
Current borrowings (excluding current maturities)	987.40	(133.56)	21.61	875.45
	As at April 1, 2024	Cashflows	Non-cash movement	As at September 30, 2024
Non-current borrowings (including current maturities)	366.38	(174.61)	(178.39)	13.38
Current borrowings (excluding current maturities)	405.28	(136.79)	178.39	446.88
	As at April 1, 2024	Cashflows	Non-cash movement	As at March 31, 2025
Non-current borrowings (including current maturities)	366.38	(352.48)	(0.36)	13.54
Current borrowings (excluding current maturities)	405.28	581.06	1.06	987.40
	As at April 1, 2023	Cashflows	Non-cash movement	As at March 31, 2024
Non-current borrowings (including current maturities)	810.93	1,096.79	(1,541.34)	366.38
Current borrowings (excluding current maturities)	663.78	4.90	(263.40)	405.28
	As at April 1, 2022	Cashflows	Non-cash movement	As at March 31, 2023
Non-current borrowings (including current maturities)	496.97	285.98	27.98	810.93
Current borrowings (excluding current maturities)	292.44	369.16	2.18	663.78

The above Annexure should be read with the basis of preparation and Material Accounting Policies appearing in Annexure V, notes to the Restated Consolidated Financial Information appearing in Annexure VI and Statement of Restated Adjustments to the Audited Consolidated Financial Statements appearing in Annexure VII.

As per our report of even date


For Walker Chandlok & Co LLP
 Chartered Accountants
 Firm registration number: 001076N/N500013


 Aasheem Arjun Singh
 Partner


Membership No: 210122
 Place: Bengaluru, India
 Date: October 19, 2025




For and on behalf of the Board of Directors of
 Capillary Technologies India Limited
 CIN :U72200KA2012PLC063060


 Aneesh Reddy Boddu
 Managing Director and
 CEO
 DIN: 02214511

Place: Bengaluru, India
 Date: October 19, 2025


 Anant Choubey
 Whole-time Director, COO
 & CFO
 DIN: 06536413

Place: Bengaluru, India
 Date: October 19, 2025


 Gireddy Bhargavi Reddy
 Company Secretary and Compliance
 officer
 Membership Number - A17091

Place: Bengaluru, India
 Date: October 19, 2025

Capillary Technologies India Limited (formerly known as Capillary Technologies India Private Limited)
Annexure V – Material Accounting Policies and Other Explanatory Notes to the Restated Consolidated Financial Information
All amounts are in ₹ Million unless otherwise stated

1. Corporate Information

Capillary Technologies India Limited (formerly known as Capillary Technologies India Private Limited) (“the Company” or “the Parent Company” or “the Holding Company”) is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act, 2013 (“the Act”) applicable in India. The registered office of the Company is located at #360 bearing PID No 101, 360, 15th Cross Rd, Sector 4, HSR Layout, HSR Layout, Bangalore, Karnataka, India, 560102.

The Company along with its subsidiaries (hereinafter collectively referred to as “the Group”) are primarily engaged in the business of providing cloud based intelligent customer engagement software solutions.

The Group comprises the following consolidated entities:

Name of the entity	Relationship	Principal place of Business and place of incorporation	% Shareholding on September 30, 2025	% Shareholding on September 30, 2024	% Shareholding on March 31, 2025	% Shareholding on March 31, 2024	% Shareholding on March 31, 2023
Capillary Pte. Ltd	Subsidiary	Singapore	100%	100%	100%	100%	100%
Capillary Technologies DMCC	Step down Subsidiary	United Arab Emirates	100%	100%	100%	100%	100%
Capillary Technologies Shanghai Co. Ltd	Step down Subsidiary	China	100%	100%	100%	100%	100%
Capillary Technologies (Malaysia) Sdn Bhd	Step down Subsidiary	Malaysia	100%	100%	100%	100%	100%
PT Capillary Technologies Indonesia	Step down Subsidiary	Indonesia	100%	100%	100%	100%	100%
Capillary Technologies LLC (formerly known as 'Persuade Loyalty LLC')	Step down Subsidiary	United States of America	100%	100%	100%	100%	100%
Persuade Holdings Inc (formerly known as Persuade Holdings LLC), up to June 2, 2023	Step down Subsidiary	United States of America	-	-	-	100%	100%
Capillary Brierley Inc. (formerly known as Brierley & Partners, Inc), w.e.f. April 1, 2023	Step down Subsidiary	United States of America	100%	100%	100%	100%	-
Capillary Technologies Inc., w.e.f. June 1, 2023	Step down Subsidiary	United States of America	100%	100%	100%	100%	-
Capillary Technologies Europe Limited (formerly known as Brierley Europe Limited), w.e.f. April 1, 2023	Step down Subsidiary	United Kingdom	100%	100%	100%	100%	-
Kognitiv Solutions Inc. w.e.f. May 1, 2025	Step down Subsidiary	Canada	100%	-	-	-	-

2. Basis of preparation

2.1 Statement of Compliance

The Restated Consolidated Financial Information of the Group comprise the Restated Consolidated Statement of Assets and Liabilities as at September 30, 2025, September 30, 2024, March 31, 2025, March 31, 2024 and March 31, 2023, Restated Consolidated Statement of Profit and Loss (including other comprehensive income), Restated Consolidated Statement of Cashflows and Restated Consolidated Statement of Changes in Equity for the six months ended September 30, 2025 and September 30, 2024 and for the years ended March 31, 2025, March 31, 2024 and March 31, 2023 and the Material Accounting Policies and Other Explanatory Notes to the Restated Consolidated Financial Statements (hereinafter referred to as the ‘Restated Consolidated Financial Information’).

These Restated Consolidated Financial Information have been prepared by the Group as a going concern on the basis of the relevant Ind AS that are effective as at and for the year ended March 31, 2025. These Restated Consolidated Financial Information has been approved by the Board of Directors and authorised for issue on October 19, 2025.

These Restated Consolidated Financial Information have been prepared by the Management of the Group in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended, from time to time, issued by the Securities and Exchange Board of India (“SEBI”) on September 11, 2018, in pursuance of the Securities and Exchange Board of India Act, 1992 (“ICDR Regulations”) for the purpose of inclusion in the Red Herring Prospectus (“RHP”) in connection with its proposed Initial Public Offering of equity shares of face value of ₹ 2 each of the Company comprising an Offer for Sale of equity shares held by the selling shareholders (the “Offer”). The Restated Consolidated Financial Information has been prepared by the Company in terms of the requirements of:

- (i) Section 26 of Part I of Chapter III of the Act;
- (ii) Relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, issued by SEBI on September 11, 2018 in pursuance of the Securities and Exchange Board of India Act, 1992;
- (iii) Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”), as amended (the “Guidance Note”) which inter-alia requires the Group to disclose the Restated Consolidated Financial Information for a period lesser than three years considering the Company was incorporated on July 28, 2021;



Capillary Technologies India Limited (formerly known as Capillary Technologies India Private Limited)
Annexure V – Material Accounting Policies and Other Explanatory Notes to the Restated Consolidated Financial Information
All amounts are in ₹ Million unless otherwise stated

These Restated Consolidated Financial Information has been compiled by the Management of the Group from:

- (i) the audited special purpose consolidated interim financial statements of the Group as at and for the six months ended September 30, 2025 and September 30, 2024, prepared in accordance with the Indian Accounting Standard 34 ("Ind AS 34") "Interim Financial Reporting" as prescribed under Section 133 of the Act and other accounting principles generally accepted in India.
- (ii) the audited consolidated financial statements of the Group as at and for the year ended March 31, 2025, March 31, 2024 and March 31, 2023 prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended from time to time and other accounting principles generally accepted in India.

The Restated Consolidated Financial Information have been prepared on a historical cost basis, except for certain financial assets and liabilities, (refer accounting policy regarding financial instruments) which have been measured at fair value.

Measurement of Earnings before interest expense, tax, depreciation and amortisation before exceptional items (EBITDA)

As permitted by the Guidance Note on Division II- Ind AS Schedule III to the Companies Act, 2013, the Group has elected to present Earnings before interest expense, tax, depreciation and amortization before exceptional items (EBITDA) as a separate line item on the face of the restated consolidated statement of profit and loss. In its measurement of EBITDA, the Group includes other income but does not include depreciation and amortization expense, finance costs and tax expenses/ (credit), net.

These Restated Consolidated financial statements are presented in ₹ and all values are rounded to the nearest millions (₹ 000,000), except when otherwise indicated.

2.2 Functional and presentation currency

These Restated Consolidated Financial Information are presented in Indian Rupees, which is the Parent Company's functional and presentation currency. The functional currency of foreign subsidiaries is the currency of the primary economic environment in which the entity operates. All the amounts have been rounded off to the nearest millions, unless otherwise indicated.

2.3 Use of estimates and judgements

The preparation of the Restated Consolidated Financial Information in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities as at the date of the Restated Consolidated Financial Information and reported amounts of revenues and expenses during the year. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the Restated Consolidated Financial Information in the period in which changes are made and, if material, their effects are disclosed in the notes to the Restated Consolidated Financial Information.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

a. Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Restated Consolidated Statement of Assets and Liabilities cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cashflows Model (DCF 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. Refer note 37 for further disclosures.

b. Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Group, including legal and contractual claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence and potential quantum of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events. Refer note 34 for further disclosures.

c. Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plan operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation. The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for India.

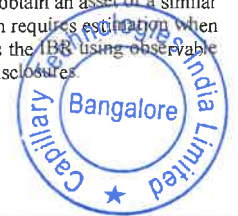
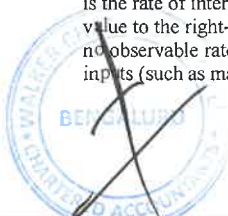
Further details about gratuity obligations are given in note 31.

d. Provision for expected credit losses of trade receivables and contract assets

The Group estimates the credit allowance as per practical expedient based on the historical credit loss experience as enumerated in note 9.1.

e. Leases - Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates. Refer note 33 for further disclosures.



f. Share-based payments

The Group measures the cost of equity settled transactions with employees at the grant date using a Black Scholes model for 'Capillary Employees Stock Option Scheme' - 2021 (CESP). This estimation also requires determination of the most appropriate inputs to the valuation model including the expected life of the share options, risk free interest rate, volatility, dividend yield and time value of money and making assumptions about them. The assumptions and model used for estimating the fair value of the share-based payments are disclosed in note 32.

g. Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the same can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Refer note 29 for further disclosures.

The Group has carried forward tax losses. These losses relate to subsidiaries that have a history of losses and may not be used to offset taxable income elsewhere in the Group. The subsidiaries neither have any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Group has determined that it cannot recognise deferred tax assets on the tax losses carried forward.

h. Impairment of Goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the respective asset or the relevant cash generating units. The value in use calculation is based on Discounted Cashflows Model ("DCF model"). The cash flows projections are based on estimates and assumptions which are considered as reasonable by the management and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate (i.e. 27.70% p.a) used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group (refer note 5).

i. Capitalisation of internally generated assets

The Group has identified certain intangibles which are being internally generated. In the research phase of an internal project, an entity cannot demonstrate that an intangible asset exists that will generate probable future economic benefits. Therefore, this expenditure is recognised as an expense when it is incurred. An intangible asset arising from development (or from the development phase of an internal project) shall be recognised if, and only if, an entity can demonstrate all of the following:

- (a) the technical feasibility of completing the intangible asset so that it will be available for use or sale.
 - (b) its intention to complete the intangible asset and use or sell it.
 - (c) its ability to use or sell the intangible asset.
 - (d) how the intangible asset will generate probable future economic benefits. Among other things, the entity can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset.
 - (e) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.
 - (f) its ability to measure reliably the expenditure attributable to the intangible asset during its development.
- The Group had completed the research and acceptance phase and the projects are in the development phase. The Group has done evaluation of the internally generated software and concluded on being treated as intangible assets. Refer note 05 for further disclosure.

j. Cash flow statement

Cash flows are reported using indirect method, whereby net profits/ (loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Company are segregated.

Restated Consolidated Statement of Cash Flows presented includes cash flows from both continuing and discontinued operations; amounts related to discontinued operations are disclosed in Note 42.

2.4 Operating Cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The Group has ascertained its operating cycle being a period of 12 months for the purpose of classification of assets and liabilities into current and non-current. Accordingly, current assets do not include elements which are not expected to be realised within 12 months and current liabilities do not include items where the Group does not have an unconditional right to defer settlement beyond a period of 12 months, the period of 12 months being reckoned from the reporting date.

The Group presents assets and liabilities in the restated consolidated balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- ▶ Expected to be realised or intended to be sold or consumed in normal operating cycle
- ▶ Held primarily for the purpose of trading
- ▶ Expected to be realised within twelve months after the reporting period; or
- ▶ Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current

A liability is current when:

- ▶ It is expected to be settled in normal operating cycle
- ▶ It is held primarily for the purpose of trading
- ▶ It is due to be settled within twelve months after the reporting period; or
- ▶ There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Advance tax paid is classified as non-current assets.



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2.5 Fair value measurement

The Group measures financial instruments at fair value at each balance sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- ▶ In the principal market for the asset or liability, or
- ▶ In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Restated Consolidated Financial Information are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- ▶ Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ▶ Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- ▶ Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the Restated Consolidated Financial Statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- ▶ Disclosures for valuation methods, significant estimates and assumptions
- ▶ Quantitative disclosures of fair value measurement hierarchy
- ▶ Financial instruments (including those carried at amortised cost)

3. Material accounting policy information

This note provides a list of the material accounting policies adopted in the preparation of these Restated Consolidated Financial Information.

3.1. Basis of Consolidation

The Group determines the basis of control in line with the requirements of Ind AS 110 – Consolidated Financial Statements. The Restated Consolidated Financial Information comprise the financial statements of the Company and its subsidiaries as disclosed in Note 1.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- ▶ Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- ▶ Exposure, or rights, to variable returns from its involvement with the investee, and
- ▶ The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- ▶ The contractual arrangement with the other vote holders of the investee
- ▶ Rights arising from other contractual arrangements
- ▶ The Group's voting rights and potential voting rights
- ▶ The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

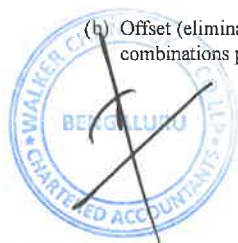
The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Restated Consolidated Financial Statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Restated Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the Restated Consolidated Financial Statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the Restated Consolidated Financial Statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent Company, i.e., period ended on March 31. When the end of the reporting period of the Parent Company is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the Parent Company to enable the Parent Company to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the Consolidated Financial Statements at the acquisition date.
- (b) Offset (eliminate) the carrying amount of the Parent's investment in each subsidiary and the Parent Company's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.



3.1. Basis of Consolidation (cont'd)

- (c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the Consolidated Financial Statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.
- (d) Non-controlling interest represents that part of the total comprehensive income and net assets of subsidiaries attributable to interests which are not owned, directly or indirectly, by the Parent Company.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Parent Company of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- ▶ Derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost
- ▶ Derecognises the carrying amount of any non-controlling interests
- ▶ Derecognises the cumulative translation differences recorded in equity
- ▶ Recognises the fair value of the consideration received
- ▶ Recognises the fair value of any investment retained
- ▶ Recognises any surplus or deficit in profit or loss
- ▶ Recognise that distribution of shares of subsidiary to Group in Group's capacity as owners
- ▶ Reclassifies the Parent Company's share of components previously recognised in OCI to profit or loss or transferred directly to retained earnings, if required by other Ind ASs as would be required if the Group had directly disposed of the related assets or liabilities.

3.2 Business combinations including goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- ▶ Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- ▶ Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition are accounted in accordance with Ind AS 12.
- ▶ Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- ▶ Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.
- ▶ Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss in accordance with Ind AS 109. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS and shall be recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Business combinations arising from transfers of interests in entities that are under the common control are accounted using pooling of interest method. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entity are recorded in shareholders' equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired



3.2 Business combinations including goodwill (cont'd)

over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the Group recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit 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 based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal.

Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

3.3 Revenue recognition

Revenue from operations is recognised when control of the promised services are transferred to the customer at a transaction price that reflects the consideration to which the Group expects to be entitled in exchange for those services.

To determine when to recognise revenue, the Company follows the following 5-step process:

- ▶ Identify the contract with a customer
- ▶ Identify the underlying performance obligation
- ▶ Determining the transaction price
- ▶ Allocating the transaction price to the performance obligation
- ▶ Recognising revenue when/ as performance obligation(s) are satisfied.

The transaction price of services rendered is net of variable consideration. The transaction price for a contract excludes any amounts collected on behalf of third parties. The Group has generally concluded that it is the principal in its revenue arrangements, except for the agency services below, because it typically controls the services before transferring them to the customer.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised service to the customer, which is when the customer obtains control of the service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the transaction price allocated to the satisfied performance obligation.

The specific recognition criteria described below must be met before revenue is recognised:

Income from services

(i) Retainer services

The Group is engaged in the business of providing cloud based intelligent customer engagement software solutions to retail chain operators. Revenue is recognized over the period as and when services are rendered in accordance with the arrangement with the customers.

(ii) Campaign services

The Group provides SMS campaign services that are bundled together with the retainer services. The Group recognises revenue based on the usage of messaging services i.e., when the Group's services are used based on the specific terms of the contract with customers. The Group recognises revenue either on a gross or net basis depending on the nature of its role in the transaction, in accordance with Ind AS 115. Revenue is recorded on a gross basis when the Company acts as a principal in the transaction, meaning it has control over the services before they are transferred to the customer.

Revenue is recorded on a net basis when the Company acts as an agent, facilitating a transaction between a supplier and the customer. In this case, the revenue is recorded as the net amount retained after deducting the cost of goods or services provided by the supplier.

The determination of whether revenue is recognised on a gross or net basis is assessed on a transaction-by-transaction basis, considering specific terms and conditions of each arrangement.

(iii) Installation services

The Group provides a one-time installation services that are bundled together with the retainer services. The Group recognises revenue from installation services over time because the customer simultaneously receives and consumes the benefits provided to them. The Group uses an input method in measuring progress of the installation services because there is a direct relationship between the Group's effort and the transfer of service to the customer. The Group recognises revenue on the basis of the milestone achieved which correlates with hours expended relative to the total expected hours to complete the service.

In contracts with customers where the retainership, campaign services and installation services are bundled together, the Group has applied the guidance in Ind AS 115 by applying the revenue recognition criteria for each distinct performance obligation. For allocating the transaction price, the Group has measured the revenue in respect of each performance obligation of a contract and its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In cases where the Group is unable to determine the standalone selling price, the Group uses the expected cost-plus margin approach in estimating the standalone selling price.

The Group has assessed its revenue arrangements based on the substance of the transaction and business model against specific criteria to determine if it is acting as principal or agent.



Other income

(i) Interest income

For all financial instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in finance income in the Restated Consolidated Statement of Profit and Loss.

(ii) Dividend income

Dividend income is recognized when the right to receive payment is established, which is generally when shareholders approve the dividend, provided it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for services transferred to the customer. If the Group performs by transferring services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are transferred to receivables when the rights become unconditional and contract liabilities are recognized as and when the performance obligation is satisfied.

Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section (m) Financial instruments – initial recognition and subsequent measurement below

Trade receivables

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section(m) Financial instruments – initial recognition and subsequent measurement below.

Deferred contract costs

Deferred contract costs are incremental costs that are associated with acquiring customer contracts and consists primarily of sales commissions to employees and certain referral fees paid to third-party resellers. Incremental costs of obtaining a contract are capitalised if these costs are recoverable. Costs to fulfil a contract are capitalised if the costs relate directly to the contract, generate or enhance resources used in satisfying the contract and are expected to be recovered. Other contract costs are expensed as incurred.

Capitalised contract costs are subsequently amortised on a systematic basis as the Group recognises the related revenue. An impairment loss is recognised in profit or loss to the extent that the carrying amount of the capitalised contract costs exceeds the remaining amount of consideration that the Group expects to receive in exchange for the services to which the contract costs relate less the costs that relate directly to providing the goods and that have not been recognised as expenses. The maximum period over which the Group expects to derive benefit from contracts entered into with customers is 3 years. The Group has elected to apply the practical expedient to recognise the incremental costs of obtaining a contract as an expense when incurred where the amortisation period of the asset that would otherwise be recognised is over year or less.

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related services to the customer).

3.4. Taxes on income

Current income tax

Tax expense comprises current and deferred tax during the year. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Restated Consolidated Statement of Profit and Loss 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. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The Group's liability for current tax is calculated using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the Restated Consolidated Financial Statements and the corresponding tax bases used in the computation of the taxable profit and is accounted for using the liability model. Deferred tax liabilities are generally recognised for all the taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, 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 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 allow all or part of the deferred tax asset to be utilized. Un-recognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.



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3.4. Taxes on income (cont'd)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3.5. Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

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. The carrying amount of any component accounted for as a separate asset are derecognised when replaced. All other repairs and maintenance are charged to restated consolidated profit and loss during the reporting period in which they are incurred.

The Group identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

Depreciation is calculated on a straight-line method the estimated useful lives of the assets as follows which is as per Schedule II of Companies Act, 2013

Sl. No.	Block	Useful lives estimated by the management (in years)
1	Office Equipment	5
2	Computers	3
3	Furniture and fixtures	10

Leasehold improvements are depreciated over the period of lease or estimated useful life, whichever is lower, on straight line basis

Based on internal assessment, the management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. 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.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Restated Consolidated Statement of Profit and Loss when the asset is derecognised.

3.6 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or infinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period with the effect of any change in the estimate being accounted for on a prospective basis. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the restated consolidated statement of profit and loss unless such expenditure forms part of carrying value of another asset.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the restated consolidated statement of profit and loss. when the asset is derecognised.

Intellectual property rights and customer relationships

Intellectual property rights and customer relationships acquired on the acquisition of a subsidiary are measured initially on the basis of fair valuation determined in the Purchase Price Allocation as determined by an independent valuer. Following initial recognition, these intangibles are carried at the initial recognition value less accumulated amortisation and accumulated impairment losses, if any.



3.6 Intangible assets (cont'd)

Patents

Patents and licenses are measured on initial recognition at professional charges incurred on registration of such patents in connection with the Group customer servicing methodology and if the registration of the patent is under progress, the same is recognised as Intangible assets under development.

Internally generated intangible assets

Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in the profit or loss in the year in which the expenditure is incurred.

Software product development are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Group has an intention and ability to complete and use or sell the software and the cost can be measured reliably. The costs which can be capitalised including the cost of employees and overhead costs that are directly attributable to preparing the asset for its intended use.

The Group has identified certain intangibles which are being internally generated. In the research phase of an internal project, an entity cannot demonstrate that an intangible asset exists that will generate probable future economic benefits. Therefore, this expenditure is recognised as an expense when it is incurred. An intangible asset arising from development (or from the development phase of an internal project) shall be recognised if, and only if, an entity can demonstrate all of the following:

- (a) the technical feasibility of completing the intangible asset so that it will be available for use or sale.
- (b) its intention to complete the intangible asset and use or sell it.
- (c) its ability to use or sell the intangible asset.
- (d) how the intangible asset will generate probable future economic benefits. Among other things, the entity can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset.
- (e) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.
- (f) its ability to measure reliably the expenditure attributable to the intangible asset during its development.

The Group had completed the research and acceptance phase and the projects are in the development phase. The Group has done evaluation of the internally generated software and concluded on being treated as intangible assets. Refer note 4 for further disclosure.

Amortisation of the asset begins when development is complete, and the asset is available for use. It is amortised over the period of expected future benefit from the related project. Amortisation expense is recognised in the Restated Consolidated Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

Goodwill

Goodwill (i.e. intangible assets with indefinite useful lives) are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Amortisation is calculated on a straight line basis over the estimated useful lives of the assets as follows:

Sl. No.	Block	Useful lives estimated by the management (in years)
1	Computer software	3
2	Intellectual property rights and customer relationships	2 to 5
3	Patents	1 to 3
4	Internally generated intangible assets	3

3.7 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset until such time as the assets are substantially ready for the intended use or sale. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs

3.8. Leases

The Group has lease contracts for office spaces. The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies stated under 'Impairment of non-financial assets'.



3.8. Leases (cont'd)

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

3.9 Impairment of non-financial assets

As at the end of each accounting year, the Group reviews the carrying amounts of its property plant and equipment and intangible assets determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the said assets are tested for impairment so as to determine the impairment loss, if any. Intangible assets with indefinite life are tested for impairment each year.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

- (i) in the case of an individual asset, at the higher of the fair value less costs of disposal and the value in use; and
- (ii) in the case of a cash generating unit (CGU) (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's net fair value less costs of disposal and the value in use.

The amount of value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life. For this purpose, the discount rate (pre-tax) is determined based on the weighted average cost of capital of the Group suitably adjusted for risks specified to the estimated cash flows of the asset.

For this purpose, a cash generating unit is ascertained as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the Restated Consolidated Statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. For this purpose, the impairment loss recognised in respect of a cash generating unit is allocated first to reduce the carrying amount of any goodwill allocated to such cash generating unit and then to reduce the carrying amount of the other assets of the cash generating unit on a pro-rata basis.

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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country in which the Group operates, or for the market in which the asset is used.

Impairment losses are recognised in the Restated Consolidated Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Restated Consolidated Statement of Profit and Loss.

3.10 Provisions and contingent liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable 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. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Restated Consolidated Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

If the Group has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Group recognises any impairment loss that has occurred on assets dedicated to that contract.

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Group cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).



3.10 Provisions and contingent liabilities (cont'd)

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the Restated Consolidated Financial Information.

Provisions and contingent liability are reviewed at each restated consolidated balance sheet.

In respect of financial guarantees provided by the Group to third parties, the Group considers that it is more likely than not that such an amount will not be payable under the guarantees provided.

3.11 Retirement and other employee benefits

Short-term employee benefits

All employee benefits expected to be settled wholly within twelve months of rendering the service are classified as short-term employee benefits. When an employee has rendered service to the Group during an accounting period, the Group recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service as an expense unless another Ind AS requires or permits the inclusion of the benefits in the cost of an asset. Benefits such as salaries, wages and short-term compensated absences, bonus and ex-gratia etc. are recognised in Restated Consolidated Statement of Profit and Loss in the period in which the employee renders the related service.

Defined contribution plans

Eligible employees of the Group in the United States participate in a savings plan under Section 401(k) ("Plan") of the United States Internal Revenue Code (the "Code"). The Plan allows employees to defer a portion of their annual earnings on a pre-tax basis through voluntary contributions to the Plan. The Group has a 401(k) plan that provides defined contribution retirement benefits for all the employees in the United States.

Eligible employees of the Group in India, Singapore, Indonesia and Malaysia participate in a defined contribution plan (Provident Fund, Social Security, Indonesia and Malaysia respectively) in accordance with the regulatory requirements in the respective jurisdictions. Both the employee and the relevant Company in the Group contribute to the fund at a specified percentage of the employee's salary

The Group has no further obligation under defined contribution plans beyond the contributions made under these plans.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. The Group accounts for the liability for gratuity benefits payable in future based on an independent actuarial valuation report using the projected unit credit method as at the year end.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Restated Consolidated Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Parent Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the Restated Consolidated Statement of Profit and loss

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

3.12 Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee contracts are initially measured at transaction cost and where such values are different from the fair value, 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 and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the Restated Consolidated Statement of Profit and Loss.

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price as disclosed under revenue recognition policy.

In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

(i) Financial assets

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.



3.12 Financial instruments (cont'd)

Financial assets measured at fair value

Financial assets are measured at fair value through other comprehensive income 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 to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at fair value through the Restated Consolidated Statement of Profit and Loss.

For financial assets maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Impairment of financial assets

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and fair value through the Restated Consolidated Statement of Profit and Loss.

The Group recognises impairment loss on trade receivables using life time expected credit loss model, which involves use of provision matrix constructed on the basis of historical credit loss experience as permitted under Ind AS 109 – Financial Instruments.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions are expected to deteriorate over the next year which can lead to an increased number of defaults, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

For financial assets maturing within one year from the balance sheet date, the carrying amounts approximates fair value due to the short maturity of these instruments.

De-recognition of financial assets

The Group de-recognises a financial asset only when the contractual rights to the cash flows from the financial asset expire, or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the carrying amount measured at the date of de-recognition and the consideration received is recognised in Restated Consolidated Statement of Profit or Loss.

(ii) Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial liabilities

Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant. Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the restated consolidated Statement of Profit and Loss.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

b) De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the restated consolidated Statement of Profit and loss.

Off-setting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Restated Consolidated Statement of Assets and Liabilities if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.13 Segment reporting

Operating segments are identified as those components of the Group (a) that engage in business activities to earn revenues and incur expenses (including transactions with any of the Group's other components); (b) whose operating results are regularly reviewed by the Group's Chief Operating Decision Maker (CODM) to make decisions about resource allocation and performance assessment and (c) for which discrete financial information is available. The accounting policies consistently used in the preparation of Restated Consolidated Financial Information are also applied to record revenue and expenditure in individual segments. Assets, liabilities, revenues and direct expenses in relation to segments are categorised based on items that are individually identifiable to that segment, while other items, wherever allocable, are apportioned to the segment on an appropriate basis. Certain items are not specifically allocable to individual segments as the underlying services are used interchangeably. The Group therefore believes that it is not practical to provide segment disclosures relating to such items and accordingly such items are separately disclosed as 'unallocated'.



3.13 Segment reporting (cont'd)

An operating segment is classified as reportable segment if reported revenue (including inter-segment revenue) or absolute amount of result or assets exceed 10% or more of the combined total of all the operating segments.

CODM evaluates the performance of the Group based on the single operative segment as cloud based intelligent customer engagement software solutions to retail chain operators. Therefore, there is only one reportable segment called CRM services in accordance with the requirement of Ind AS 108 "Operating Segments".

3.14 Cash and cash equivalents

Cash and cash equivalent in the Restated Consolidated Statement of Assets and Liabilities comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value.

3.15 Share-based payments

Certain employees of the Group are entitled to share-based payments, whereby employees render services as consideration for equity instruments of the Parent Company (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate Black-Scholes valuation model.

That cost is recognised, together with a corresponding increase in capital contribution from the parent reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the Restated Consolidated statement of profit and loss for a year represents the movement in cumulative expense recognised as at the beginning and end of that year and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the Group or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

3.16 Foreign currency translation

The Group's Restated Consolidated Financial Statements are presented in ₹, which is also the Parent Company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Group uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of the following:

- ▶ Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., Restated Consolidated Financial Statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.
- ▶ Exchange differences arising on monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.
- ▶ Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Translations

On consolidation, the assets and liabilities of foreign operations are translated into ₹ at the rate of exchange prevailing at the reporting date and their restated consolidated statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the Group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in the Restated Consolidated Statement of Profit and Loss.



3.16 Foreign currency translation (cont'd)

Any goodwill arising in the acquisition/ business combination of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

Gain or loss on a subsequent disposal of any foreign operation excludes translation differences that arose before the date of transition but includes only translation differences arising after the transition date.

3.17 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders of the Parent Company by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the Parent Company and the weighted average number of shares outstanding during the period are adjusted for the effects of all potential dilutive equity shares.

3.18 Initial Public Offering (IPO) Transaction cost

The costs of an IPO that involves both issue and listing of new shares and listing the existing equity shares has been accounted for as follows:

- Incremental costs that are directly attributable to issuing new shares has been deferred until successful consummation of IPO upon which it shall be deducted from equity (net of any income tax benefit).
- Costs that relate to the stock market listing or are otherwise not incremental and directly attributable to issuing new shares, has been recorded as an expense in the restated consolidated statement of profit and loss as and when incurred.
- Costs that relate to both share issuance and listing has been allocated between those functions on a rational and consistent basis i.e. based on proportion of new shares issued to the total number of (new and existing) shares listed.

3.19 Discontinued operations

A discontinued operation is a component of the Group, the operations and cash flow of which can be clearly distinguished from the rest of the Group and which:

- ▶ represents a separate major line of business or geographical area of operations,
- ▶ is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- ▶ is a subsidiary acquired exclusively with a view to resale

Classification as a discontinued operations occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale.

When an operation is classified as a discontinued operation, the comparative restated consolidated statement of profit and loss is re-presented as if the operation had been discontinued from the start of the comparative periods.

3.20 Exceptional items

Exceptional items refer to items of income or expense within the restated consolidated statement of profit and loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company.

3.21 Recent accounting pronouncements

Amendments effective for the annual reporting periods beginning on or after 1 April 2026

The recent amendments to Ind AS 1 have removed the carve-out from IFRS Accounting Standards which allowed entities to classify liabilities as non-current on account of breach of material provision for which the lender has agreed to waive the breach after the end of the reporting period but before the approval of the financial statements for issue. The amendment should be applied retrospectively in accordance with the principles of Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors.

These amendments are not expected to have a material impact on the Group in the current or future reporting periods and on the foreseeable future transactions.



4 Property, Plant and Equipment and Right of use assets

A. Reconciliation of carrying amount

Particulars	Right of use assets		Property, Plant and Equipment			
	Buildings	Computers	Office equipments	Leasehold improvements	Furniture and fixtures	Total
Cost						
As at April 1, 2022	40.05	41.89	0.53	1.14	0.85	44.41
Additions during the year	5.45	18.72	1.04	-	-	19.76
Disposals during the year	-	(1.40)	-	-	-	(1.40)
Translation adjustments	(0.19)	0.92	0.02	0.05	0.35	1.34
Balance as at March 31, 2023	45.31	60.13	1.59	1.19	1.20	64.11
Additions during the year	38.58	18.72	1.25	-	-	19.97
Adjustment pursuant to acquisition of a subsidiary (refer note 39)	-	11.29	1.48	-	-	12.77
Disposals during the year	(35.48)	(28.81)	-	-	-	(28.81)
Modification of right-of-use assets	(4.37)	-	-	-	-	-
Translation adjustments during the year	0.21	5.37	-	0.01	(0.05)	5.33
Balance as at March 31, 2024	44.25	66.70	4.32	1.20	1.15	73.37
Additions during the period	13.92	14.58	1.33	-	-	15.91
Disposals during the period	-	-	-	-	-	-
Translation adjustments	-	5.11	-	-	-	5.11
Balance as at September 30, 2024	58.17	86.39	5.65	1.20	1.15	94.39
As at April 1, 2024	44.25	66.70	4.32	1.20	1.15	73.37
Additions during the year	63.16	30.52	1.62	-	-	32.14
Disposals during the year	-	(4.84)	(2.71)	-	(0.77)	(8.32)
Translation adjustments	-	0.88	0.08	-	-	0.96
Balance as at March 31, 2025	107.41	93.26	3.31	1.20	0.38	98.15
Additions during the period	74.12	14.47	2.03	-	-	16.50
Disposals during the period	-	-	-	-	-	-
Translation adjustments	1.06	1.89	-	-	-	1.89
Balance as at September 30, 2025	182.59	109.62	5.34	1.20	0.38	116.54
Accumulated depreciation						
Balance as at April 01, 2022	4.21	17.09	0.36	1.14	0.38	18.97
Charge for the year	21.95	23.45	0.16	-	0.12	23.73
Disposals during the year	-	(1.27)	-	-	-	(1.27)
Translation adjustments	1.08	(0.26)	0.03	0.05	0.30	0.12
Balance as at March 31, 2023	27.24	39.01	0.55	1.19	0.80	41.55
Charge for the year	22.18	25.74	1.75	-	0.11	27.60
Disposals during the year	(35.48)	(27.01)	-	-	-	(27.01)
Translation adjustments	0.18	(0.01)	0.01	0.01	0.01	0.02
Balance as at March 31, 2024	14.12	37.73	2.31	1.20	0.92	42.16
Charge for the period	13.81	11.49	0.52	-	0.03	12.04
Disposals during the period	-	-	-	-	-	-
Translation adjustments	-	0.01	(0.01)	-	0.05	0.05
Balance as at September 30, 2024	27.93	49.23	2.82	1.20	1.00	54.25
As at April 1, 2024	14.12	37.73	2.31	1.20	0.92	42.16
Charge for the year	33.44	27.26	1.25	-	0.05	28.56
Disposals during the year	-	(4.52)	(2.35)	-	(0.64)	(7.51)
Translation adjustments	0.01	0.56	0.06	-	0.05	0.67
Balance as at March 31, 2025	47.57	61.03	1.27	1.20	0.38	63.88
Charge for the period	27.42	12.30	0.83	-	-	13.13
Disposals during the period	-	-	-	-	-	-
Translation adjustments	0.28	1.72	-	-	-	1.72
Balance as at September 30, 2025	75.27	75.05	2.10	1.20	0.38	78.73
Carrying amounts						
As at March 31, 2023	18.07	21.12	1.04	-	0.40	22.56
As at March 31, 2024	30.13	28.97	2.01	-	0.23	31.21
As at September 30, 2024	30.24	37.16	2.83	-	0.15	40.14
As at March 31, 2025	59.84	32.23	2.04	-	-	34.27
As at September 30, 2025	107.32	34.57	3.24	-	-	37.81



5 Other Intangible assets and Intangible Assets Under Development (IAUD)

A. Reconciliation of carrying amount

Particulars	Computer software	Internally generated assets	Intellectual property rights	Patents	Customer relationships	Total	Goodwill ¹	Intangible assets under development
Cost								
Balance as at April 1, 2022	5.91	524.65	77.42	9.88	411.87	1,029.73	1,527.87	3.62
Additions during the year	-	245.21	-	-	-	245.21	-	51.35
Disposals during the year	-	-	-	-	-	-	-	-
Capitalised during the year	-	-	-	-	-	-	-	-
Translation adjustments	(0.01)	-	6.28	-	33.71	39.98	125.05	-
Balance as at March 31, 2023	5.90	769.86	83.70	9.88	445.58	1,314.92	1,652.92	54.97
Additions during the year	0.58	324.69	-	-	-	325.27	-	17.81
Disposals during the year	-	-	-	-	-	-	-	-
Capitalised during the year	-	41.68	-	-	-	41.68	-	(41.68)
Adjustment pursuant to acquisition of a subsidiary and asset purchase agreement (refer note 39)	-	45.61	49.97	-	641.11	736.69	159.49	-
Translation adjustments	-	4.71	1.96	-	12.33	19.00	26.03	-
Balance as at March 31, 2024	6.48	1,186.55	135.63	9.88	1,099.02	2,437.56	1,838.44	31.10
Additions during the period	-	100.27	-	-	-	100.27	-	118.49
Disposals during the period	-	-	-	-	-	-	-	-
Capitalised during the period	-	3.61	-	-	-	3.61	-	(3.61)
Translation adjustments	-	0.23	0.68	-	1.06	1.97	9.22	-
Balance as at September 30, 2024	6.48	1,290.66	136.31	9.88	1,100.08	2,543.41	1,847.66	145.98
Balance as at April 1, 2024	6.48	1,186.55	135.63	9.88	1,099.02	2,437.56	1,838.44	31.10
Additions during the year	-	271.68	-	-	-	271.68	-	177.59
Disposals during the year	-	-	-	-	-	-	-	-
Capitalised during the year	-	208.69	-	-	-	208.69	-	(208.69)
Translation adjustments	-	1.17	3.42	-	27.82	32.41	46.54	-
Balance as at March 31, 2025	6.48	1,668.09	139.05	9.88	1,126.84	2,950.34	1,884.98	-
Additions during the period	-	178.97	172.43	-	390.37	741.77	909.53	-
Disposals during the period	-	-	-	-	-	-	-	-
Capitalised during the period	-	-	-	-	-	-	-	-
Translation adjustments	-	1.81	13.66	-	61.94	77.41	116.02	-
Balance as at September 30, 2025	6.48	1,848.87	325.14	9.88	1,579.15	3,769.52	2,910.53	-
Accumulated amortisation								
Balance as at April 1, 2022	3.98	285.14	15.49	9.88	79.62	394.11	-	-
Charge for the year**	0.86	192.14	24.67	-	132.33	350.00	-	-
Disposals	-	-	-	-	-	-	-	-
Translation adjustments	-	-	4.23	-	22.71	26.94	-	-
Balance as at March 31, 2023	4.84	477.28	44.39	9.88	234.66	771.05	-	-
Charge for the year**	0.86	237.36	41.57	-	252.63	532.42	-	-
Disposals	-	-	-	-	-	-	-	-
Translation adjustments	-	(0.02)	(0.01)	-	22.24	22.21	-	-
Balance as at March 31, 2024	5.70	714.62	85.95	9.88	509.53	1,325.68	-	-
Charge for the period**	0.21	130.79	34.94	-	136.79	302.73	-	-
Disposals	-	-	-	-	-	-	-	-
Translation adjustments	-	0.12	0.55	-	3.19	3.86	-	-
Balance as at September 30, 2024	5.91	845.53	121.44	9.88	649.51	1,632.27	-	-
Balance as at April 1, 2024	5.70	714.62	85.95	9.88	509.53	1,325.68	-	-
Charge for the year**	0.21	346.12	27.27	-	186.38	559.98	-	-
Disposals	-	-	-	-	-	-	-	-
Translation adjustments	-	0.76	8.60	-	24.93	34.29	-	-
Balance as at March 31, 2025	5.91	1,061.50	121.82	9.88	720.84	1,919.95	-	-
Charge for the period**	0.08	195.76	27.11	-	100.20	323.15	-	-
Disposals	-	-	-	-	-	-	-	-
Translation adjustments	-	1.55	5.26	-	29.98	36.79	-	-
Balance as at September 30, 2025	5.99	1,258.81	154.19	9.88	851.02	2,279.89	-	-
Carrying amounts								
As at March 31, 2023	1.06	292.58	39.31	-	210.92	543.87	1,652.92	54.97
As at March 31, 2024	0.78	471.93	49.68	-	589.49	1,111.88	1,838.44	31.10
As at September 30, 2024	0.57	445.13	14.87	-	450.57	911.14	1,847.66	145.98
As at March 31, 2025	0.57	606.59	17.23	-	406.00	1,030.39	1,884.98	-
As at September 30, 2025	0.49	590.06	170.95	-	728.13	1,489.63	2,910.53	-

¹The Group has only one Cash Generating Unit (CGU) to which the goodwill (with indefinite life) acquired in earlier years through acquisition of business, has been entirely allocated. The carrying amount of goodwill as at the end of the each reported period is ₹ 2,910.53 million (September 30, 2024: ₹ 1,847.66 million, March 31, 2025: ₹ 1,884.98 million, March 31, 2024: ₹ 1,838.44 million, March 31, 2023: ₹ 1,652.92 million) respectively. As at September 30, 2025, the addition to goodwill amounting to ₹ 909.53 million pertains to acquisition of Kognitiv Solutions Inc., (refer note 39)

As at September 30, 2025, the goodwill amount pertains to Kognitiv Solutions Inc., acquired w.e.f May 1, 2025 amounting to ₹ 953.62 million, Capillary Technologies LLC (formerly known as Persuade Loyalty LLC), acquired w.e.f. September 1, 2021 amounting to ₹ 1,785.87 million and the balance amount of ₹ 171.04 million pertains to acquisition of Capillary Brierley Inc (formerly known as Brierley & Partners Inc., acquired w.e.f. April 1, 2023).



5 Other Intangible assets and Intangible Assets Under Development (IAUD) (cont'd)

Following key assumptions were considered while performing impairment testing annually

The recoverable amount has been calculated based on its value in use, estimated as the present value of projected future cash flows.

Key Assumption	March 31, 2025	March 31, 2024	March 31, 2023
Annual growth rate for next 5 financial year	4-10%	30-35%	30%
Terminal growth rate*	4%	4%	4%
Weighted average cost of capital % (WACC) after tax (Discount rate)	27.70%	28.00%	28.00%

*growth rate has been considered after the end of respective financial years.

The Group performs an annual impairment assessment of the goodwill and had accordingly performed impairment assessment for the years ended March 31, 2025, March 31, 2024 and March 31, 2023. The Group has for the purpose of preparation of these restated consolidated financial information evaluated indicators which adversely impacts the assessment done for annual financial statements. The Group has not identified any such adverse indicators.

The growth rate used to estimate future performance are based on the conservative estimates from past performance.

The Group has conducted sensitivity analysis including sensitivity in respect of discount rate on the impairment assessment of goodwill.

The projections cover a period of five years, as the Group believes this to be the most appropriate time period over which to review and consider annual performances and thereafter fixed terminal value has been considered. The cash flow projection included specific estimates for five years and a terminal growth rate thereafter. The terminal growth rate was determined based on management estimate of the long term compound annual EBITDA growth rate, consistent with the assumption that the market participants would market.

Weighted Average Cost of Capital % (WACC) = Risk free return + (Market risk premium x Beta for the Group)

The Group believes that any reasonably possible change in the key assumptions on which a recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash-generating unit.

** Total charge for the period/ year includes amortisation of ₹ Nil (September 30, 2024- ₹ 20.95 million; March 31, 2025- ₹ 20.95 million; March 31, 2024- ₹ 21.59 million; March 31, 2023- ₹ 28.75 million) related to discontinued operations. Refer note 42.

Impairment analysis was performed for the goodwill on consolidation. The recoverable amount was determined using the value in use of the cash generating units. The recoverable amount exceeds the carrying value, accordingly no impairment charges were identified for the period / year ended September 30, 2025; September 30, 2024; March 31, 2025; March 31, 2024 and March 31, 2023.

a. Internally generated intangible assets capitalised and intangible assets under development comprise of the following:

Particulars	For the six-month period ended September 30, 2025		For the six-month period ended September 30, 2024	
	Internally generated assets ¹	Intangible assets under development	Internally generated assets ¹	Intangible assets under development
Salaries, wages and bonus	137.03	-	70.88	47.42
Share-based payments	2.76	-	3.98	-
Software and server charges	29.69	-	25.41	-
Professional and consultancy expenses	9.49	-	3.61	71.07
Total	178.97	-	103.88	118.49

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024		For the year ended March 31, 2023	
	Internally generated assets ¹	Intangible assets under development	Internally generated assets ¹	Intangible assets under development	Internally generated assets ¹	Intangible assets under development
Salaries, wages and bonus	265.36	50.38	225.52	-	141.65	-
Share-based payments	9.04	-	10.24	-	38.82	-
Software and server charges	47.66	-	71.12	-	64.74	-
Professional and consultancy expenses	158.31	127.21	59.49	17.81	-	51.35
Total	480.37	177.59	366.37	17.81	245.21	51.35

¹Includes ₹ Nil (September 30, 2024- ₹ 3.61 million; March 31, 2025- ₹ 208.69 million; March 31, 2024- ₹ 41.68 million; March 31, 2023- ₹ Nil) from intangible assets under development.

b. Intangible assets under development (IAUD) ageing schedule

(i) As at September 30, 2025

Not applicable

(ii) As at September 30, 2024

	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	118.49	17.81	9.68	-	145.98
	118.49	17.81	9.68	-	145.98

(iii) As at March 31, 2025

Not applicable



b. Intangible assets under development (IAUD) ageing schedule (cont'd)

(iv) As at March 31, 2024

	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	17.81	13.29	-	-	31.10
	17.81	13.29	-	-	31.10

(v) As at March 31, 2023

	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	51.35	1.61	0.79	1.22	54.97
	51.35	1.61	0.79	1.22	54.97

There are no projects on each reporting period/year where activity has been suspended considering the nature of Intangible asset under development, there are no projects as on the reporting periods which has exceeded cost as compared to the original plan or where completion is overdue.

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Capillary Technologies India Limited (formerly known as Capillary Technologies India Private Limited)
Annexure VI - Notes to the Restated Consolidated Financial Information
(All amounts in Indian Rupees (₹) millions, unless otherwise stated)

6 Financial assets

Unsecured considered good unless otherwise stated

Non-current

At amortised cost

Bank deposits with remaining maturity greater than 12 months¹

Security deposits

Total

	As at September 30, 2025	As at September 30, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Bank deposits with remaining maturity greater than 12 months ¹	233.17	26.95	224.22	121.16	115.69
Security deposits	42.06	106.50	31.87	23.63	-
Total	275.23	133.45	256.09	144.79	115.69

Current

At amortised cost

Security deposits

Other receivables from related parties (refer note 35)²

Advances to employees

Interest accrued on deposits

Security deposits	9.05	15.21	12.43	11.93	8.76
Other receivables from related parties (refer note 35) ²	32.95	11.08	12.40	2.81	145.88
Advances to employees	3.01	2.50	2.79	0.48	0.31
Interest accrued on deposits	8.09	8.09	6.31	12.48	4.12
Total	53.10	36.88	33.93	27.70	159.07
Total	328.33	170.33	290.02	172.49	274.76

¹Represents bank deposits under lien against short term borrowings bearing interest rate ranging from 4.10% to 7.50% (September 30, 2024 - 6.50% to 7.40%, March 31, 2025- 7.40% to 7.50%; March 31, 2024 - 6.50% to 7.25%, March 31, 2023 - 6.50% to 7.25%)

²Other receivables from related parties are non-interest bearing and are generally on terms of up to 90 days. Other receivables from related parties include Nil (September 30, 2024- ₹ Nil; March 31, 2025: ₹ Nil; March 31, 2024: ₹ Nil; March 31, 2023: ₹128.23 million) due from the Ultimate Holding Company which are secured against the External Commercial Borrowings of Nil (September 30, 2024- ₹ Nil; March 31, 2025: ₹ Nil; March 31, 2024: ₹ Nil; March 31, 2023: ₹179.22 million) payable to the Ultimate Holding Company. These amounts will be settled on the completion of certain events and are therefore currently not due. The management has recovered the amount from the Ultimate Holding Company.

7 Other tax assets

Advance income tax

Total

	As at September 30, 2025	As at September 30, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Advance income tax	102.06	64.01	79.88	43.06	50.53
Total	102.06	64.01	79.88	43.06	50.53

8 Investments

Non-current investments

Investment in equity instruments

Unquoted

At fair value through other comprehensive income (FVTOCI)

4,692,060 preferred stock (30 September 2024, 31 March 2025, 31 March 2024, 31 March 2023: Nil) of RFEngage Inc. of \$ 0.25 each, fully paid up

	As at September 30, 2025	As at September 30, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
4,692,060 preferred stock (30 September 2024, 31 March 2025, 31 March 2024, 31 March 2023: Nil) of RFEngage Inc. of \$ 0.25 each, fully paid up	103.52	-	-	-	-
Total	103.52	-	-	-	-

Aggregate book value of unquoted investments

Aggregate market value of unquoted investments

Aggregate book value of unquoted investments	103.52	-	-	-	-
Aggregate market value of unquoted investments	103.52	-	-	-	-

Current investments

Investments in mutual funds

Unquoted

At fair value through profit and loss (FVTPL)

ABSL Money Manager Fund - Direct Plan - Growth

Kotak Money Market Scheme - Direct Plan - Growth

UTI Money Market Fund- Direct Plan- Growth

Nippon India Money Market Fund

5.03 % - BlackRock Fed Fund 0081

5.09% - Fidelity Government 2642

5.03% - Goldman FSQ Govt 0465

5.06% - HSBC US Govt Mmkt Class 1 6059

5.02% - JPMorgan US Govt Mmkt 3164

5.04 % - Morgan Stanley Govt 8302

5.11% - State Street US Govt Mmkt 2682

JP Morgan Treasury Fund

HSBC Global Liquidity Fund

Morgan Stanley Treasury Fund

Goldman Sachs Treasury Fund

	As at September 30, 2025		As at September 30, 2024	
	No. of units	Value	No. of units	Value
ABSL Money Manager Fund - Direct Plan - Growth	-	-	275,032	97.30
Kotak Money Market Scheme - Direct Plan - Growth	-	-	49,276	210.83
UTI Money Market Fund- Direct Plan- Growth	-	-	72,549	213.66
Nippon India Money Market Fund	-	-	13,405	53.17
5.03 % - BlackRock Fed Fund 0081	-	-	-	102.83
5.09% - Fidelity Government 2642	-	-	-	102.86
5.03% - Goldman FSQ Govt 0465	-	-	-	110.88
5.06% - HSBC US Govt Mmkt Class 1 6059	-	-	-	102.40
5.02% - JPMorgan US Govt Mmkt 3164	-	-	-	102.33
5.04 % - Morgan Stanley Govt 8302	-	-	-	102.34
5.11% - State Street US Govt Mmkt 2682	-	-	-	102.41
JP Morgan Treasury Fund	677,237	60.20	-	-
HSBC Global Liquidity Fund	702,836	84.05	-	-
Morgan Stanley Treasury Fund	79,404	7.11	-	-
Goldman Sachs Treasury Fund	1,100,000	97.73	-	-
		249.09		1,301.01
Aggregate book value of unquoted investments		249.09		1301.01
Aggregate market value of unquoted investments		249.09		1301.01

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Capillary Technologies India Limited (formerly known as Capillary Technologies India Private Limited)
Annexure VI - Notes to the Restated Consolidated Financial Information
(All amounts in Indian Rupees (₹) millions, unless otherwise stated)

Current investments (cont'd)

	As at March 31, 2025		As at March 31, 2024		As at March 31, 2023	
	No. of units	Value	No. of units	Value	No. of units	Value
Investments in mutual funds						
Unquoted						
At fair value through profit and loss (FVTPL)						
ABSL Money Manager Fund - Direct Plan - Growth	-	-	275,032	93.73	-	-
Kotak Money Market Scheme - Direct Plan - Growth	-	-	49,276	203.14	-	-
UTI Money Market Fund - Direct Plan - Growth	-	-	72,549	205.72	-	-
Kotak Liquid Fund - Direct Plan - Growth	-	-	11,110	54.21	-	-
DSP Liquidity Fund - Direct Plan - Growth	-	-	41,274	142.45	-	-
				<u>699.25</u>		<u>-</u>
Aggregate book value of unquoted investments		-		699.25		-
Aggregate market value of unquoted investments		-		699.25		-

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Capillary Technologies India Limited (formerly known as Capillary Technologies India Private Limited)
Annexure VI - Notes to the Restated Consolidated Financial Information
(All amounts in Indian Rupees (₹) millions, unless otherwise stated)

9 Trade receivables

	As at September 30, 2025	As at September 30, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
At amortised cost					
Trade receivables - considered good - Unsecured ^{1,2,3,4}	1,851.01	1,595.97	1,611.21	1,456.51	801.11
Trade receivables - credit impaired - Unsecured ^{1,2,3,4} (refer note 9.1)	137.57	135.76	128.28	53.33	10.53
	1,988.58	1,731.73	1,739.49	1,509.84	811.64
Impairment allowance (allowance for bad and doubtful debts)					
Less: Loss allowances (refer note 9.1)	(137.57)	(135.76)	(128.28)	(53.33)	(10.53)
	1,851.01	1,595.97	1,611.21	1,456.51	801.11
Total trade receivables					
-Others ^{1,2,3,4}	1,851.01	1,595.97	1,611.21	1,456.51	801.11
Total trade receivables	1,851.01	1,595.97	1,611.21	1,456.51	801.11

¹No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member. Also refer note 35.

²Trade receivables are non-interest bearing and are generally on terms of up to 90 days.

³There are no disputed trade receivables as on September 30, 2025, September 30, 2024, March 31, 2025, March 31, 2024 and March 31, 2023.

⁴Trade receivables includes unbilled revenue amounting to ₹ 253.46 million (September 30, 2024 - ₹ 510.08 million; March 31, 2025 - ₹ 274.51 million; March 31, 2024 - ₹ 332.00 million; March 31, 2023 - ₹ 124.44 million). Refer 9.1 below

9.1 Expected credit loss allowance

Movement in expected credit loss allowance under simplified approach are provided in the table below:

	As at September 30, 2025	As at September 30, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
At the beginning of the period/ year	128.28	53.33	53.33	10.53	30.43
Provision made during the period/ year	33.08	81.47	78.42	41.21	19.19
Utilised during the period/ year	(26.37)	(0.50)	(4.77)	(1.69)	(30.55)
Translation adjustment	2.58	1.46	1.30	3.28	(8.54)
At the end of the period/ year	137.57	135.76	128.28	53.33	10.53

Trade receivables ageing schedule

As at September 30, 2025

	Outstanding for following periods from due date of payment							Total
	Unbilled*	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	253.46	1,003.14	526.43	43.93	17.24	6.75	0.06	1,851.01
- credit impaired	-	8.63	10.21	32.02	86.71	-	-	137.57
Total	253.46	1,011.77	536.64	75.95	103.95	6.75	0.06	1,988.58

As at September 30, 2024

	Outstanding for following periods from due date of payment							Total
	Unbilled*	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	510.08	736.05	336.56	6.11	5.31	1.86	-	1,595.97
- credit impaired	-	-	35.58	84.26	11.79	4.13	-	135.76
Total	510.08	736.05	372.14	90.37	17.10	5.99	-	1,731.73

As at March 31, 2025

	Outstanding for following periods from due date of payment							Total
	Unbilled*	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	274.51	348.28	957.09	13.92	15.69	1.72	-	1,611.21
- credit impaired	-	-	21.41	9.67	94.34	2.86	-	128.28
Total	274.51	348.28	978.50	23.59	110.03	4.58	-	1,739.49

As at March 31, 2024

	Outstanding for following periods from due date of payment							Total
	Unbilled*	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	332.00	641.34	422.09	43.85	17.01	0.22	-	1,456.51
- credit impaired	-	-	46.50	6.17	0.61	0.05	-	53.33
Total	332.00	641.34	468.59	50.02	17.62	0.27	-	1,509.84

As at March 31, 2023

	Outstanding for following periods from due date of payment							Total
	Unbilled*	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	124.44	513.00	159.12	3.30	1.25	-	-	801.11
- credit impaired	-	4.52	2.20	2.86	0.95	-	-	10.53
Total	124.44	517.52	161.32	6.16	2.20	-	-	811.64

* Unbilled revenue consists of contract assets, that primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to the receivables when the rights become unconditional and is current but not due.



10A Cash and cash equivalents

	As at September 30, 2025	As at September 30, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
-Balance with banks ¹	603.49	194.01	2,140.71	1,806.68	462.00
Total	603.49	194.01	2,140.71	1,806.68	462.00

10B Other bank balances

	As at September 30, 2025	As at September 30, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Fixed deposit with banks with original maturity greater than 3 months but less than 12 months ²	-	22.06	-	-	-
Total	-	22.06	-	-	-

¹ Balances with banks include restricted bank balances of ₹ Nil (September 30, 2024: Nil; March 31, 2025: ₹ 128.18 million; March 31, 2024: Nil ; March 31, 2023: Nil). The restrictions are primarily on account of bank balances held as lien against loan taken by the Group.

² Represents bank deposits under lien against short term borrowings bearing interest rate ranging from 6.50% to 7.40% (March 31, 2024 - 6.50% to 7.25%).

11 Loans

	As at September 30, 2025	As at September 30, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
At amortised cost					
<i>Unsecured, considered good</i>					
Corporate deposits*	-	400.10	-	399.99	-
	-	400.10	-	399.99	-

*Details of corporate deposits placed during the period ended September 30, 2025
Not applicable

*Details of corporate deposits placed during the period ended September 30, 2024

Name of borrower	Nature of relationship	Type of deposit	Rate of interest	Term
Bajaj Finance Limited	Others	Unsecured	7.85%-8.05%	< 6 months

*Details of corporate deposits placed during the year ended March 31, 2025¹

Name of borrower	Nature of relationship	Type of deposit	Rate of interest	Term
Bajaj Finance Limited	Others	Unsecured	7.85%-8.05%	Upto 12 months

*Details of corporate deposits placed during the previous year ended March 31, 2024¹

Name of borrower	Nature of relationship	Type of deposit	Rate of interest	Term
Bajaj Finance Limited	Others	Unsecured	7.95%	< 6 months
Aditya Birla Finance Ltd	Others	Unsecured	8.10%	< 6 months

¹ Corporate deposits are made to earn treasury income for current year as well as for previous years.

Name of borrower	As at April 1, 2024	Placed during the period	Redeemed during the period	As at September 30, 2024
Bajaj Finance Limited	200.00	-	(200.00)	-
Aditya Birla Finance Ltd	199.99	200.11	-	400.10
	399.99	200.11	(200.00)	400.10

Name of borrower	As at April 1, 2024	Placed during the year	Redeemed during the year	As at March 31, 2025
Bajaj Finance Limited	200.00	400.00	(600.00)	-
Aditya Birla Finance Ltd	199.99	-	(199.99)	-
	399.99	400.00	(799.99)	-

Name of borrower	As at April 1, 2023	Placed during the year	Redeemed during the year	As at March 31, 2024
Bajaj Finance Limited	-	200.00	-	200.00
Aditya Birla Finance Ltd	-	199.99	-	199.99
	-	399.99	-	399.99

Note: There were no corporate deposits placed or refunded during the period ended September 30, 2025 and year ended March 31, 2023.

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12 Other assets

	As at September 30, 2025	As at September 30, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Non-current					
Others (Unsecured, considered good)					
Advance towards acquisition of a business ¹	-	-	87.22	-	696.59
Advance towards acquisition of preferred stock ⁴	3.55	-	-	-	-
Deferred contract costs ² (refer 12.1 for movement in contract balances)					
-considered good	4.46	9.72	7.62	9.46	5.97
-considered doubtful	-	-	-	-	-
Prepaid expenses	4.22	26.69	7.93	7.06	4.70
Contractual customer asset ³	665.17	732.57	750.48	805.03	-
Total	677.40	768.98	853.25	821.55	707.26
Current					
Unsecured, considered good					
Advances other than capital advances					
-considered good	25.72	21.46	164.40	19.64	17.18
-considered doubtful	-	-	-	-	-
Deferred contract costs ² (refer 12.1 for movement in contract balances)					
-considered good	13.80	17.22	21.76	5.22	9.58
-considered doubtful	-	-	-	-	-
Prepaid expenses	220.49	166.92	83.92	113.10	42.98
Balance with statutory/ government authorities	8.73	23.03	19.95	16.47	6.34
Contractual customer asset ³	187.58	130.76	106.34	107.13	-
Total	456.32	359.39	396.37	261.56	76.08

¹The Group had entered into a stock purchase agreement dated March 30, 2023 to acquire 100% stake in Brierley & Partners Inc., and Brierley Europe Limited (collectively referred to as "Brierley Group") for a total consideration of USD 10 million, consisting primarily of cash. Brierley Group provides customer relationship management and loyalty products and services, including technology, marketing and strategy to global companies. The Group has obtained control on April 1, 2023 upon satisfaction of customary closing conditions. The allocation of purchase price to goodwill and other acquired intangibles was not complete as on March 31, 2023. Consequently the financial statements of Brierley Group had not been consolidated in the consolidated financial statements for the year ended March 31, 2023.
During the year ended March 31, 2025, the Group has paid an amount of ₹ 87.22 million as security deposit for bid submission towards proposed acquisition of Entity/Assets of a conglomerate.

²Deferred contract costs represent commission costs paid to sales team and set out below is the movement in the capitalised contract costs.

³Contractual customer asset includes cost incurred to obtain a customer contract.

⁴During the period ended September 30, 2025, the Group has paid an amount of ₹ 3.55 million as advance towards acquisition of preferred stock (refer note 8).

12.1 Deferred contract costs

	As at September 30, 2025	As at September 30, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
At the beginning of the period/ year	29.38	14.68	14.68	15.55	14.09
Additions during the period/ year	4.80	22.65	44.01	18.25	20.8
Amortised during the period/ year	(17.37)	(10.40)	(29.61)	(16.91)	(19.84)
Translation adjustments during the period/ year	1.45	0.01	0.30	(2.21)	0.50
At the end of the period/ year	18.26	26.94	29.38	14.68	15.55
The same is shown under:					
Non-current	4.46	9.72	7.62	9.46	5.97
Current	13.80	17.22	21.76	5.22	9.58

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13 Equity share capital

	As at September 30, 2025		As at September 30, 2024		As at March 31, 2025		As at March 31, 2024		As at March 31, 2023	
	Number of shares (in millions)	Amount (₹)	Number of shares (in millions)	Amount (₹)	Number of shares (in millions)	Amount (₹)	Number of shares (in millions)	Amount (₹)	Number of shares (in millions)	Amount (₹)
Authorized										
Equity shares of ₹ 2 each	125.00	250.00	125.00	250.00	125.00	250.00	125.00	250.00	75.00	150.00
Preference shares of ₹ 10 each	0.10	1.00	0.10	1.00	0.10	1.00	0.10	1.00	0.10	1.00
Total	125.10	251.00	125.10	251.00	125.10	251.00	125.10	251.00	75.10	151.00
Issued, subscribed and fully paid-up shares										
Equity shares of ₹ 2 each	73.32	146.65	73.23	146.46	73.32	146.65	73.23	146.46	52.89	105.79
Total	73.32	146.65	73.23	146.46	73.32	146.65	73.23	146.46	52.89	105.79

* Pursuant to the approval of the Board of Directors dated March 1, 2024, and shareholder at the Extra-Ordinary General Meeting dated March 8, 2024, the authorised share capital of the Parent Company was increased from ₹ 150 million i.e. 75 million equity shares of ₹ 2 each to ₹ 250 million i.e. 125 million equity shares of ₹ 2 each and 0.10 million preference shares of ₹ 10 each.

(a) Issued share capital

(i) Reconciliation of the number of shares outstanding as at beginning and at the end of the reporting period

	As at September 30, 2025		As at September 30, 2024		As at March 31, 2025		As at March 31, 2024		As at March 31, 2023	
	Number of shares (in millions)	Amount (₹)	Number of shares (in millions)	Amount (₹)	Number of shares (in millions)	Amount (₹)	Number of shares (in millions)	Amount (₹)	Number of shares (in millions)	Amount (₹)
Equity shares outstanding as at the beginning of the year	73.32	146.65	73.23	146.46	73.32	146.46	73.23	146.46	50.01	100.03
Issuance of share capital ¹	-	-	-	-	0.09	0.19	2.76	5.51	2.66	5.33
Issue of Rights shares during the period/ year ²	-	-	-	-	-	-	11.05	22.10	-	-
Conversion of external commercial borrowings (ECBs) into fully paid shares ³	-	-	-	-	-	-	0.44	0.87	-	-
Conversion of convertible instruments ⁴	-	-	-	-	-	-	5.52	11.05	-	-
Exercise of share based payments ⁵	-	-	-	-	-	-	0.57	1.14	-	-
Issue of bonus shares ⁶	-	-	-	-	-	-	-	-	0.22	0.43
Equity shares outstanding as at the end of the period/ year	73.32	146.65	73.23	146.46	73.32	146.65	73.23	146.46	52.89	105.79

¹ Pursuant to the approval of Board of Directors dated January 18, 2025, the Company approved the allotment of 94,785 equity shares of face value of ₹ 2 each at a price of ₹ 526.7 per equity share (including securities premium of ₹ 524.7 per equity share) for an amount aggregating to ₹ 49.92 million on a private placement basis under the provisions of the Companies Act, 2013 and all other applicable laws and regulations.

² Pursuant to the approval of Board of Directors on multiple dates during the year ended March 31, 2024, the Parent Company approved the allotment of 2,759,755 equity shares of face value of ₹ 2 each at a price of ₹ 308 per equity share (including securities premium of ₹ 306 per equity share) for an amount aggregating to ₹ 850,00 million on a private placement basis under the provisions of the Act and all other applicable laws and regulations.

³ Pursuant to the approval of the Board of Directors, dated March 24, 2023, the Parent Company approved the allotment of 2,664,285 equity shares of face value of ₹ 2 each at a price of ₹ 308 per equity share (including securities premium of ₹ 306 per equity share) for an amount aggregating to ₹ 820.60 million on a private placement basis under the provisions of Companies Act, 2013 and all other applicable laws and regulations.

⁴ Pursuant to the approval of Board of Directors dated March 28, 2024, the Parent Company approved the allotment of 11,052,223 equity shares of face value of ₹ 2 each at a price of ₹ 44 per equity share (including securities premium of ₹ 42 per equity share) for an amount aggregating to ₹ 486.29 million on a private placement basis under the provisions of Companies Act, 2013 and all other applicable laws and regulations.

⁵ Pursuant to the approval of Board of Directors dated January 29, 2024, the Parent Company approved the allotment of 435,065 equity shares of face value of ₹ 10 each at a price of ₹ 308 per equity share (including securities premium of ₹ 306 per equity share) for an amount aggregating to ₹ 134.00 million for consideration other than cash consequent to conversion of external commercial borrowings to Capillary Technologies International Pte. Ltd., the Ultimate Holding Company (including securities premium of ₹ 306 per equity share) for an amount aggregating to ₹ 1,701.50 million on a private placement basis under the provisions of Companies Act, 2013 and all other applicable laws and regulations.

⁶ Pursuant to the approval of the Board of Directors, the Parent Company approved the conversion of Compulsory Convertible Debentures (CCDs) issued during the year into 5,524,330 equity shares of face value of ₹ 2 each at a price of ₹ 308 per equity share (including securities premium of ₹ 306 per equity share) for an amount aggregating to ₹ 1,701.50 million on a private placement basis under the provisions of Companies Act, 2013 and all other applicable laws and regulations.

⁷ Pursuant to the approval of Nomination and Remuneration Committee dated November 15, 2023, the Parent Company approved the allotment of 571,064 equity shares arising out of exercise of vested employee stock options under Capillary ESOP-2021 Scheme. The ESOP's exercised were of face value of ₹ 2 each at a price of ₹ 307.80 per equity share (including securities premium of ₹ 305.80 per equity share) for an amount aggregating to ₹ 175.77 million.

⁸ Pursuant to the approval of Board of Directors dated March 24, 2023, the Parent Company had approved the issuance of bonus shares in the proportion of 4.53:1 aggregating to 214,656 equity shares of face value of ₹ 2 each for an amount aggregating to ₹ 0.43 million (fully paid-up by way of capitalisation of the Company's securities premium account) to the existing equity shareholders of the Company other than promoters under the provisions of Companies Act, 2013 and all other applicable laws and regulations.

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(All amounts in Indian Rupees (₹) millions, unless otherwise stated)

13 Equity share capital (cont'd)
(ii) Shares held by the Holding Company

	As at September 30, 2025		As at September 30, 2024		As at March 31, 2025		As at March 31, 2024		As at March 31, 2023	
	No. of shares held (in millions)	Amount (₹)	No. of shares held (in millions)	Amount (₹)	No. of shares held (in millions)	Amount (₹)	No. of shares held (in millions)	Amount (₹)	No. of shares held (in millions)	Amount (₹)
Equity shares of ₹ 2 each fully paid	48.01	96.02	50.88	101.76	49.14	98.27	51.07	102.14	49.04	98.08

Capillary Technologies International Pte Ltd, Singapore, the Ultimate Holding Company

Equity shares of ₹ 2 each fully paid by each shareholder more than 5% shares in the company

	As at September 30, 2025		As at September 30, 2024		As at March 31, 2025		As at March 31, 2024		As at March 31, 2023	
	No. of shares held (in millions)	% holding in the class	No. of shares held (in millions)	% holding in the class	No. of shares held (in millions)	% holding in the class	No. of shares held (in millions)	% holding in the class	No. of shares held (in millions)	% holding in the class
Equity shares of ₹ 2 each fully paid	48.01	65.47%	50.88	69.49%	49.14	67.00%	51.07	69.74%	49.04	92.72%
Trudy Holdings (Formerly known as Avataar Holdings)	3.29	4.49%	3.13	4.27%	3.29	4.49%	3.13	4.27%	2.66	5.03%
Ronal Holdings LLC (Formerly known as Avataar II Co Investment II Ltd)	5.52	7.54%	5.52	7.54%	5.52	7.54%	5.52	7.54%	-	-
AVP Fund II (Formerly known as Avataar Venture Partners II)	4.04	5.52%	4.04	5.52%	4.04	5.52%	4.04	5.52%	-	-

Equity shares of ₹ 2 each fully paid

Capillary Technologies International Pte Ltd, Singapore, the Ultimate Holding Company

Trudy Holdings (Formerly known as Avataar Holdings)
Ronal Holdings LLC (Formerly known as Avataar II Co Investment II Ltd)

AVP Fund II (Formerly known as Avataar Venture Partners II)

As per the records of the Parent Company, including its register of shareholders / members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

¹ Excludes 24 shares held by Mr. Sridhar Bollam (as a nominee).

Pursuant to the Circular Resolution dated August 20, 2021, the Parent Company approved the transfer of 1 share held by Mr. Abhijeet Vijayvargiya to Mr. Sridhar Bollam and creation of beneficial interest under Section 89 of the Companies Act, 2013 in favour of the Parent Company.

(iv) Disclosure of shareholding of promoters

Promoter name	No. of shares at the beginning of the period/year (in millions)	Change during the period/year	No. of shares at the end of the period/year (in millions)	% of total shares	% change during the period/year
Capillary Technologies International Pte Ltd, Singapore, the Ultimate Holding Company	49.14	(1.13)	48.01	65.47%	(1.53%)
September 30, 2025	51.07	(0.19)	50.88	69.49%	(0.26%)
September 30, 2024	51.07	(1.93)	49.14	67.00%	(2.74%)
March 31, 2025	49.04	2.03	51.07	69.74%	(22.98%)
March 31, 2024	2.33	46.71	49.04	92.72%	(1.94%)

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13 Equity share capital (cont'd)

(v) Rights, preference and restrictions attached to equity shares

The Parent Company has only one class of equity shares having par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share. The Parent Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Parent Company, the holders of equity shares will be entitled to receive remaining assets of the Parent Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(vi) Rights, preference and restrictions attached to preference shares

The Parent Company had only one class of preference shares having par value of ₹ 10 per share.

Each CCPS had a par value of ₹ 10 and is convertible at the option of the Parent Company into equity shares of the Parent Company prior to the expiry of 20 years from the date of such issuance. The preference shares carried a dividend of 0.01% per annum. Dividend was to be paid as and when it is paid and declared on the equity shares. The dividend rights are non-cumulative. The preference shares rank ahead of the equity shares in the event of a

(vii) Aggregate number of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

	As at September 30, 2025	As at September 30, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Equity shares allotted as fully paid bonus shares by capitalisation of securities premium (Number of shares, in millions)	-	-	-	-	-
Equity shares allotted for conversion of external commercial borrowing (Number of shares, in millions)	-	-	-	0.44	0.22

(viii) Shares reserved for issue under options

For details of shares reserved for issue under the share based payment plan of the Parent Company, refer note 32.

14 Other equity

Retained earnings[#]

	As at September 30, 2025	As at September 30, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Opening balance	(4,692.80)	(5,164.54)	(5,164.54)	(4,566.70)	(3,684.59)
Restated profit/ (loss) for the period/ year	10.33	(68.22)	132.80	(593.78)	(877.19)
Add: Re-measurement (losses) on defined benefit plans	(1.38)	(3.71)	(4.24)	(4.06)	(4.92)
Add: Surrender of employee stock options and repurchase, net (refer note 32)	-	-	343.18	-	-
	(4,683.85)	(5,236.47)	(4,692.80)	(5,164.54)	(4,566.70)

Securities premium

	As at September 30, 2025	As at September 30, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Opening balance	5,930.48	5,880.75	5,880.75	2,573.86	1,759.02
Issuance of share capital (refer note 13(a) ¹)	-	-	49.73	844.49	815.27

Issue of Rights shares during the period/ year (refer note 13(a)²)

	As at September 30, 2025	As at September 30, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Conversion of external commercial borrowings (ECBs) into fully paid shares (refer note 13(a) ³)	-	-	-	464.19	-

Conversion of convertible instruments (refer note 13(a)⁴)

	As at September 30, 2025	As at September 30, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Issue of bonus shares (refer note 13(a) ⁵)	-	-	-	1,690.45	-

Exercise of share based payments (refer note 13(a)⁶)

	As at September 30, 2025	As at September 30, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
	-	-	-	174.63	(0.43)

Capital reserve

	As at September 30, 2025	As at September 30, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Opening and closing balance	5,930.48	5,880.75	5,930.48	5,880.75	2,573.86

Foreign currency translation reserve (FCTR)

	As at September 30, 2025	As at September 30, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Opening balance	868.23	868.23	868.23	868.23	868.23
Opening translation adjustment	-	-	-	-	-
Movement during the period/ year	321.94	249.20	249.20	185.32	45.22

Capital contribution from the Ultimate Holding Company

	As at September 30, 2025	As at September 30, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Opening balance	2,736.81	2,736.81	2,736.81	1,810.66	1,814.34
Warrant issued on behalf of the Group	35.49	-	-	926.15	-
Movement during the period/ year	-	-	-	(3.68)	-

Share based payment reserve (refer note 32)

	As at September 30, 2025	As at September 30, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Opening balance	371.16	672.61	672.61	888.53	259.17
Share-based payments (note 32)	37.27	60.09	89.98	79.08	637.28
Surrender of employee stock options and repurchase, net (refer note 32)	-	-	(391.43)	(295.00)	(7.92)

Total other equity

	As at September 30, 2025	As at September 30, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
	408.43	732.70	371.16	672.61	888.53
	5,815.33	5,235.30	5,535.82	5,243.06	1,759.90

The Group had incurred cash losses during the previous period ended September 30, 2024, year ended March 31, 2024 and year ended March 31, 2023, which has resulted in substantial erosion of net worth of the Group. The management of the Group basis its business plan as approved by the Board of Directors expected that there will be a significant increase in the operations of the Group that will lead to improved cash flows and long-term sustainability and the Group will be able to generate sufficient profit in future years to meet the operational requirements as they arise and to meet its liabilities as and when they fall due. Further during the period ended September 30, 2025 and year ended March 31, 2025, the Group has made profits. Accordingly, the consolidated financial statements of the Group had been prepared on a going concern basis and do not include any adjustments relating to the carrying amount and classification of liabilities that may be necessary if the entity is unable to continue as a going concern respectively.



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(All amounts in Indian Rupees (₹) millions, unless otherwise stated)

14 Other equity (cont'd)

Nature and purpose of reserves

14.1 Retained earnings

Retained earnings are the losses that the Company has earned till date, less any transfer to general reserve, dividends or other distributions paid to the shareholders. Retained earnings is a free reserve available to the Company and eligible for distribution to

14.2 Securities premium

The amount received in excess of face value of the equity shares is recognised in Securities Premium as per the provision of Companies Act, 2013. This reserve is utilised in accordance with the provisions of the Act.

14.3 Capital reserve

Capital reserve is on account of common control transaction as per Appendix C of Ind AS 103.

14.4 Foreign currency translation difference account

The foreign currency translation difference account represents exchange differences arising from the translation of the financial statements of the Parent Company's overseas subsidiaries from their respective functional currency to the presentation currency of the

14.5 Capital contribution from the Ultimate Holding Company

The Ultimate Holding Company had a share option scheme under which it granted employee stock options to certain employees of the Parent Company without any cross charge. Capital contribution from the Ultimate Holding Company is used to recognise the value of equity-settled share-based payments provided to employees of the Parent Company, including key management personnel, as part of their remuneration by the Ultimate Holding Company. Refer note 32 for further details. Further the Ultimate Holding Company has issued 201,613 during the period ended September 30, 2025 (September 30, 2025 - 3,011,871; March 31, 2024 - Nil; March 31, 2023 - Nil) number of share warrants to one of the customers of the group.

14.6 Share based payment reserve

The Share based payment reserve is used to recognize the grant date fair value of options issued to employees of the Group under Employee Stock Option Plan.

15 Borrowings

	As at September 30, 2025		As at September 30, 2024		As at March 31, 2025		As at March 31, 2024		As at March 31, 2023	
	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current
At amortised cost										
Debentures										
Non convertible unlisted redeemable debentures (secured) ¹	-	-	-	177.88	-	-	29.92	322.56	331.52	208.86
Loans from related parties										
External Commercial Borrowing (ECB) from the Ultimate Holding Company (unsecured) ¹	-	-	-	-	-	-	-	-	89.61	89.61
Term loans from Body Corporate										
Indian rupee term loans from Body Corporate - NBFC (secured)	-	-	-	-	-	-	-	-	-	36.91
US Dollar term loans from Body Corporate (secured) ⁶	-	-	-	-	-	-	-	-	-	42.11
-US Dollar term loan from Body Corporate - SBA (secured) ²	13.31	0.62	12.56	0.82	12.82	0.72	11.77	2.13	10.93	1.38
Loan from a Body Corporate (unsecured) ⁷	-	-	-	-	-	-	-	-	-	50.48
Loan from a Body Corporate (secured) ⁹	-	-	-	-	-	-	-	-	-	253.44
Loans repayable on demand										
US Dollar loan from bank (secured) ⁸	-	299.42	-	-	-	470.02	-	-	-	83.49
Bank overdraft (secured) ³	-	104.86	-	109.66	-	95.72	-	106.70	-	-
Working capital loans from a bank (secured) ⁵	-	471.17	-	159.34	-	421.66	-	298.58	-	276.37
Total	13.31	876.07	12.56	447.70	12.82	988.12	41.69	729.97	432.06	1,042.65

Interest and security notes to Borrowings:

¹The Parent Company had entered into debenture trust deed dated March 29, 2023 for issue of 6,000 (six thousand) fully paid, unlisted, secured and redeemable non-convertible debentures (NCD) of face value of ₹ 100,000 each, aggregating to an amount of ₹ 600 million for general corporate purpose. As on March 31, 2023, the Company had issued 5,500 fully paid, NCD, on a private placement basis, aggregating to an amount of ₹ 600 million. The NCD carries fixed coupon rate of 14.5% per annum, payable monthly on first of each month from the date of disbursement. NCD shall mature on April 01, 2025 and the principal amount of NCD are payable in equal monthly instalment starting from September 01, 2023. NCD is secured by way of first pari passu charge on all the existing future, fixed, non-current and current assets, including any and all intellectual property and the intellectual property rights with respect to these movables present and future, accounts, cashflows, receivables, book debts, revenue, equipment, inventory, contract rights or right to payment of money, leases, license agreement, franchise agreements, goodwill, uncalled capital, general intangibles, documents, instruments (including any promissory notes), chattel paper (whether tangible or intangibles), cash, deposit accounts, fixtures, letter of credit rights (whether or not the letter of credit is evidenced by writing) and all other investment property of the Company. NCD is also secured by way of unconditional and irrevocable corporate guarantee from Capillary Technologies International Pte Ltd, Singapore, the Ultimate Holding Company. The Parent Company has re-paid the entire amount as at March 31, 2025.

²US Dollar term loan from Body Corporate - SBA in relation to a subsidiary of ₹ 13.93 million is outstanding as at September 30, 2024 (September 30, 2025: ₹ 13.38 million; March 31, 2025: ₹ 13.90 million; March 31, 2023: ₹ 12.31 million) which carries interest of 3.75% per annum and is payable on a monthly basis, beginning 12 months from the date of promissory note. Further, the start of repayment of loan has been deferred to December 1, 2024 vide Small Bank Administration (SBA) release number: 22-19 (March 15, 2022). These loans are secured by hypothecation of property that the subsidiary now owns or shall acquire or create immediately upon the acquisition or creation thereof; all tangible and intangible personal property, including, but not limited to: (a) inventory, (b) equipment, (c) instruments, including promissory notes (d) chattel paper, including tangible chattel paper and electronic chattel paper and (e) documents, (f) letter of credit rights, (g) accounts, including health-care insurance receivables and credit card receivables, (h) deposit accounts, (i) commercial tort claims, (j) general intangibles, including payment intangibles and software and (k) asset-extracted collateral as such terms may from time to time be defined in the Uniform Commercial Code. The security interest subsidiary grants includes all accessions, attachments, accessories, parts, supplies and replacements for the Collateral, all products, proceeds and collections thereof and all records and data relating thereto.

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Capillary Technologies India Limited (formerly known as Capillary Technologies India Private Limited)
Annexure VI - Notes to the Restated Consolidated Financial Information

(All amounts in Indian Rupees (₹) millions, unless otherwise stated)

15 Borrowings (cont'd)

During the year ended March 31, 2025, the Parent Company has availed bank overdrafts facility from various banks, sales invoice discounting facility and pre/post shipment credit facility carrying interest at REPO as reference rate and Secured Overnight Financing Rate (SOFR) plus 175 to 180 basis points per annum. The sales invoice discounting facility and pre/post shipment credit facilities is payable in 180 days from the disbursement of the loan or the due date of the discounted invoice, whichever is earlier. The loans are secured by way of hypothecation of stocks, bills, book debts and receivables and fixed deposits held as margin monies by a bank. Further, the loan is also secured by way of a pari passu first charge over all the existing and future current assets (excluding receivables discounted by other banks) and moveable fixed assets. The statement of current assets filed with banks are in agreements with the book of accounts.

The Parent Company has availed a bank overdraft facility carrying interest rate linked to the interest rate of the underlying fixed deposits (provided as security) + 150 basis points. The loans are secured by way of hypothecation of stocks, bills, book debts and receivables and fixed deposits held as margin monies. The statements of current assets filed with banks are in agreements with the book of accounts.

⁴During the year ended March 31, 2019, the Parent Company had entered into an External Commercial Borrowing (ECB) arrangement with Capillary Technologies International Pte Ltd, Singapore, the Ultimate Holding Company. During the year ended March 31, 2020, the Company had taken loans amounting to USD 2 million carrying interest at the rate of 6 months LIBOR rate plus 300 basis points per annum payable on an annual basis at the end of each financial year. The aforesaid loan is repayable in two equal instalments on March 31, 2024 and September 30, 2024 respectively.

During the year ended March 31, 2024, pursuant to the approval of Board of Directors dated January 29, 2024, the Parent Company approved the allotment of 435,065 equity shares of face value of ₹ 10 each at a price of ₹ 308 per equity share (including securities premium of ₹ 305 per equity share) for an amount aggregating to ₹ 134,00 million for consideration; other than cash consequent to conversion of the said external commercial borrowings to Capillary Technologies International Pte. Ltd., the Ultimate Holding Company. (Also refer note 13(a)¹)

⁵Indian Rupees term loans from Body Corporate - NBFC carries interest of 14.35% per annum and is payable on a monthly basis in 21 equal instalments. The loan is secured by hypothecation of existing, future, fixed, current and non-current assets, including any and all intellectual property and the intellectual property rights with respect to these movables present and future, accounts, cash flows, receivables, book debts, revenues, equipment, inventory, contract rights or rights to payments of money, leases, license agreements, franchise agreements, goodwill, uncalled capital, general intangibles, documents, instruments (including any promissory notes), chattel paper (whether tangible or electronic), cash, deposit accounts, fixtures, letter of credit rights (whether or not the letter of credit is evidenced by a writing), securities, and all other investment property, supporting obligations, and financial assets, whether now owned or hereafter acquired, whether installed or not and whether now lying loose or in cases or which are now lying or stored in or about or to be stored in or about the Parent Company's factories, premises and godowns held by any party to the order or disposition of the Parent Company, including in the course of transit, whether in ship or land, and all Parent Company's books relating to the foregoing, and any and all claims, rights and interests in any of the above and all substitutions for, additions, attachments, accessories, accretions and improvements to and replacements, products, proceeds and insurance proceeds of any or all of the foregoing and is guaranteed by way of a letter of guarantee from Capillary Technologies International Pte Ltd, Singapore, the Ultimate Holding Company. During the year ended March 31, 2024, the entire loan was repaid by the Parent Company.

⁶US Dollar term loan from a Body Corporate in relation to a subsidiary which carries interest of 9.50% per annum and is payable on a monthly basis starting from interest-only period - August 12, 2021 to October 31, 2021 and instalment period November 01, 2021 to July 01, 2023. The loan is secured by a debenture deed dated August 12, 2021; incorporating a first and exclusive fixed and floating charge over all of subsidiary's present and future assets including, bank accounts, book debts, investments and dividends, licences, intellectual property, uncalled capital and goodwill, chattels, beneficiary interest in any pension fund. Subsidiary shall cause such charge to be filed with the Accounting and Corporate Regulatory Authority of Singapore prior to the drawdown of the loan. Capillary Technologies LLC (formerly known as 'Persuade Loyalty LLC'), USA, Persuade Holding Inc. (formerly known as 'Persuade Holdings LLC'), USA, Capillary Technologies DMCC, UAE, Capillary Technologies (Malaysia) Sdn. Bhd., Malaysia and Capillary Technologies (Shanghai) Co. Ltd, China provided a corporate guarantee guaranteeing the repayment of loan along with interest.

The Subsidiary has pledged the shares of Capillary Technologies LLC (formerly known as Persuade Loyalty LLC) to the lender. The loan has been fully repaid during the year ended March 31, 2024.

⁷The Parent Company has entered into a loan agreement dated October 10, 2022 with Ms. Biotech Private Limited for ₹ 100 million. The loan is unsecured and is granted at an interest rate of 12.5% per annum payable on a monthly basis on a loan amount up to ₹ 50 million and interest rate of 18% on rest of the amount of loan i.e. ₹ 50 million. During the year ended March 31, 2024, the entire loan was repaid by the Parent Company.

⁸A Subsidiary had taken credit facility from Bank of America for general business purposes vide a Master Credit Agreement dated April 27, 2022 for USD 1 million at an interest rate of Bloomberg Short-term Bank Yield Index Rate ("BSBY") Daily Floating Rate plus 2.15 percentage points, which is payable monthly. The credit facility was secured against the subsidiary's accounts; chattel paper; deposit accounts; documents; general intangibles; goods, including equipment; instruments; inventory; investment property; letters of credit and letter-of-credit rights; money and other assets of such subsidiary that now or later come into the possession, custody, or control of the Bank; all negotiable and non-negotiable documents of title covering any of the foregoing; all accessions, attachments and other additions to, or substitutions and replacements for, the foregoing, and all tools, parts and equipment used in connection with the foregoing; all books and records relating to the foregoing whether in the form of a writing, photograph, microfilm or electronic media, including but not limited to any computer-readable memory and any computer software necessary to process such memory, and all proceeds (as such term is defined in the Uniform Commercial Code), all cash or non-cash proceeds (including insurance proceeds), products, rents and profits of the foregoing, and all income, benefits and property receivable on account of the foregoing, and all supporting obligations covering any of the foregoing. The outstanding balance was settled during the year ended March 31, 2024. During the current year, the subsidiary entered into an amended agreement dated November 27, 2024, wherein the sanctioned credit limit was enhanced to USD 4 millions and interest rate term amended to Secured Overnight Financing Rate (SOFR) Daily Floating Rate plus 2.15 percentage points. As on March 31, 2025, the entire credit limit of USD 4 million was utilised. The security against the credit facility remained the same.

A Subsidiary had taken a revolving demand note facility from HSBC Bank, USA, National Association dated March 28, 2025 for USD 3 million at an interest rate of SOFR plus 190 basis points per annum. The Subsidiary grants to Bank a continuing lien on and security interest in any and all deposits and any cash, securities, instruments or other property of the subsidiary in the possession of Bank. As at September 30, 2023, the subsidiary has an outstanding of USD Nil (September 30, 2024: Nil; March 31, 2025: USD 1.5 million, March 31, 2024: Nil; March 31, 2023: Nil).

⁹The Parent Company had entered into a loan agreement dated November 28, 2022 with Gameberry Labs Private Limited for ₹ 250 million with interest of 18% per annum payable month and principal repayment within twelve months from the date of disbursement. During the year ended March 31, 2024, the entire loan was repaid. The loan was secured by hypothecation of existing book debts, accounts receivable, outstanding moneys, claims, demands, bills, contracts, engagements, securities, movable plant and machinery including vehicles, equipments, computers, furniture, appliances, products, machinery spares and stores, tools and accessories, whether installed or not, all intellectual property and intellectual property rights, securities and other sums which are now due and owing or accruing, any and all cash proceeds and/or non cash proceeds of any of the foregoing, including without limitation, insurance proceeds, and all supporting obligations and its security therefore or for any right to payment and any receivables from the assets that are acquired by the Company pursuant to the utilisation of loan amount. The loan was secured by way of a pari passu first charge over the hypothecated properties, in favour of the Gameberry Labs Private Limited.

The Company has not been declared wilful defaulter by any bank or financial institution or government or government authority.



	As at September 30, 2025		As at September 30, 2024		As at March 31, 2025		As at March 31, 2024		As at March 31, 2023	
	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current
16 Lease liabilities										
At amortised cost										
Lease liabilities ¹	61.68	50.54	2.73	28.63	32.54	30.78	8.01	23.42	2.10	17.94
Total	61.68	50.54	2.73	28.63	32.54	30.78	8.01	23.42	2.10	17.94

¹For changes in liabilities arising from financing activities and maturity analysis, refer note 33

	As at September 30, 2025		As at September 30, 2024		As at March 31, 2025		As at March 31, 2024		As at March 31, 2023	
	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current
17 Other financial liabilities										
At amortised cost										
Payable towards share purchase*	-	0.13	-	11.59	-	5.53	18.53	12.14	18.53	9.54
Accrued salaries and benefits	-	106.95	-	127.89	-	139.86	-	192.69	-	120.72
Total	-	107.08	-	139.48	-	145.39	18.53	204.83	18.53	130.26

* Pertains to amounts payable to estwwhile owners of Capillary Technologies LLC in lieu of settlement of contingent consideration payable.

	As at September 30, 2025		As at September 30, 2024		As at March 31, 2025		As at March 31, 2024		As at March 31, 2023	
	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current
18 Provisions										
At amortised cost										
Provision for employee benefits										
- Gratuity (refer note 31)	94.14	9.70	71.97	10.92	80.71	10.98	66.11	13.02	43.24	21.58
- Compensated absences	-	10.17	-	7.67	6.31	7.23	-	6.31	-	10.37
Total	94.14	19.87	71.97	18.59	80.71	18.21	66.11	19.33	43.24	31.95

	As at September 30, 2025		As at September 30, 2024		As at March 31, 2025		As at March 31, 2024		As at March 31, 2023	
	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current
19 Current tax liabilities (net)										
Provision for income tax	15.66	28.31	15.66	28.31	7.73	24.00	7.73	24.00	1.03	1.03

	As at September 30, 2025		As at September 30, 2024		As at March 31, 2025		As at March 31, 2024		As at March 31, 2023	
	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current
20 Trade payables										
At amortised cost										
Total outstanding dues of micro enterprises and small enterprises ^{1,2,3}	12.27	76.9	12.27	76.9	13.23	73.95	28.77	73.95	28.77	28.77
Total outstanding dues of creditors other than micro enterprises and small enterprises ^{1,3}	711.78	642.81	711.78	642.81	492.52	654.31	559.80	654.31	559.80	559.80
Total	724.05	719.71	724.05	719.71	505.75	728.26	588.57	728.26	588.57	588.57

Notes:-

- Trade payables are non-interest bearing and are normally settled on terms up to 90 days.
- The Ministry of Micro, Small and Medium Enterprises, has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at September 30, 2025, September 30, 2024, March 31, 2025, March 31, 2024 and March 31, 2023 has been made in the restated consolidated financial information based on information received and available with the Parent Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Parent Company has not received any claim for interest from any supplier as at the balance sheet date.
- The Group does not have any disputed payables as at September 30, 2025; September 30, 2024; March 31, 2025; March 31, 2024 and March 31, 2023.

20 Disclosure as per the MSMED Act, 2006

	As at September 30, 2025		As at September 30, 2024		As at March 31, 2025		As at March 31, 2024		As at March 31, 2023	
	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the period:										
- Principal amount due to micro and small enterprises	12.27	76.90	12.27	76.90	13.23	73.95	28.77	73.95	28.77	28.77
- Interest due on above	-	0.09	-	0.09	-	-	-	-	-	0.29
The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the period	-	-	-	-	-	-	-	-	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-	-	-	-	-	-	-	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	0.09	-	0.09	-	-	-	-	-	0.29
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006	-	-	-	-	-	-	-	-	-	-



20 Trade payables (cont'd)

Trade payables ageing schedule:

As at September 30, 2025

Undisputed

-Total outstanding dues of micro enterprises and small enterprises
-Total outstanding dues of creditors other than micro enterprises and small

Unbilled	Outstanding for following periods from the date of the transaction			Total
	Less than 1 year	1-2 years	2-3 years	
-	12.27	-	-	12.27
377.37	315.73	5.68	1.51	711.78
377.37	328.00	5.68	1.51	724.05

As at September 30, 2024

Unbilled

Outstanding for following periods from the date of the transaction

Unbilled	Outstanding for following periods from the date of the transaction			Total
	Less than 1 year	1-2 years	2-3 years	
-	76.90	-	-	76.90
300.38	328.85	2.52	0.16	642.81
300.38	405.75	2.52	0.16	719.71

As at March 31, 2025

Unbilled

Outstanding for following periods from the date of the transaction

Unbilled	Outstanding for following periods from the date of the transaction			Total
	Less than 1 year	1-2 years	2-3 years	
-	13.23	-	-	13.23
254.98	235.09	0.82	1.63	492.52
254.98	248.32	0.82	1.63	505.75

As at March 31, 2024

Unbilled

Outstanding for following periods from the date of the transaction

Unbilled	Outstanding for following periods from the date of the transaction			Total
	Less than 1 year	1-2 years	2-3 years	
-	73.95	-	-	73.95
275.06	366.94	1.99	10.32	654.31
275.06	440.89	1.99	10.32	728.26

As at March 31, 2023

Unbilled

Outstanding for following periods from the date of the transaction

Unbilled	Outstanding for following periods from the date of the transaction			Total
	Less than 1 year	1-2 years	2-3 years	
-	28.47	0.02	-	28.77
189.21	330.69	28.22	6.55	559.80
189.21	359.16	28.24	6.55	588.57

21 Deferred tax

21A Deferred tax assets

Opening balance
Disallowance of share based payment
Reversal of opening share based payment
Translation adjustment
Closing balance

	As at			
	September 30, 2025	September 30, 2024	March 31, 2025	March 31, 2024
	5.62	6.83	6.83	-
	0.96	1.92	2.30	6.79
	-	-	(3.67)	-
	0.25	0.05	0.16	0.04
	6.83	8.80	5.62	6.83



21B Deferred tax liability

Deferred tax liability related to the following:

Deferred tax liability on intangibles on account of acquisition of a business (refer note 39)
Deferred tax liability on present value adjustment on purchase consideration on account of acquisition of a business
Translation Adjustment

	As at September 30, 2025	As at September 30, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
	59.04	83.45	71.04	99.39	58.06
	-	-	-	-	0.88
	-	-	-	(4.40)	2.96
	59.04	83.45	71.04	94.99	61.90

Restated Consolidated Statement of Profit and Loss:

Deferred tax liability on present value adjustment on purchase consideration on account of acquisition of a business
Deferred tax liability on intangibles on account of acquisition of a business
Deferred tax assets on disallowance of share based payments recognised in the Restated Consolidated Statement of Profit and Loss
Deferred tax credit

	For the six-month period ended September 30, 2025	For the six-month period ended September 30, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
	(12.00)	(11.59)	(23.19)	(0.88)	(6.56)
	(0.96)	(1.92)	1.37	(6.35)	(39.51)
	(12.96)	(13.51)	(21.82)	(6.79)	-
				(71.02)	(46.07)

Reconciliation of deferred tax liabilities:

Opening balance
Deferred tax liability on intangibles on account of acquisition of a business (refer note 39)
Deferred tax credit recognised in the Restated Consolidated Statement of Profit and Loss
Translation Adjustment
Closing balance

	As at September 30, 2025	As at September 30, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
	71.04	94.99	94.99	61.90	105.01
	(12.00)	(11.59)	(23.19)	101.72	-
	-	0.05	(0.76)	(64.23)	(46.07)
	59.04	83.45	71.04	94.99	61.90

22 Other current liabilities

Contract liabilities - Deferred revenue (refer note 23.3)
Statutory dues payable
Advance from customers (refer note 23.3)
Total

	As at September 30, 2025	As at September 30, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
	703.12	845.59	680.74	1,256.66	398.56
	64.31	60.38	64.51	74.48	29.65
	172.49	20.96	65.73	30.88	-
	939.92	926.93	810.98	1,362.02	428.21

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23 Revenue from operations

	For the six-month period ended September 30, 2025	For the six-month period ended September 30, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of services	3,211.06	2,279.55	4,811.05	4,021.29	1,564.31
Retainership and other services	344.64	552.15	1,100.31	746.69	419.56
Installation revenue	-	-	-	483.02	569.85
Revenue from campaign services on a principal basis (refer note (a) below)	36.48	40.07	71.23	-	-
Revenue from campaign services on an agent basis (refer note (a) below)	-	-	-	-	-
Total	3,592.18	2,871.77	5,982.59	5,251.00	2,553.72

(a) During the year ended March 31, 2025, the Group changed its business model for the campaign services and has entered into a new arrangement with its service providers by which, the Group is acting as an agent and not as a principal for these transactions. Accordingly, the revenue for the year ended March 31, 2025 for the revenue from campaign services has been recorded on a net basis.

To ensure comparability of the "Revenue from campaign services" for the periods presented in the restated consolidated financial information, the Group has presented below the revenue, net of campaign service costs. The information provided below is to enhance the understanding of the users of the restated consolidated financial information particularly revenue, on a like to like basis.

The below mentioned table demonstrates the total revenue from campaign services if it would have been recorded on a net basis.

	For the six-month period ended September 30, 2025	For the six-month period ended September 30, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from campaign services on a principal basis	-	-	-	483.02	569.85
Revenue from campaign services on an agent basis	36.48	40.07	71.23	-	-
Less: Cost of campaign services	-	-	-	(417.03)	(482.86)
Revenue (net of campaign service cost)	36.48	40.07	71.23	65.99	86.99

23.1 Disaggregated revenue information

Set out below is the disaggregated of the company's revenue from contracts with customer based on geography:

	For the six-month period ended September 30, 2025	For the six-month period ended September 30, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
United states of America	2,329.99	1,831.07	3,415.30	2,687.96	499.54
United Kingdom	536.37	426.71	917.23	679.12	-
Others	725.82	613.99	1,650.06	1,883.92	2,054.18
Total	3,592.18	2,871.77	5,982.59	5,251.00	2,553.72

23.2 Timing of revenue recognition

Services transferred over time
Services transferred at a point in time

	As at September 30, 2025	As at September 30, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Services transferred over time	3,555.70	2,831.70	5,911.36	4,767.98	1,983.87
Services transferred at a point in time	36.48	40.07	71.23	483.02	569.85
Total	3,592.18	2,871.77	5,982.59	5,251.00	2,553.72

23.3 Contract balances

Trade receivables (including unbilled revenue) (refer note 9)

Contract liabilities - Deferred revenue (refer note 22)

Advance from customers (refer note 22)

	As at September 30, 2025	As at September 30, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Trade receivables (including unbilled revenue) (refer note 9)	1,851.01	1,595.97	1,611.21	1,456.51	801.11
Contract liabilities - Deferred revenue (refer note 22)	703.12	845.59	680.74	1,256.66	398.56
Advance from customers (refer note 22)	172.49	20.96	65.73	30.88	-

(a) Movement in Contract liabilities - Deferred revenue

Opening balance

Add: Revenue to be recognised from performance obligations to be satisfied in succeeding year

Less: Revenue recognised during the period/ year

Closing balance

	For the six-month period ended September 30, 2025	For the six-month period ended September 30, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening balance	680.74	1,256.66	1,256.66	398.56	336.10
Add: Revenue to be recognised from performance obligations to be satisfied in succeeding year	703.12	845.59	680.74	1,256.66	398.56
Less: Revenue recognised during the period/ year	(680.74)	(1,256.66)	(1,256.66)	(398.56)	(336.10)
Closing balance	703.12	845.59	680.74	1,256.66	398.56



Capillary Technologies India Limited (formerly known as Capillary Technologies India Private Limited)
Annexure VI - Notes to the Restated Consolidated Financial Information
(All amounts in Indian Rupees (₹) millions, unless otherwise stated)

24 Other income

Interest income under effective interest rate method

	For the six-month period ended September 30, 2025	For the six-month period ended September 30, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
-Interest income on bank deposits	9.43	7.17	13.30	12.64	5.44
-Interest income on security deposits	0.52	0.21	0.62	0.35	0.10
-Interest income on corporate deposits	-	15.52	25.18	6.50	-
<i>Other non operating income</i>					
-Gain on fair valuation of investments carried at fair value through profit and loss	-	33.02	-	9.59	-
-Profit on sale of investments	8.70	12.16	76.53	17.55	-
-Gain on account of foreign exchange fluctuations (net)	-	12.36	-	-	25.40
-Profit on sale of property, plant and equipment (net)	-	-	0.62	0.51	0.06
-Provisions/ liabilities no longer required written back	0.93	-	0.18	26.07	38.22
-Interest income on income tax refund	3.33	2.05	2.05	2.58	9.71
-Other miscellaneous income	10.54	13.57	17.62	27.61	29.88
Total	33.45	96.06	136.10	103.40	108.81

25 Employee benefits expense

	For the six-month period ended September 30, 2025	For the six-month period ended September 30, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, wages and bonus	1,554.84	1,337.53	2,583.31	2,336.26	1,206.46
Contribution to provident and other funds (refer note 31)	86.45	97.21	178.59	156.14	67.78
Gratuity expenses (refer note 31)	11.13	7.91	21.38	20.75	16.53
Share based payments (refer note 32)	34.31	53.28	77.69	53.34	536.57
Staff welfare and training and recruitment expenses	56.66	56.83	94.23	152.94	56.76
Total	1,743.39	1,552.76	2,955.20	2,719.43	1,884.10

26 Finance costs

	For the six-month period ended September 30, 2025	For the six-month period ended September 30, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest on borrowings	19.01	39.24	62.66	166.91	98.87
Interest on lease liabilities (refer note 33)	3.72	1.51	3.91	1.39	3.47
Interest - others	-	0.09	1.14	0.10	0.64
Bank charges	6.63	4.36	10.17	8.68	9.41
Total	29.36	45.20	77.88	177.08	112.39

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Capillary Technologies India Limited (formerly known as Capillary Technologies India Private Limited)
Annexure VI - Notes to the Restated Consolidated Financial Information
(All amounts in Indian Rupees (₹) millions, unless otherwise stated)

27 Depreciation and amortisation expenses

	For the six-month period ended September 30, 2025	For the six-month period ended September 30, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation of property, plant and equipment (refer note 4)	13.13	12.04	28.56	27.60	23.73
Amortisation of intangible assets (refer note 5)	323.15	281.79	539.03	510.83	321.25
Depreciation of right-of-use assets (refer note 4)	27.42	13.81	33.44	22.18	21.95
Total	363.70	307.64	601.03	560.61	366.93

28 Other expenses

	For the six-month period ended September 30, 2025	For the six-month period ended September 30, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Travelling and conveyance	52.91	42.08	101.80	122.54	53.88
Business promotion expenses	55.24	60.95	117.81	110.85	120.35
Loss allowances under expected credit loss model (refer note 9)	33.08	80.98	78.42	41.21	19.19
Property, plant and equipment written off	-	-	0.81	2.31	-
Rent	15.86	12.20	33.17	23.16	7.67
Rates and taxes	3.76	5.08	13.05	19.72	22.31
Auditor's remuneration (refer Note 28.1)	1.50	3.60	7.38	5.20	3.16
Loss on account of foreign exchange fluctuations (net)	3.79	-	7.24	26.85	-
Sitting fees to non-executive directors (refer note 35)	1.60	1.70	3.50	3.40	4.30
Insurance expenses	10.95	-	16.26	8.37	5.40
Miscellaneous expenses	51.85	49.77	81.54	60.25	32.34
Total	230.54	256.36	460.98	423.86	268.60

28.1 Auditor's remuneration (exclusive of goods and services tax)

As auditor:

Statutory audit	1.50	1.80	5.58	5.20	2.50
Other assurance services	-	1.80	1.80	-	2.80
	1.50	3.60	7.38	5.20	5.30
Less: Recoverable from Ultimate Holding Company	-	-	-	-	(2.14)
	1.50	3.60	7.38	5.20	3.16

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Capillary Technologies India Limited (formerly known as Capillary Technologies India Private Limited)

Annexure VI - Notes to the Restated Consolidated Financial Information

(All amounts in Indian Rupees (₹) millions, unless otherwise stated)

29 Income tax

The Parent Company is subject to income tax in India on the basis of financial statements of the Parent Company. Business loss can be carried forward for a maximum period of eight assessment years immediately succeeding the assessment year to which the loss pertains. Unabsorbed depreciation can be carried forward for an indefinite period. The foreign subsidiaries are subject to taxes as applicable in their respective geographies.

Income tax expenses in the Restated Consolidated Statement of Profit and Loss

consist of the following:

	For the six-month period ended September 30, 2025	For the six-month period ended September 30, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) Current tax for continuing operations	7.79	4.18	(12.90)	1.93	(17.26)
(b) Deferred tax expense/ (credit) for continuing operations*	(12.96)	(13.51)	(21.82)	(71.02)	(46.07)
(c) Current tax expense on discontinued operations (refer note 42)	-	-	0.20	23.85	13.25
	(5.17)	(9.33)	(34.52)	(45.24)	(50.08)

* Deferred tax assets on business losses and unabsorbed depreciation is not recognised for Parent Company since it is not probable that the taxable profit of Parent Company will be available against which the unutilised tax losses and temporary differences can be utilised, as assessed at September 30, 2025.

29.1 Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:

	For the six-month period ended September 30, 2025	For the six-month period ended September 30, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit./ (loss) before tax from continuing operations	5.16	(112.12)	106.82	(752.60)	(948.89)
(Loss)/ Profit before tax from discontinued operations	-	34.57	(8.54)	113.58	21.62
Tax at the Indian tax rate of 25.168% (September 30, 2024: 25.168%; March 31, 2025: 25.168%; March 31, 2024: 25.168%; March 31, 2023: 25.168%)	1.30	(19.52)	24.74	(160.83)	(233.37)
Effect of:					
Tax effect on business losses and unabsorbed depreciation on which deferred tax has not been accounted	(1.30)	19.52	(24.74)	160.83	233.37
Provision for/(reversal) of tax of foreign subsidiaries on a standalone basis	7.79	4.18	(12.70)	25.78	(4.01)
Tax effect on intangibles on account of acquisition of a business	(4.32)	(11.59)	(23.19)	(63.35)	(39.51)
Tax effect on account of disallowances of share based payments	(8.64)	(1.92)	1.37	(6.79)	-
Tax liability on present value adjustment on purchase consideration on account of acquisition of a business	-	-	-	(0.88)	(6.56)
Total tax expenses reported in the Restated Consolidated Statement of Profit and Loss (continuing and discontinuing operations)	(5.17)	(9.33)	(34.52)	(45.24)	(50.08)

29.2 Deferred tax

Deferred tax assets have been recognised only to the extent of existing deferred tax liabilities, because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom.

29.3 Recognised deferred tax assets and (liabilities)

Movement in temporary differences

	Opening as at April 1, 2025	Recognized in PL	Recognized in OCI	Others	Closing as at September 30, 2025
Deferred tax liability on intangibles on account of acquisition of a business	(71.04)	12.00	-	-	(59.04)
Deferred tax asset on share based payment	5.62	0.96	0.25	-	6.83
Net deferred tax (liabilities)/assets	(65.42)	12.96	0.25	-	(52.21)
	Opening as at April 1, 2024	Recognized in PL	Recognized in OCI	Others	Closing as at September 30, 2024
Deferred tax liability on intangibles on account of acquisition of a business	(94.99)	11.59	(0.05)	-	(83.45)
Deferred tax asset on share based payment	6.83	1.92	0.05	-	8.80
Net deferred tax (liabilities)/assets	(88.16)	13.51	-	-	(74.65)



Capillary Technologies India Limited (formerly known as Capillary Technologies India Private Limited)

Annexure VI - Notes to the Restated Consolidated Financial Information

(All amounts in Indian Rupees (₹) millions, unless otherwise stated)

29.3 Recognised deferred tax assets and (liabilities) (cont'd)

	Opening as at April 1, 2024	Recognized in PL	Recognized in OCI	Others	Closing as at March 31, 2025
Deferred tax liability on intangibles on account of acquisition of a business	(94.99)	23.19	0.76	-	(71.04)
Deferred tax asset on share based payment	6.83	(1.37)	0.16	-	5.62
Net deferred tax (liabilities)/assets	(88.16)	21.82	0.92	-	(65.42)
	Opening as at April 1, 2023	Recognized in PL	Recognized in OCI	Others	Closing as at March 31, 2024
Deferred tax liability on intangibles on account of acquisition of a business	(61.02)	63.35	4.40	-	6.73
Deferred tax asset on share based payment	-	6.79	0.04	-	6.83
Deferred tax liability on intangibles on account of acquisition of a business (refer note 39)	-	-	-	(101.72)	(101.72)
Deferred tax liability on present value adjustment on purchase consideration on account of acquisition of a business	(0.88)	0.88	-	-	-
Net deferred tax (liabilities)/assets	(61.90)	71.02	4.44	(101.72)	(88.16)

29.3 Recognised deferred tax assets and (liabilities) (cont'd)

	Opening as at April 01, 2022	Recognized in PL	Recognized in OCI	Others	Closing as at March 31, 2023
Deferred tax liability on intangibles on account of acquisition of a business	(97.57)	39.51	(2.96)	-	(61.02)
Deferred tax liability on present value adjustment on purchase consideration on account of acquisition of a business	(7.44)	6.56	-	-	(0.88)
Net deferred tax (liabilities)/assets	(105.01)	46.07	(2.96)	-	(61.90)

29.4 Expiration of losses carried forward

The Parent Company has tax losses which arose in India of ₹ 1,139.31 million (September 30, 2024: ₹ 1,276.06 million, March 31, 2025: ₹ 1,241.00 million, March 31, 2023: ₹ 1,008.54 million) that are available for offsetting for eight years against future taxable profits of the companies in which the losses arose.

	As at September 30, 2025	As at September 30, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
March 31, 2024	-	-	-	104.56	104.56
March 31, 2025	-	191.92	156.86	191.92	191.92
March 31, 2026	76.98	76.98	76.98	76.98	76.98
March 31, 2031	635.08	635.08	635.08	635.08	635.08
March 31, 2032	372.08	372.08	372.08	-	-
March 31, 2033	55.17	-	-	-	-
	1,139.31	1,276.06	1,241.00	1,008.54	1,008.54

Notes:-

i) The Parent Company has unabsorbed depreciation loss of ₹ 635.75 million (September 30, 2024: ₹ 481.86 million, March 31, 2025: ₹ 292.39 million, March 31, 2023: ₹ 134.15 million) which can be carried forward indefinitely.



30 Earnings / (Loss) per share (EPS)

Basic EPS is calculated by dividing the profit/ (loss) for the year attributable to equity shareholders of the Parent Company by the weighted average number of equity shares outstanding during the period/year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting periods/years. The weighted average number of equity shares outstanding during the periods/years is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS is calculated by dividing the profit attributable to equity shareholders by the weighted average number of equity shares outstanding during the periods/years plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

Potential ordinary shares are anti-dilutive when their conversion to ordinary shares would increase earnings per share or decrease loss per share from continuing operations. The calculation of diluted earnings per share does not assume conversion, exercise, or other issue of potential ordinary shares that would have an antidilutive effect on earnings per share.

The following table reflects the income and share data used in the basic and diluted EPS computations:

	For the six-month period ended September 30, 2025	For the six-month period ended September 30, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Face value of equity shares (₹ per share)	2.00	2.00	2.00	2.00	2.00
(i) EPS from continuing operations					
Profit/ (loss) attributable to equity shareholders of the Parent Company for basic/ diluted EPS for continuing operations (₹ in million) (a)	10.33	(102.79)	141.54	(683.51)	(885.56)
Weighted average number of equity shares used for computing EPS (basic) from continuing operations (in millions) (b)	73.32	73.23	73.25	56.27	50.24
Effect of dilution:					
Employee share options	0.94	1.18	0.78	0.82	0.22
Weighted average number of equity shares adjusted for the effect of dilution (in Million) (c)	74.26	74.42	74.03	57.09	50.46
EPS- Basic (₹) (d=a/b)	0.14	(1.40)	1.93	(12.15)	(17.63)
EPS- Diluted (₹) (e=a/c)*	0.14	(1.40)	1.91	(12.15)	(17.63)
*Considering the Group has incurred losses for the period ended September 30, 2024, years ended March 31, 2024 and March 31, 2023, the effect of dilution on account of shares to be issued as per Capillary Employees Stock Option Scheme' - 2021 ('CESP') has been ignored as same would be anti-dilutive.					
(ii) EPS from Discontinued operations					
(Loss)/ profit attributable to equity shareholders of the Parent Company for basic/ diluted EPS for discontinued operations (₹ in million) (a)	-	34.57	(8.74)	89.73	8.37
Weighted average number of equity shares used for computing EPS (basic) from discontinued operations (in millions) (b)	-	73.23	73.25	56.27	50.24
Effect of dilution:					
Employee share options (number of shares for which no compensation)	-	1.18	0.78	0.82	0.22
Weighted average number of equity shares adjusted for the effect of dilution (in Million) (c)	-	74.42	74.03	57.09	50.46
EPS- Basic (₹) (d=a/b)	-	0.47	(0.12)	1.59	0.17
EPS- Diluted (₹) (e=a/c)*	-	0.46	(0.12)	1.57	0.17
*Considering the Group has incurred loss in the current year, the effect of dilution on account of shares to be issued as per Capillary Employees Stock Option Scheme' - 2021 ('CESP') has been ignored as same would be anti-dilutive.					
(iii) EPS from Continuing and Discontinued operations					
Profit/ (loss) attributable to equity shareholders of the Parent Company for basic/ diluted EPS for continuing and discontinued operations (₹ in million) (a)	10.33	(68.22)	132.80	(593.78)	(877.19)
Weighted average number of equity shares used for computing EPS (basic) from continuing and discontinued operations (in millions) (b)	73.32	73.23	73.25	56.27	50.24
Effect of dilution:					
Employee share options (number of shares for which no compensation)	0.94	1.18	0.78	0.82	0.22
Weighted average number of equity shares adjusted for the effect of dilution (in Million) (c)	74.26	74.42	74.03	57.09	50.46
EPS- Basic (₹) (d=a/b)	0.14	(0.93)	1.81	(10.55)	(17.46)
EPS- Diluted (₹) (e=a/c)*	0.14	(0.93)	1.79	(10.55)	(17.46)
*Considering the Group has incurred losses for the period ended September 30, 2024 and years ended March 31, 2024 and March 31, 2023, the effect of dilution on account of shares to be issued as per Capillary Employees Stock Option Scheme' - 2021 ('CESP') has been ignored as same would be anti-dilutive.					

31 Gratuity and other post-employment benefit plans

I) Defined contribution plan

The Group's contribution to provident fund and other funds are considered as defined contribution plans. The contributions are charged to the Restated Consolidated Statement of Profit and Loss as they accrue. Contributions to provident and other funds included in employee benefit expenses (refer note 25) are as under:

	For the six-month period ended September 30, 2025	For the six-month period ended September 30, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Contribution to provident and other funds	86.45	97.21	178.59	156.14	67.78
Total	86.45	97.21	178.59	156.14	67.78

II) Defined benefit plan

Gratuity

The Parent Company operates an unfunded defined benefit gratuity plan for all of its qualifying employees in India. Gratuity is calculated as 15 days' salary for every completed year of service or part thereof in excess of 6 months and is payable on retirement / termination/ resignation. The benefit vests on completing 5 years of service by the employee. The Parent Company makes provision of such gratuity liability in the books of account on the basis of actuarial valuation as per projected unit credit method.

The Group also operates an unfunded defined benefit gratuity plan for all of its qualifying employees in Dubai. The Company has determined estimated liabilities for employee benefits for meeting the minimum benefits required to be paid to the qualifying employees as required under UAE Labour Law. Under UAE Labour Law, if an employee served for more than 1 year but less than 5 years, the employee is entitled to 21 days' salary for each completed year of service and if an employee has served for more than 5 years, the employee is entitled to 30 days' salary for each completed year of service.

The following tables summarise the components of net benefit expenses recognised in the Restated Consolidated Statement of Profit and Loss and amounts recognised in the Restated Consolidated Balance Sheet for gratuity benefit:

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31 Gratuity and other post-employment benefit plans (cont'd)

	For the six-month period ended September 30, 2025	For the six-month period ended September 30, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
i. Net benefit expenses (recognised in the Restated Consolidated Statement of Profit and Loss)					
Current service cost	8.56	5.63	17.01	17.03	13.87
Interest cost on defined benefit obligation	2.57	2.28	4.37	3.72	2.66
Net benefit expenses	11.13	7.91	21.38	20.75	16.53
ii. Remeasurement loss recognised in other comprehensive income (OCI):					
Actuarial loss on obligations arising from changes in experience adjustments	1.38	3.71	4.24	3.29	5.89
Actuarial loss on obligations arising from changes in financial assumptions	-	-	-	0.77	(0.97)
Actuarial loss recognised in OCI	1.38	3.71	4.24	4.06	4.92
iii. Net defined benefit liability					
	As at September 30, 2025	As at September 30, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Defined benefit obligation	103.84	82.89	91.69	79.13	64.82
Plan liability	103.84	82.89	91.69	79.13	64.82
iv. Changes in the present value of the defined benefit obligation are as follows					
Opening defined benefit obligation	91.69	79.13	79.13	64.82	48.96
Current service cost	8.56	5.63	17.01	17.03	13.87
Interest cost on the defined benefit obligation	2.57	2.28	4.37	3.72	2.66
Benefits paid	(2.92)	(7.91)	(13.36)	(10.50)	(5.59)
Actuarial loss on obligations arising from changes in experience adjustments	1.38	3.71	4.24	3.29	5.89
Actuarial (gain) on obligations arising from changes in financial assumptions	-	-	-	0.77	(0.97)
Translation adjustments	2.56	0.05	0.30	-	-
Closing defined benefit obligation	103.84	82.89	91.69	79.13	64.82
v. The following pay-outs are expected in future years:					
Within the next 12 months	9.99	11.48	11.52	13.96	11.50
Between 1 and 2 years	8.71	9.32	9.42	10.68	8.87
Between 2 and 3 years	7.41	7.73	7.71	8.36	6.85
Between 3 and 4 years	6.40	6.37	6.22	6.52	5.32
Between 4 and 5 years	5.41	5.31	5.23	5.12	4.18
Between 6 and 10 years	19.88	16.42	16.38	15.68	13.00
Beyond 10 years	116.17	73.48	80.65	48.37	37.47
Expected cash outflow in future years	173.97	130.11	137.13	108.69	87.19

The average duration of the defined benefit plan obligation at the end of the reporting period is 10.78 years (September 30, 2024: 9.10 years, March 31, 2025: 7.38 years, March 31, 2024: 5.65 years, March 31, 2023: 6.99 years).

vi. The principal assumptions used in determining gratuity obligations for the Parent Company's plan are shown below:

	As at September 30, 2025	As at September 30, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Discount rate (in %)	7.08%	6.89%	6.66%	7.19%	7.43%
Salary escalation rate (in %)	10.00%	10.00%	10.00%	10.00%	10.00%
Employee turnover/ withdrawal rate	20.00%	25.00%	25.00%	30.00%	30.00%
Retirement age	58	58	58	58	58
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate

Notes:

- The estimate of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.
- Plan characteristics and associated risks:
The Gratuity scheme is a Defined Benefit Plan that provides for a lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The Plan design means the risks commonly affecting the liabilities and the financial results are expected to be:
 - Discount rate risk : The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase
 - Salary inflation risk : Higher than expected increases in salary will increase the defined benefit obligation
 - Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

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31 Gratuity and other post-employment benefit plans (cont'd)

vii. A quantitative sensitivity analysis for significant assumption is as shown below:

	As at September 30, 2025	As at September 30, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Discount rate					
Impact on defined benefit obligation due to 1% increase in discount rate	(6.22)	(4.49)	(4.89)	(3.31)	(2.57)
Impact on defined benefit obligation due to 1% decrease in discount rate	7.18	5.12	5.57	3.70	2.86
Salary escalation rate					
Impact on defined benefit obligation due to 1% increase in salary escalation rate	3.52	2.63	2.81	1.96	1.57
Impact on defined benefit obligation due to 1% decrease in salary escalation rate	(3.62)	(2.68)	(2.84)	(1.94)	(1.62)
Attrition rate					
Impact on defined benefit obligation due to 1% increase in attrition rate	(0.48)	(0.46)	(0.62)	(0.31)	(0.23)
Impact on defined benefit obligation due to 1% decrease in attrition rate	0.47	0.45	0.63	0.30	0.21

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Restated Consolidated Statement of Assets and Liabilities. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

32 Share-based payments

Description of the share based payment arrangements

The Group has Capillary Employee Stock Option Scheme – 2021 ("CESP") plan. The share-based payment arrangements of the Group is as below:

A Capillary Employee Stock Option Scheme - 2021 ("CESP")

The shareholders of Parent Company on October 29, 2021 had approved the 'Capillary Employees Stock Option Scheme' - 2021 (CESP). The plan provides for the issue of 7,175,000 options to eligible employees and eligible directors of the Capillary Group. Capillary Group shall mean the Parent Company, its wholly owned subsidiary and step-subidiaries, either existing or as may be incorporated from time to time and its Ultimate Holding Company and any successor company thereof.

The plan is administered by a Board of Directors of the Parent Company / nomination and remuneration committee constituted by the Board (as the case may be) (Administrator). Under CESP, all employees of the Group are entitled to a grant of options once they have been in service and eligible based on conditions determined by the Administrator. The exercise price shall be as may be determined by the Administrator at the time of grant of options provided that the exercise price shall not be more than the fair market value of the shares as on the date of grant of options.

There shall be a minimum period of one (1) year between the grant of options and vesting of options, with a maximum period of Seven (7) to ten (10) years from the date of grant of such options. Vesting of options would be subject to continued employment with the Group and the options would vest on a quarterly / yearly basis. The option grantee may exercise the vested options as per the scheme.

Measurement of fair values

The fair value of the share options granted under the CESP is estimated at the grant date using Black-Scholes method, taking into account the terms and conditions upon which the share options were granted. The model outputs the implied total value of the enterprise when the valuation accounts for all share class rights and preferences, as of the date of the latest financing by the Parent Company.

The following table lists the inputs to the option pricing models for the period/year ended:

	September 30, 2025	September 30, 2024	March 31, 2025	March 31, 2024	March 31, 2023
Dividend yield (%)	0%	0%	0%	0%	0%
Expected volatility (%)	31.21%- 31.82%	62.40%	61.90%	62.40%	62.40%
Risk-free interest rate (% p.a.)	6.28%-6.48%	7.12%	6.60%	7.12%	7.27%
Expected life of option (years)	6.75- 9.00	5.5	5.5	5.5	5.57 - 6.25
Weighted average share price as per Pre discount for lack of marketability ("DLOM")	₹ 500.10	₹ 308.00	₹ 526.70	₹ 307.80	₹ 376 - ₹ 308
Weighted average share price as per Post discount for lack of marketability ("DLOM")	₹ 500.10	₹ 297.25	₹ 509.51	₹ 297.25	₹ 355.96 - ₹ 298.8

The expected life of the share options is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

Movements during the period

The following table illustrates the number and Weighted Average Exercise Price (WAEP) of, and movements in, CESP plan during the period/year:

	September 30, 2025		September 30, 2024		
	Number of options (in millions)	WAEP (in ₹)	Number of options (in millions)	WAEP (in ₹)	
Options outstanding at the beginning of the period		1.15	7.85	1.81	0.12
Granted during the period		0.11	2.00	0.43	2.00
Forfeited / lapsed during the period		(0.04)	2.00	(0.65)	2.00
Options outstanding at the end of the period		1.22	2.00	1.59	0.12
Exercisable at period end		0.80		1.22	

Movements during the year

	March 31, 2025		March 31, 2024		March 31, 2023	
	Number of options (in millions)	WAEP (in ₹)	Number of options (in millions)	WAEP (in ₹)	Number of options (in millions)	WAEP (in ₹)
Options outstanding at the beginning of the year	1.96	2.05	3.23	0.26	3.75	0.05
Granted during the year	0.49	2.00	0.40	2.00	1.04	0.73
Forfeited / lapsed during the year	(0.16)	(1.41)	(0.71)	(0.61)	(1.54)	(0.06)
Exercised during the year	-	-	(0.57)	(2.00)	-	-
Surrender/ re-purchase during the year	(1.14)	(4.91)	(0.39)	(0.37)	(0.02)	-
Options outstanding at the end of the year	1.15	7.85	1.96	2.05	3.23	0.26
Exercisable at year end	0.61		1.37		2.01	

The weighted average remaining contractual life of vested option as at September 30, 2025 is 7.06 years (March 31, 2025- 7.19 years and 8.61 years), (September 30, 2024 - 7.22 years and 8.87 years), (March 31, 2024- 7.72 years and 8.27 years), (March 31, 2023- 8.92 years and 9.20 years) for unvested options.

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32 Share-based payments (cont'd)

B Effective July 1, 2025, the Company has amended its existing CESP plan, whereby the options granted to employees shall vest only upon the achievement of market linked condition of share price and continued employment with the Group at any time during the vesting period with a maximum period of ten (10) years. The options are granted at an exercise price of 20% discount on the fair market value of share price at the grant date of options other than USA employees wherein those are granted at an exercise price of fair market value of share price. The option grantee may exercise the vested options as per the scheme.

Measurement of fair values

The Fair Value of the Options has been calculated using the 'Black-Scholes Option Pricing' methodology and combination of 'Binomial model' & 'Monte Carlo Simulation' methodology.

The following table lists the inputs to the models used for the period ended September 30, 2025:

	For the six-month period ended 30 September 2025
Dividend yield (%)	0%
Expected volatility (%)	31.17%- 31.41%
Risk-free interest rate (% p.a.)	6.46%-6.74%
Expected life of option (years)	8.70- 9.00 years
Weighted average share price	₹500.10

The expected life of the share options is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

Movements during the period

The following table illustrates the number and Weighted Average Exercise Price (WAEP) of, and movements in, CESP plan during the period:

	For the six-month period ended 30 September 2025	
	No. of options (in millions)	WAEP (in ₹)
Options outstanding at the beginning of the year	-	-
Granted during the period	0.62	414.00
Forfeited/ lapsed during the period	-	-
Options outstanding at the end of the period	0.62	414.00
Exercisable at period end	-	-

The weighted average remaining contractual life of unvested option as at September 30, 2025 is 9.82 years.

C Employee stock option expenses

The expense recognised for employee services received during the period/ year is shown in the following table :

	For the six-month period ended September 30, 2024	For the six-month period ended September 30, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Arising from equity settled share based payment transaction of CESP recognised in Employee benefits expense. (refer note 25)*	34.31	53.28	77.69	53.34	536.57

* Excludes ₹ 2.76 million (September 30, 2024: ₹ 3.98 million; March 31, 2025: ₹ 9.04 million; March 31, 2024: ₹ 10.24 million, March 31, 2023: ₹ 38.82 million) on account of expense arising from equity settled share based payment transaction of CESP recognised in internally generated intangible assets

33 Leases

Company as a lessee

The Group has lease contracts for office facilities. The lease term of the office facilities is generally 1-3 years. The Group also has certain leases of offices with lease terms of 12 months or less or low value. The Group applies the leases of low value assets and short term leases recognition exemptions for these leases.

The Group has lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

(a) The right of use assets comprise of buildings taken on lease. The effective interest rate for lease liabilities is 9.50% as on September 30, 2025 (September 30, 2024 and March 31, 2025: 9.50%; March 31, 2024 and March 31, 2023: ranges between 3.69% to 14.35%)

	As at September 30, 2025	As at September 30, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
(b) Carrying value of right-of-use assets at the end of the reporting period (refer note 4)	107.32	30.24	59.84	30.13	18.07
(c) Analysis of lease liabilities					
Opening lease liabilities	63.32	31.43	31.43	20.04	36.98
Addition during the period/ year	72.95	12.62	60.95	38.58	5.45
Accretion of interest during the period/ year	3.72	1.51	3.91	1.39	3.47
Cash outflow towards payment of lease liabilities during the period/ year	(28.53)	(14.21)	(33.04)	(24.23)	(26.68)
Modification of lease liabilities during the period/ year	-	-	-	(4.37)	-
Translation adjustments if any	0.76	0.01	0.07	0.02	0.82
Closing lease liabilities	112.22	31.36	63.32	31.43	20.04

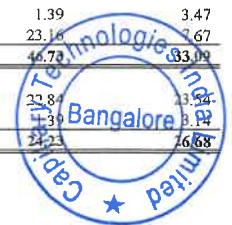
The table below summarises the maturity profile of the Company's lease liabilities based on contractual undiscounted payments:

	As at September 30, 2025	As at September 30, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Less than One year	59.08	30.59	34.63	23.33	19.14
More than One less than five years	64.23	2.21	35.19	10.11	2.10

	For the six-month period ended September 30, 2025	For the six-month period ended September 30, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
(d) Impact of statement of profit and loss					
Depreciation on right-of-use assets	27.42	13.81	33.44	22.18	21.95
Interest expense on lease liabilities	3.72	1.51	3.91	1.39	3.47
Expenses relating to short-term leases (included in other expenses)	15.86	12.20	33.17	23.16	16.67
	47.00	27.52	70.52	46.73	42.09

(e) Amounts recognised in the Consolidated Cash Flow Statement

	September 30, 2025	September 30, 2024	March 31, 2025	March 31, 2024	March 31, 2023
Total outflow for leases - principal	24.81	12.70	29.13	22.87	23.54
Total outflow for leases - interest	3.72	1.51	3.91	1.39	3.47
	28.53	14.21	33.04	24.26	27.01



34 Contingent liabilities

In the ordinary course of business, the Group faces claims and assertions by various parties. The Group assesses such claims and assertions and monitors the legal environment on an ongoing basis with the assistance of external legal counsel, wherever necessary. The Group records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its Restated Consolidated Financial Information, if material. For potential losses that are considered possible, but not probable, the Group provides disclosure in the Restated Consolidated Financial Information but does not record a liability in its accounts unless the loss becomes probable.

The following is a description of claims and assertions where a potential loss is possible, but not probable. The Group believes that none of the contingencies described below would have a material adverse effect on the Group's financial condition, results of operations or cash flows.

	As at September 30, 2025	As at September 30, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Bank guarantees outstanding	3.91	3.91	3.91	3.91	4.68

Bank guarantees outstanding

(i) The Honourable Supreme Court of India in the month of February 2019 had passed a judgement relating to definition of wages under the Provident Fund Act, 1952. The management is of the view that there are interpretative challenges on the application of the judgement retrospectively. In the absence of reliable measurement of the provision for earlier years, the Group has made a provision for provident fund contribution pursuant to the judgement only from the date of Supreme Court Order. The Group will evaluate its position and update its provision, if required, on receiving further clarity on the subject. The Group does not expect any material impact of the same.

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35 Related party disclosures

a) Names of the related parties and description of relationship

Nature of relationship	Name of the party
Related party where control exists	Capillary Technologies International Pte. Ltd., Singapore (Ultimate Holding Company)
Related party under common control	Reasoning Global eApplications Private Limited, India
A private company in which Key Managerial Personnel or their relatives is a member or director	Ms Biotech Private Limited, India
Key managerial personnel and their relatives (where transactions have taken place)	Mr. Aneesh Reddy Boddu, Executive Director and Chief Executive Officer (upto December 31, 2022, re-appointed w.e.f April 1, 2024) and Managing Director (w.e.f. January 01, 2023) Mr. Anant Choubey, Whole-time Director, Chief Operating Officer and Chief Financial Officer (w.e.f. September 02, 2022) Mr. Alok Choubey, Relative Mr. Satish Kumar Choubey, Relative Mr. Venkat Ramana Tadanki, Independent Director Mrs. Neelam Dhawan, Chairperson and Independent Director Mr. Sameer Garde, Independent Director (upto December 31, 2022) and Whole-time Director and CEO (w.e.f January 01, 2023 till March 31, 2024) Mrs. Yamini Preethi Natti, Independent Director (upto May 7, 2025) Mr. Peeyush Ranjan, Independent Director (w.e.f May 7, 2025) Mr. Farid Lalji Kazani, Independent Director Mr. Mahendra Chordia, Chief Financial Officer (upto May 13, 2022) Mrs. Gireddy Bhargavi Reddy, Company Secretary and Compliance Officer Mr. Mohan Reddy Boddu, Relative Mr. Aditya Reddy Boddu, Relative Ms. Pavani Reddy Boddu, Relative Ms. Janaki Munjuluri Rao, Relative

b) Summary of transactions and outstanding balances with above related parties are as follows:

Particulars	For the six-month period ended September 30, 2025	For the six-month period ended September 30, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
1) Transactions during the period/year					
i) Interest on borrowings					
Capillary Technologies International Pte. Ltd., Singapore	-	0.44	-	11.92	19.19
Ms Biotech Private Limited	-	-	-	0.51	4.93
ii) Sitting fees to non-executive directors					
Mr. Venkat Ramana Tadanki	0.50	0.50	0.90	0.90	0.90
Mrs. Neelam Dhawan	0.20	0.50	1.10	1.00	1.20
Mr. Sameer Garde	-	-	-	-	0.60
Mrs. Yamini Preethi Natti	0.20	0.40	0.70	0.70	0.60
Mr. Farid Lalji Kazani	0.50	0.30	0.80	0.80	1.00
Mr. Peeyush Ranjan	0.20	-	-	-	-
iii) Issuance of equity shares (including securities premium)					
Capillary Technologies International Pte. Ltd., Singapore	-	-	-	573.52	-
Mr. Mohan Reddy Boddu	-	-	-	-	0.02
Mr. Anant Choubey	-	-	-	8.66	0.02
Mr. Aditya Reddy Boddu	-	-	-	-	0.01
Mr. Mahendra Chordia (upto May 13, 2022)	-	-	-	-	0.01
Mr. Sameer Garde	-	-	-	1.42	-
Mr. Satish Kumar Choubey	-	-	-	-	0.01
Mr. Aneesh Reddy Boddu	-	-	-	136.19	-
iv) Expenditure incurred by the Company on behalf of others					
Reasoning Global eApplications Private Limited, India	0.01	-	-	-	0.12
v) Expenditure incurred by the Group on behalf of Ultimate Holding Company					
Capillary Technologies International Pte. Ltd., Singapore	12.82	6.61	3.52	16.15	29.72
vi) Borrowings from private company in which Key Managerial Personnel or their relatives is a member or director					
Ms Biotech Private Limited	-	-	-	-	100.00
vii) Expenditure incurred by the Ultimate Holding Company on behalf of the Group					
Capillary Technologies International Pte. Ltd., Singapore	0.80	-	7.87	-	-
viii) Repayment of borrowing from private company in which Key Managerial Personnel or their relatives is a member or director					
Ms Biotech Private Limited	-	-	-	50.00	50.00
ix) Loan from director					
Mr. Aneesh Reddy Boddu	-	-	-	-	50.00
x) Repayment of loan from director					
Mr. Aneesh Reddy Boddu	-	-	-	-	50.00



35 Related party disclosures (cont'd)

b) Summary of transactions and outstanding balances with above related parties are as follows:

Particulars	For the six-month period ended September 30, 2025	For the six-month period ended September 30, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
xi) Professional and consultancy expenses					
Mr. Sameer Garde	-	-	-	-	4.91
xii) Other miscellaneous income					
Capillary Technologies International Pte. Ltd., Singapore	7.66	6.72	13.67	16.58	9.19
xiii) Remuneration to key managerial personnel and their relatives (including employee stock option expenses)*					
Mr. Anant Choubey	7.97	11.81	12.96	16.87	72.73
Mr. Aneesh Reddy Boddu	10.86	10.53	16.31	133.61	240.21
Mr. Mahendra Chordia	-	-	-	-	2.16
Mrs. Gireddy Bhargavi Reddy	3.16	2.94	5.58	5.50	4.98
Mr. Sameer Garde	-	-	-	11.17	10.57

*The remuneration to KMPs disclosed above includes share based payment for the year amounts to ₹ 0.22 million (September 30, 2024: ₹ 0.11 million; March 31, 2025: ₹ 0.26 million ; March 31, 2024: ₹ 5.6 million ; March 31, 2023: ₹ 290.13 million).

2) Outstanding balances as at period/year end:

Particulars	As at September 30, 2025	As at September 30, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
i) Other receivables from related parties					
Capillary Technologies International Pte. Ltd., Singapore	32.79	10.93	12.24	2.66	145.76
Reasoning Global eApplications Private Limited, India	0.16	0.15	0.16	0.15	0.12
ii) Corporate guarantees taken from the Ultimate Holding Company					
Capillary Technologies International Pte. Ltd., Singapore	-	177.88	-	352.48	805.00
iii) Trade Payable					
Capillary Technologies International Pte. Ltd., Singapore	-	-	-	-	39.99
iv) External Commercial Borrowings					
Capillary Technologies International Pte. Ltd., Singapore	-	-	-	-	179.22
v) Unsecured loan from body corporate					
Ms Biotech Private Limited (including interest accrued)	-	-	-	-	50.48

vii) Key Managerial Personnel's interests in the share based payments plan:

Share options held by key managerial personnel under the share based payments plan to purchase equity shares are as follows:

Share based payments plan	Exercise price	Number Outstanding (in millions)	Number Outstanding (in millions)	Number Outstanding (in millions)	Number Outstanding (in millions)	Number Outstanding (in millions)
		As at September 30, 2025	As at September 30, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Capillary Employees Stock Option Scheme - 2021 ('CESP')	2	0.22	1.23	0.22	1.23	1.65

No share options have been granted to the non-executive members of the Board of Directors under the share based payments plans the Parent Company. Refer to note 32 for further details on CESP.

c) Transactions eliminated during the period/year end *

(i) Capillary Technologies India Limited

Particulars	Nature of transaction	For the six-month period ended September 30, 2025	For the six-month period ended September 30, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Capillary Pte. Ltd, Singapore	Service income from group companies	663.40	594.95	1,252.41	656.36	632.50
Capillary Pte. Ltd, Singapore	Expenses incurred on behalf of	2.69	3.18	4.87	1.49	0.35
Capillary Technologies DMCC, UAE	Expenses incurred on behalf of	0.34	1.29	1.50	0.02	-
Capillary Technologies LLC, USA	Expenses incurred on behalf of	141.46	82.22	193.78	98.89	7.61
Capillary Technologies Europe Ltd	Expenses incurred on behalf of	61.62	67.33	139.49	24.76	-
Capillary Brierley Inc.	Expenses incurred on behalf of	14.06	1.75	7.65	4.04	-
Capillary Technologies Inc, USA	Expenses incurred on behalf of	6.65	-	7.52	-	-
PT Capillary Technologies Indonesia	Expenses incurred on behalf of	0.04	-	0.03	-	-
Capillary Technologies (Malaysia) Sdn. Bhd., Malaysia	Expenses incurred on behalf of	0.03	-	0.01	-	-
Capillary Pte. Ltd, Singapore	Expenses reimbursement to	101.16	78.38	160.37	161.66	146.48
Capillary Technologies LLC, USA	Expenses reimbursement to	61.55	108.88	211.22	2.81	-
Capillary Technologies DMCC, UAE	Expenses reimbursement to	17.39	9.21	16.79	14.07	3.78
Capillary Brierley Inc.	Expenses reimbursement to	6.49	2.74	8.98	-	-
Capillary Technologies Europe Ltd	Expenses reimbursement to	1.07	-	-	-	-
Capillary Pte. Ltd, Singapore	Advance towards investment in subsidiary	-	-	-	-	133.19
Capillary Pte. Ltd, Singapore	Purchase of Intellectual Property	-	-	-	-	344.90
Capillary Pte. Ltd, Singapore	Investment in unquoted equity shares	-	-	1,282.05	856.44	331.56
Capillary Technologies DMCC, UAE	Capital contribution in subsidiaries	5.56	1.87	7.83	2.51	9.95
Capillary Technologies (Malaysia) Sdn. Bhd., Malaysia	Capital contribution in subsidiaries	1.04	1.18	3.38	3.17	12.83
PT Capillary Technologies Indonesia	Capital contribution in subsidiaries	0.05	0.42	(0.61)	(0.06)	2.09
Capillary Pte Limited., Singapore	Capital contribution in subsidiaries	-	-	-	(0.57)	0.51
Capillary Technologies LLC, USA	Capital contribution in subsidiaries	3.69	13.97	2.72	0.28	10.17
Capillary Technologies Europe Ltd	Capital contribution in subsidiaries	0.39	3.80	6.81	5.69	-
Capillary Brierley Inc.	Capital contribution in subsidiaries	5.64	4.40	7.78	11.69	-



35 Related party disclosures (cont'd)

c) Transactions eliminated during the period/year end (cont'd)

(ii) Capillary Technologies Inc.

Particulars	Nature of transaction	For the six-month period ended September 30, 2025	For the six-month period ended September 30, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Capillary Technologies LLC, USA	Issuance of share capital	-	-	-	0.82	-
Capillary Brierley Inc, USA	Expenses reimbursement to	9.80	-	17.00	7.54	-
Capillary Technologies LLC, USA	Expenses reimbursement to	28.79	9.27	36.44	31.10	-
Capillary Pte. Ltd, Singapore	Expenses reimbursement to	1.97	-	1.93	-	-
Capillary Technologies India Limited	Expenses reimbursement to	6.65	-	7.52	-	-
Capillary Technologies LLC, USA	Expenses incurred on behalf of	23.77	-	-	-	-

(iii) Capillary Pte. Ltd.

Particulars	Nature of transaction	For the six-month period ended September 30, 2025	For the six-month period ended September 30, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Capillary Technologies India Limited	Tech and analytics services	150.38	273.69	475.25	488.61	506.57
Capillary Technologies India Limited	Tech and analytics services - others	513.02	321.26	777.16	167.75	125.96
Capillary Technologies (Malaysia) Sdn. Bhd., Malaysia	Tech and analytics services	12.44	12.99	38.41	36.29	52.06
Capillary Technologies LLC, USA	Tech and analytics services	-	-	-	-	7.26
Capillary Technologies DMCC, UAE	Service income from group companies	51.26	54.96	136.88	107.16	158.45
PT Capillary Technologies Indonesia	Service income from group companies	9.76	9.65	15.40	22.34	26.83
Capillary Technologies LLC, USA	Service income from group companies	435.00	266.98	619.12	74.54	-
Capillary Technologies Europe Limited	Service income from group companies	61.60	2.66	44.17	-	-
Capillary Technologies India Limited	Expenses reimbursement to	2.86	3.18	4.87	1.49	0.35
Capillary Technologies India Limited	Expenses incurred on behalf of	101.20	78.38	160.37	161.66	146.48
Capillary Technologies India Limited	Advance towards investment in subsidiary	-	-	-	-	133.19
Capillary Technologies India Limited	Purchase of Intellectual Property	-	-	-	-	344.90
Capillary Technologies India Limited	Issuance of share capital	-	-	1,282.05	856.44	331.56
Capillary Technologies India Limited	Capital contribution from parent company	-	-	-	(0.57)	0.51
PT Capillary Technologies Indonesia	Expenses incurred on behalf of	7.84	0.23	0.25	1.35	0.51
Capillary Technologies (Malaysia) Sdn. Bhd., Malaysia	Expenses incurred on behalf of	21.68	0.44	0.82	-	0.18
Capillary Technologies DMCC, UAE	Expenses incurred on behalf of	73.75	22.20	56.99	36.83	95.65
Capillary Technologies LLC, USA	Expenses incurred on behalf of	35.14	4.91	28.05	12.18	13.25
Capillary Technologies Europe Limited	Expenses incurred on behalf of	22.92	-	52.74	31.93	-
Capillary Brierley Inc.	Expenses incurred on behalf of	45.57	28.27	91.23	10.26	-
Capillary Technologies Inc, USA	Expenses incurred on behalf of	1.97	45.48	1.93	-	-
Capillary Technologies LLC, USA	Investment made in Equity	1,296.45	-	-	-	-
Capillary Technologies (Malaysia) Sdn. Bhd., Malaysia	Expenses reimbursement to	0.58	-	-	0.60	-
Capillary Technologies DMCC, UAE	Expenses reimbursement to	67.93	28.52	120.52	30.03	161.99
PT Capillary Technologies Indonesia	Expenses reimbursement to	0.04	-	-	1.36	-
Capillary Technologies Europe Limited	Expenses reimbursement to	-	-	-	101.02	-
Capillary Technologies LLC, USA	Expenses reimbursement to	33.29	16.58	43.38	203.10	12.68

(iv) Capillary Technologies Europe Limited

Particulars	Nature of transaction	For the six-month period ended September 30, 2025	For the six-month period ended September 30, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Capillary Pte. Ltd, Singapore	Tech and analytics services	61.60	2.66	44.17	-	-
Capillary Technologies India Limited	Capital contribution from parent company	0.39	3.80	6.81	5.69	-
Capillary Brierley Inc.	Expenses incurred on behalf of	6.06	-	-	6.84	-
Capillary Pte. Ltd, Singapore	Expenses incurred on behalf of	-	-	-	101.02	-
Capillary Technologies India Limited	Expenses incurred on behalf of	1.07	-	-	-	-
Capillary Technologies LLC, USA	Expenses incurred on behalf of	5.36	-	-	-	-
Kognitiv Solutions Inc.	Expenses reimbursement to	7.69	-	-	-	-
Capillary Pte. Ltd, Singapore	Expenses reimbursement to	22.92	28.27	52.74	31.93	-
Capillary Technologies India Limited	Expenses reimbursement to	61.62	67.33	139.49	24.76	-
Capillary Technologies LLC, USA	Expenses reimbursement to	7.31	0.27	0.57	1.39	-
Capillary Technologies DMCC, UAE	Expenses reimbursement to	11.67	2.23	10.84	-	-
Capillary Brierley Inc.	Expenses reimbursement to	6.20	0.21	39.26	212.32	-

(v) Capillary Technologies DMCC

Particulars	Nature of transaction	For the six-month period ended September 30, 2025	For the six-month period ended September 30, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Capillary Pte. Ltd, Singapore	Tech and analytics services	49.97	54.96	136.88	107.16	158.45
Capillary Technologies India Limited	Capital contribution from parent company	5.56	1.87	7.83	2.51	9.95
Capillary Pte. Ltd, Singapore	Expenses reimbursement to	73.75	22.20	56.99	36.83	95.65
Capillary Technologies India Limited	Expenses reimbursement to	0.34	1.29	1.50	0.02	-
Capillary Technologies LLC, USA	Expenses reimbursement to	0.54	1.90	2.38	-	-
Capillary Technologies India Limited	Expenses incurred on behalf of	17.39	9.21	16.79	14.07	3.78
Capillary Pte. Ltd, Singapore	Expenses incurred on behalf of	67.93	28.52	120.52	30.03	161.99
PT Capillary Technologies Indonesia	Expenses incurred on behalf of	5.50	7.08	12.39	5.79	0.57
Capillary Technologies LLC, USA	Expenses incurred on behalf of	9.19	5.70	7.52	1.46	0.19
Capillary Technologies (Malaysia) Sdn. Bhd., Malaysia	Expenses incurred on behalf of	-	-	-	0.07	0.03
Capillary Technologies Europe Limited	Expenses incurred on behalf of	11.67	2.23	10.84	-	-
Capillary Brierley Inc.	Expenses incurred on behalf of	-	2.96	2.99	-	-



35 Related party disclosures (cont'd)

c) Transactions eliminated during the period/year end (cont'd)

(vi) PT Capillary Technologies Indonesia

Particulars	Nature of transaction	For the six-month period ended September 30, 2025	For the six-month period ended September 30, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Capillary Pte. Ltd, Singapore	Tech and analytics services	9.62	9.65	15.40	22.34	26.83
Capillary Technologies India Limited	Capital contribution from parent company	0.05	0.42	(0.61)	(0.06)	2.09
Capillary Technologies India Limited	Expenses reimbursement to	0.04	-	0.03	-	-
Capillary Pte. Ltd, Singapore	Expenses reimbursement to	7.84	0.23	0.25	1.35	0.51
Capillary Technologies DMCC, UAE	Expenses reimbursement to	5.50	7.08	12.39	5.79	0.57
Capillary Pte. Ltd, Singapore	Expenses incurred on behalf of	-	-	-	1.36	-

(vii) Capillary Technologies (Malaysia) Sdn. Bhd.

Particulars	Nature of transaction	For the six-month period ended September 30, 2025	For the six-month period ended September 30, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Capillary Pte. Ltd, Singapore	Service income from group companies	8.65	12.99	38.41	36.29	52.06
Capillary Technologies India Limited	Capital contribution from parent company	1.04	1.18	3.38	3.17	12.83
Capillary Pte. Ltd, Singapore	Expenses reimbursement to	21.68	0.44	0.82	-	0.18
Capillary Technologies DMCC, UAE	Expenses reimbursement to	-	-	-	0.07	0.03
Capillary Technologies India Limited	Expenses reimbursement to	0.03	-	0.01	-	-
Capillary Technologies LLC, USA	Expenses incurred on behalf of	1.24	-	-	-	-
Capillary Pte. Ltd, Singapore	Expenses incurred on behalf of	0.58	-	-	0.60	-

(viii) Capillary Technologies LLC, USA

Particulars	Nature of transaction	For the six-month period ended September 30, 2025	For the six-month period ended September 30, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Capillary Pte. Ltd, Singapore	Service income from group companies	-	-	-	-	7.26
Capillary Brierley Inc.	Service income from group companies	201.65	-	61.94	-	-
Capillary Pte. Ltd, Singapore	Tech and analytics services	392.11	266.98	557.18	74.54	-
Capillary Pte. Ltd, Singapore	Tech and analytics services - Others	-	-	61.94	-	-
Capillary Pte. Ltd, Singapore	Issuance of share capital	1,296.45	-	-	-	-
Capillary Technologies Inc, USA	Investment in unquoted equity shares	-	-	-	0.82	-
Capillary Technologies India Limited	Capital contribution from parent company	3.69	13.97	2.72	0.28	10.17
Capillary Technologies India Limited	Expenses reimbursement to	141.46	82.22	193.78	98.89	7.61
Capillary Pte. Ltd, Singapore	Expenses reimbursement to	35.14	4.91	28.05	12.18	13.25
Capillary Technologies DMCC, UAE	Expenses reimbursement to	9.19	5.70	7.52	1.46	0.19
Capillary Brierley Inc.	Expenses reimbursement to	60.84	1.16	34.76	16.20	-
Kognitiv Solutions Inc.	Expenses reimbursement to	74.15	-	-	-	-
Capillary Technologies Inc, USA	Expenses reimbursement to	23.77	-	-	-	-
Capillary Technologies Europe Limited	Expenses reimbursement to	5.36	-	-	-	-
Capillary Technologies (Malaysia) Sdn. Bhd., Malaysia	Expenses reimbursement to	1.24	-	-	-	-
Capillary Technologies India Limited	Expenses incurred on behalf of	61.55	108.88	211.22	2.81	-
Capillary Pte. Ltd, Singapore	Expenses incurred on behalf of	33.29	16.58	43.38	203.10	12.68
Capillary Technologies Inc, USA	Expenses incurred on behalf of	28.79	9.27	36.44	31.10	-
Capillary Technologies Europe Limited	Expenses incurred on behalf of	7.31	0.27	0.57	1.39	-
Capillary Brierley Inc.	Expenses incurred on behalf of	8.55	7.11	18.14	-	-
Kognitiv Solutions Inc.	Expenses incurred on behalf of	149.92	-	-	-	-
Capillary Technologies DMCC, UAE	Expenses incurred on behalf of	0.54	1.90	2.38	-	-

(ix) Capillary Brierley Inc, USA

Particulars	Nature of transaction	For the six-month period ended September 30, 2025	For the six-month period ended September 30, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Capillary Technologies LLC, USA	Tech and analytics services	201.65	-	61.94	-	-
Capillary Technologies India Limited	Capital contribution from parent company	5.64	4.40	7.78	11.69	-
Capillary Technologies India Limited	Expenses reimbursement to	14.06	1.75	7.65	4.04	-
Capillary Pte. Ltd, Singapore	Expenses reimbursement to	45.57	45.48	91.23	10.26	-
Capillary Technologies LLC, USA	Expenses reimbursement to	8.55	7.11	18.14	-	-
Capillary Technologies DMCC, UAE	Expenses reimbursement to	-	2.96	2.99	-	-
Capillary Technologies Europe Limited	Expenses reimbursement to	6.06	-	-	6.84	-
Capillary Technologies India Limited	Expenses incurred on behalf of	6.49	2.74	8.98	-	-
Capillary Technologies Europe Limited	Expenses incurred on behalf of	6.20	0.21	39.26	212.32	-
Capillary Technologies LLC, USA	Expenses incurred on behalf of	60.84	1.16	34.76	16.20	-
Capillary Technologies Inc, USA	Expenses incurred on behalf of	9.80	-	17.00	7.54	-

(x) Kognitiv Solutions Inc.

Particulars	Nature of transaction	For the six-month period ended September 30, 2025	For the six-month period ended September 30, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Capillary Technologies LLC, USA	Expenses incurred on behalf of	74.15	-	-	-	-
Capillary Technologies Europe Limited	Expenses incurred on behalf of	7.69	-	-	-	-
Capillary Technologies LLC, USA	Expenses reimbursement to	149.92	-	-	-	-



35 Related party disclosures (cont'd)

d) Balances eliminated as at the period/year end *

(i) Capillary Technologies India Limited

Particulars	Nature of transaction	As at	As at	As at	As at	As at
		September 30, 2025	September 30, 2024	March 31, 2025	March 31, 2024	March 31, 2023
Capillary Pte. Ltd, Singapore	Investment in unquoted equity shares	4,066.82	4,066.82	4,066.82	2,784.73	1,269.01
Capillary Pte. Ltd, Singapore	Advance toward investment in subsidiary	-	-	-	-	526.08
Capillary Technologies DMCC, UAE	Capital contribution in subsidiaries	30.27	18.75	24.71	16.88	14.37
Capillary Technologies (Malaysia) Sdn. Bhd., Malaysia	Capital contribution in subsidiaries	26.16	22.93	25.12	21.75	18.58
Capillary Brierley Inc.	Capital contribution in subsidiaries	25.11	16.08	19.47	11.69	-
Capillary Technologies Europe Limited	Capital contribution in subsidiaries	12.89	9.49	12.50	5.69	-
PT Capillary Technologies Indonesia	Capital contribution in subsidiaries	1.88	2.86	1.83	2.44	2.50
Capillary Pte. Ltd, Singapore	Capital contribution in subsidiaries	-	-	-	0.04	0.61
Capillary Technologies LLC, USA	Capital contribution in subsidiaries	27.12	34.69	23.43	20.71	20.43
Capillary Pte. Ltd, Singapore	Trade receivables	285.08	663.80	285.37	280.15	614.49
Capillary Technologies LLC, USA	Other receivables from related parties	-	-	-	80.06	7.45
Capillary Brierley Inc.	Other receivables from related parties	3.34	-	-	3.28	-
Capillary Pte. Ltd, Singapore	Other receivables from related parties	-	-	-	-	11.90
Capillary Technologies Europe Limited	Other receivables from related parties	8.94	52.71	14.80	-	-
PT Capillary Technologies Indonesia	Other receivables from related parties	0.08	-	0.03	-	-
Capillary Technologies (Malaysia) Sdn. Bhd., Malaysia	Other receivables from related parties	0.04	-	0.01	-	-
Capillary Technologies Inc, USA	Other receivables from related parties	0.02	-	7.60	-	-
Capillary Pte. Ltd, Singapore	Trade payables	320.84	130.31	211.82	53.31	240.93
Capillary Technologies DMCC, UAE	Trade payables	3.26	16.25	1.31	8.30	4.08
Capillary Technologies Europe Limited	Trade payables	-	-	-	14.73	-
Capillary Brierley Inc.	Trade payables	-	0.99	3.39	-	-
Capillary Technologies LLC, USA	Trade payables	29.00	51.44	68.49	-	-
Capillary Pte. Ltd, Singapore	Contract liabilities - Deferred revenue	-	-	-	-	161.57
Capillary Pte. Ltd, Singapore	Other financial liabilities	-	-	-	-	344.90

(ii) Capillary Technologies Inc.

Particulars	Nature of transaction	As at	As at	As at	As at	As at
		September 30, 2025	September 30, 2024	March 31, 2025	March 31, 2024	March 31, 2023
Capillary Technologies LLC	Share Capital	0.82	0.82	0.82	0.82	-
Capillary Technologies LLC	Trade payables	0.54	-	-	31.31	-
Capillary Brierley Inc.	Trade payables	8.95	-	13.58	7.59	-
Capillary Technologies India Limited	Trade payables	0.02	-	7.60	-	-
Capillary Technologies LLC	Other receivables from related parties	-	15.84	15.14	-	-

(iii) Capillary Pte. Ltd.

Particulars	Nature of transaction	As at	As at	As at	As at	As at
		September 30, 2025	September 30, 2024	March 31, 2025	March 31, 2024	March 31, 2023
Capillary Technologies India Limited	Share capital	2,785.10	2,785.10	2,785.10	2,785.10	1,266.27
Capillary Technologies India Limited	Employee shared based payment reserve	-	-	-	0.04	0.61
Capillary Technologies India Limited	Share application money pending	1,278.83	-	1,278.83	-	659.28
Capillary Technologies LLC	Advance towards investment in subsidiary	-	-	-	-	656.54
Capillary Technologies Europe Ltd	Investment in unquoted equity shares	299.78	299.78	299.78	299.78	-
Capillary Technologies LLC	Investment in unquoted equity shares	3,998.86	2,698.40	2,698.40	2,698.40	1,802.43
Capillary Technologies DMCC, UAE	Investment in unquoted equity shares	41.62	41.62	41.62	41.62	-
Capillary Technologies Shanghai Co. Ltd, China	Investment in unquoted equity shares	-	-	-	-	3.33
Capillary Technologies India Limited	Trade payables	285.08	663.80	285.38	280.15	614.49
Capillary Technologies Shanghai Co. Ltd, China	Trade payables	-	-	-	-	16.53
Capillary Technologies LLC, USA	Trade payables	359.05	-	192.75	-	31.00
Capillary Technologies Europe Ltd	Trade payables	-	-	15.59	57.06	-
Capillary Technologies India Limited	Other payables	-	-	-	-	11.90
Capillary Technologies India Limited	Other receivables from related parties	320.84	130.31	211.82	53.31	221.80
Capillary Technologies (Malaysia) Sdn Bhd, Malaysia	Other receivables from related parties	85.62	78.78	70.16	66.72	65.94
Capillary Technologies DMCC, UAE	Other receivables from related parties	125.63	157.87	114.92	99.23	598.32
Capillary Technologies Europe Ltd	Other receivables from related parties	-	217.84	-	-	-
Capillary Technologies LLC, USA	Other receivables from related parties	25.93	0.52	-	30.90	-
Capillary Brierley Inc, USA	Other receivables from related parties	8.07	6.50	8.78	7.79	-
PT Capillary Technologies Indonesia, Indonesia	Other receivables from related parties	29.03	10.26	10.64	15.36	22.76



35 Related party disclosures (cont'd)

d) Balances eliminated as at the period/year end (cont'd)

(iv) Capillary Technologies Europe Limited

Particulars	Nature of transaction	As at	As at	As at	As at	As at
		September 30, 2025	September 30, 2024	March 31, 2025	March 31, 2024	March 31, 2023
Capillary Pte. Ltd, Singapore	Share capital	40.42	40.42	40.42	40.42	-
Capillary Technologies India Limited	Employee shared based payment reserve	12.89	9.65	12.50	5.69	-
Capillary Technologies India Limited	Trade receivables	-	-	-	14.44	-
Capillary Pte. Ltd, Singapore	Trade payables	25.93	0.52	15.59	57.06	-
Capillary Technologies India Limited	Trade payables	8.94	52.71	14.83	-	-
Capillary Technologies DMCC, UAE	Trade payables	2.00	2.24	0.20	-	-
Kognitiv Solutoins Inc.	Trade payables	1.60	0.27	-	-	-
Capillary Technologies LLC, USA	Trade payables	7.89	-	-	1.41	-
Capillary Brierley Inc.	Trade payables	0.46	63.38	0.31	27.16	-

(v) Capillary Technologies DMCC

Particulars	Nature of transaction	As at	As at	As at	As at	As at
		September 30, 2025	September 30, 2024	March 31, 2025	March 31, 2024	March 31, 2023
Capillary Pte. Ltd, Singapore	Share capital	42.63	42.63	42.63	42.63	1.01
Capillary Technologies India Limited	Employee shared based payment reserve	30.27	18.75	24.71	16.88	14.37
Capillary Pte. Ltd, Singapore	Trade payables	125.63	157.87	114.91	99.23	598.28
Capillary Technologies India Limited	Other receivables from related parties	3.26	16.25	1.28	8.27	4.08
PT Capillary Technologies Indonesia, Indonesia	Other receivables from related parties	20.12	8.49	13.95	1.39	0.72
Capillary Brierley Inc.	Other receivables from related parties	-	2.96	-	-	-
Capillary Technologies (Malaysia) Sdn Bhd, Malaysia	Other receivables from related parties	2.87	2.71	2.75	2.69	2.57
Capillary Technologies Europe Ltd	Other receivables from related parties	2.00	2.24	0.20	-	-
Capillary Technologies LLC, USA	Other receivables from related parties	7.52	3.81	0.34	1.47	8.81

(vi) PT Capillary Technologies Indonesia

Particulars	Nature of transaction	As at	As at	As at	As at	As at
		September 30, 2025	September 30, 2024	March 31, 2025	March 31, 2024	March 31, 2023
Capillary Pte. Ltd, Singapore	Share capital	1.59	1.59	1.59	1.59	1.59
Capillary Technologies India Limited	Employee shared based payment reserve	1.88	2.86	1.83	2.44	2.50
Capillary Pte. Ltd, Singapore	Trade payables	29.03	10.26	10.65	15.38	22.85
Capillary Technologies DMCC, UAE	Trade payables	20.12	8.49	13.95	1.39	0.75
Capillary Technologies India Limited	Trade payables	0.08	-	0.03	-	-

(vii) Capillary Technologies (Malaysia) Sdn. Bhd.

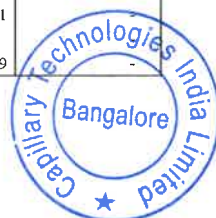
Particulars	Nature of transaction	As at	As at	As at	As at	As at
		September 30, 2025	September 30, 2024	March 31, 2025	March 31, 2024	March 31, 2023
Capillary Pte. Ltd, Singapore	Share capital	8.68	8.68	8.68	8.68	8.68
Capillary Technologies India Limited	Employee shared based payment reserve	26.16	22.93	25.12	21.75	18.58
Capillary Pte. Ltd, Singapore	Trade payables	85.62	78.78	70.15	66.72	65.95
Capillary Technologies DMCC, UAE	Trade payables	2.87	2.71	-	-	-
Capillary Technologies LLC, USA	Other receivables from related parties	1.27	-	-	-	-
Capillary Technologies India Limited	Trade payables	0.04	-	2.77	2.70	2.58

(viii) Capillary Technologies LLC, USA

Particulars	Nature of transaction	As at	As at	As at	As at	As at
		September 30, 2025	September 30, 2024	March 31, 2025	March 31, 2024	March 31, 2023
Capillary Pte. Ltd, Singapore	Share capital	2,264.63	964.17	964.17	964.17	68.21
Capillary Technologies India Limited	Employee shared based payment reserve	27.12	34.69	23.43	20.71	20.43
Capillary Pte. Ltd, Singapore	Share application money pending	-	-	-	-	656.54
Capillary Brierley Inc.	Investment in unquoted equity shares	980.68	-	980.68	981.48	-
Kognitiv Solutions Inc.	Investment in unquoted equity shares	1,438.53	-	-	-	-
Capillary Technologies Inc, USA	Investment in unquoted equity shares	0.80	-	0.80	0.82	-
Capillary Technologies India Limited	Trade payables	-	-	-	80.06	7.44
Capillary Pte. Ltd, Singapore	Trade payables	-	217.84	-	30.91	-
Capillary Technologies DMCC, UAE	Trade payables	7.52	3.81	0.34	1.47	8.81
Capillary Technologies Inc, USA	Trade payables	-	15.84	15.14	-	-
Capillary Technologies (Malaysia) Sdn Bhd, Malaysia	Trade payables	1.27	-	-	-	-
Kognitiv Solutions Inc.	Other receivables from related parties	77.77	-	-	-	-
Capillary Brierley Inc.	Other receivables from related parties	154.38	44.83	86.29	21.22	-
Capillary Pte. Ltd, Singapore	Other receivables from related parties	359.05	-	192.73	-	31.00
Capillary Technologies India Limited	Other receivables from related parties	29.00	51.44	68.49	-	-
Capillary Technologies Europe Ltd	Other receivables from related parties	1.60	0.27	-	1.41	-
Capillary Technologies Inc, USA	Other receivables from related parties	0.46	-	-	31.31	-

(ix) Capillary Brierley Inc, USA

Particulars	Nature of transaction	As at	As at	As at	As at	As at
		September 30, 2025	September 30, 2024	March 31, 2025	March 31, 2024	March 31, 2023
Capillary Technologies LLC	Share application money pending	443.53	443.53	443.53	443.53	-
Capillary Technologies India Limited	Employee shared based payment reserve	25.11	16.08	19.47	11.69	-
Capillary Technologies India Limited	Trade payables	3.34	-	-	3.28	-
Capillary Pte. Ltd, Singapore	Trade payables	8.07	6.50	8.77	7.78	-
Capillary Technologies LLC, USA	Trade payables	154.38	44.83	86.29	21.52	-
Capillary Technologies DMCC, UAE	Trade payables	-	2.96	-	-	-
Capillary Technologies Europe Ltd	Other receivables from related parties	-	0.99	0.38	27.11	-
Capillary Technologies India Limited	Other receivables from related parties	0.54	63.38	3.39	-	-
Capillary Technologies Inc, USA	Other receivables from related parties	8.95	-	13.58	7.59	-



35 Related party disclosures (cont'd)

d) Balances eliminated as at the period/year end (cont'd)

(x) Capillary Technologies (Shanghai) Co, Ltd

Particulars	Nature of transaction	As at September 30, 2025	As at September 30, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Capillary Pte. Ltd, Singapore	Share capital	510.35	510.35	510.35	510.35	510.35
Capillary Pte. Ltd, Singapore	Other receivables from related parties	-	-	-	-	16.53

(xi) Kognitiv Solutions Inc.

Particulars	Nature of transaction	As at September 30, 2025	As at September 30, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Capillary Technologies LLC, USA	Trade payables	77.77	-	-	-	-
Capillary Technologies LLC, USA	Share capital	33.80	-	-	-	-
Capillary Technologies Europe Ltd	Other receivables from related parties	7.89	-	-	-	-

* As per schedule VI paragraph 11 (1)(A)(i)(g) of ICDR regulations.

Notes:-

- The transactions with related parties are made by the Group on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and settlement occurs in
- As the liability for gratuity and leave encashment is provided on an actuarial basis for the Group as a whole, the amount pertaining to remuneration to the key managerial personnel are not ascertainable and, therefore, not disclosed above.
- Refer note 15 for borrowings with regard to securities given by the Ultimate Holding Company for the loan facility availed by the Parent Company.
- In respect of the transactions with the related parties, the Company has complied with the provisions of Section 188 and Section 177 of the Companies Act, 2013 where applicable, and the details have been disclosed above, as required by the applicable accounting standards.
- The above information has been determined to the extent such parties have been identified on the basis of information available with the Group.

36 Segment information - Disclosure pursuant to Ind AS 108 'Operating Segments'

(a) Information about reportable segments

Basis of identifying operating segments / reportable segments:

(i) Basis of identifying operating segments:

Operating segments are identified as those components of the Group (a) that engage in business activities to earn revenues and incur expenses (including transactions with any of the Group's other components); (b) whose operating results are regularly reviewed by the Group's Management Team who are Chief Operating Decision Maker (CODM) to make decisions about resource allocation and performance assessment and (c) for which discrete financial information is available. The accounting policies consistently used in the preparation of these restated consolidated financial information are also applied to record revenue and expenditure in individual segments. Assets, liabilities, revenues and direct expenses in relation to segments are categorised based on items that are individually identifiable to that segment, while other items, wherever allocable, are apportioned to the segment on an appropriate basis. Certain items are not specifically allocable to individual segments as the underlying services are used interchangeably. The Group therefore believes that it is not practical to provide segment disclosures relating to such items and accordingly such items are separately disclosed as 'unallocated'.

(ii) Reportable segments:

An operating segment is classified as reportable segment if reported revenue (including inter-segment revenue) or absolute amount of result or assets exceed 10% or more of the combined total of all the operating segments.

Two or more operating segments may be aggregated into a single operating segment if aggregation is consistent with the core principle of Ind AS 108 - 'Operating Segments' i.e. the segments have similar economic characteristics and the segments are similar in the nature of services, type or class of customer for their services etc. CODM evaluates the performance of the Group based on the single operative segment as cloud based intelligent customer engagement software solutions to retail chain operators ('CRM Services'). Therefore, there is only one reportable segment called CRM services in accordance with the requirement of Ind AS 108 'Operating Segments'.

(iii) Major Customers greater than 10% of total revenue:

Revenue from one customer for September 30, 2025, September 30, 2024, March 31, 2025, and March 31, 2023 each that individually accounted for more than 10% of the total revenue. No customer for March 31, 2024 individually accounted for more than 10% of the total revenue.

(b) Geographical information

(i) Revenue¹

	For the six-month period ended September 30, 2025	For the six-month period ended September 30, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
United States of America	2,329.99	1,831.07	3,415.30	2,687.96	499.54
United Kingdom	536.37	426.71	917.23	679.12	-
Others	725.82	613.99	1,650.06	1,883.92	2,054.18
Revenue from continuing operations	3,592.18	2,871.77	5,982.59	5,251.00	2,553.72
Revenue from discontinued operations	-	248.82	332.83	651.45	673.10
Total revenue	3,592.18	3,120.59	6,315.42	5,902.45	3,226.82

¹Revenue by geographical area are based on the geographical location of the customer

(ii) Non-current assets²

	For the six-month period ended September 30, 2025	For the six-month period ended September 30, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
United States of America	4,411.94	3,119.64	3,009.83	2,307.08	1,913.16
United Kingdom	178.04	8.61	169.57	216.77	-
Others	736.23	615.89	683.33	1,340.46	1,086.49
Total assets	5,326.21	3,744.14	3,862.73	3,864.31	2,999.65

²Non-current assets exclude financial instruments (other than investments accounted for using the equity method), income-tax assets, deferred tax assets and employee benefit assets. There were no non-current assets for the discontinued operations.

Also refer note 42

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37 Financial instruments

This section gives an overview of the significance of financial instruments for the Group and provides additional information on Restated Consolidated Balance Sheet items that contain financial instruments. The details of material 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, financial liability and equity instrument are disclosed in note 3.12.

(a) Financial assets and liabilities

The management assessed that cash and bank balances, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Non-current financial assets and liabilities are discounted using an appropriate discounting rate where the time value of money is material. There are financial instruments which are measured at fair value through profit and loss as at September 30, 2025, September 30, 2024, March 31, 2025, March 31, 2024 and March 31, 2023.

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at September 30, 2025, September 30, 2024, March 31, 2025, March 31, 2024 and March 31, 2023:

As at September 30, 2025	Amortised cost	Fair value through OCI	Fair value through profit or loss	Total	Fair value		
					Level 1	Level 2	Level 3
Financial assets							
Financial assets							
(i) Investments	-	103.52	249.09	352.61	249.09	-	103.52
(ii) Trade receivables*	1,851.01	-	-	1,851.01	-	-	-
(iii) Cash and cash equivalents*	603.49	-	-	603.49	-	-	-
(iv) Loans*	-	-	-	-	-	-	-
(v) Other financial assets*	328.33	-	-	328.33	-	-	-
Total	2,782.83	103.52	249.09	3,135.44	249.09	-	103.52
Financial liabilities							
(i) Borrowings*	889.38	-	-	889.38	-	-	-
(ii) Trade payables*	724.05	-	-	724.05	-	-	-
(iii) Lease liabilities*	112.22	-	-	112.22	-	-	-
(iv) Other financial liabilities*	107.08	-	-	107.08	-	-	-
Total	1,832.73	-	-	1,832.73	-	-	-
As at September 30, 2024							
	Amortised cost	Fair value through OCI	Fair value through profit or loss	Total	Fair value		
					Level 1	Level 2	Level 3
Financial assets							
Financial assets							
(i) Investments	-	-	1,301.01	1,301.01	1,301.01	-	-
(ii) Trade receivables*	1,595.97	-	-	1,595.97	-	-	-
(iii) Cash and cash equivalents*	194.01	-	-	194.01	-	-	-
(iv) Loans*	400.10	-	-	400.10	-	-	-
(v) Other financial assets*	170.33	-	-	170.33	-	-	-
Total	2,360.41	-	1,301.01	3,661.42	1,301.01	-	-
Financial liabilities							
(i) Borrowings*	460.26	-	-	460.26	-	-	-
(ii) Trade payables*	719.71	-	-	719.71	-	-	-
(iii) Lease liabilities*	31.36	-	-	31.36	-	-	-
(iv) Other financial liabilities*	139.48	-	-	139.48	-	-	-
Total	1,350.81	-	-	1,350.81	-	-	-
As at March 31, 2025							
	Amortised cost	Fair value through OCI	Fair value through profit or loss	Total	Fair value		
					Level 1	Level 2	Level 3
Financial assets							
(i) Investments	-	-	-	-	-	-	-
(ii) Trade receivables*	1,611.21	-	-	1,611.21	-	-	-
(iii) Cash and cash equivalents*	2,140.71	-	-	2,140.71	-	-	-
(iv) Loans*	-	-	-	-	-	-	-
(v) Other financial assets*	290.02	-	-	290.02	-	-	-
Total	4,041.94	-	-	4,041.94	-	-	-
Financial liabilities							
(i) Borrowings*	1,000.94	-	-	1,000.94	-	-	-
(ii) Trade payables*	505.75	-	-	505.75	-	-	-
(iii) Lease liabilities*	63.32	-	-	63.32	-	-	-
(iv) Other financial liabilities*	145.39	-	-	145.39	-	-	-
Total	1,715.40	-	-	1,715.40	-	-	-
As at March 31, 2024							
	Amortised cost	Fair value through OCI	Fair value through profit or loss	Total	Fair value		
					Level 1	Level 2	Level 3
Financial assets							
(i) Investments	-	-	699.25	699.25	699.25	-	-
(ii) Trade receivables*	1,456.51	-	-	1,456.51	-	-	-
(iii) Cash and cash equivalents*	1,806.68	-	-	1,806.68	-	-	-
(iv) Loans*	399.99	-	-	399.99	-	-	-
(v) Other financial assets*	172.49	-	-	172.49	-	-	-
Total	3,835.67	-	699.25	4,534.92	699.25	-	-
Financial liabilities							
(i) Borrowings*	771.66	-	-	771.66	-	-	-
(ii) Trade payables*	728.26	-	-	728.26	-	-	-
(iii) Lease liabilities*	31.43	-	-	31.43	-	-	-
(iv) Other financial liabilities*	223.36	-	-	223.36	-	-	-
Total	1,754.71	-	-	1,754.71	-	-	-
As at March 31, 2023							
	Amortised cost	Fair value through OCI	Fair value through profit or loss	Total	Fair value		
					Level 1	Level 2	Level 3
Financial assets							
(i) Investments	-	-	-	-	-	-	-
(ii) Trade receivables*	801.11	-	-	801.11	-	-	-
(iii) Cash and cash equivalents*	462.00	-	-	462.00	-	-	-
(iv) Loans*	-	-	-	-	-	-	-
(v) Other financial assets*	274.76	-	-	274.76	-	-	-
Total	1,537.87	-	-	1,537.87	-	-	-
Financial liabilities							
(i) Borrowings*	1,474.71	-	-	1,474.71	-	-	-
(ii) Trade payables*	588.57	-	-	588.57	-	-	-
(iii) Lease liabilities*	20.04	-	-	20.04	-	-	-
(iv) Other financial liabilities*	148.79	-	-	148.79	-	-	-
Total	2,232.11	-	-	2,232.11	-	-	-

* The carrying amount of the Company's financial assets and financial liabilities are reasonable approximation of their fair value and hence the Company has not disclosed the fair values



37 Financial instruments (cont'd)

(b) Fair value hierarchy

Quoted prices in an active market (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares and mutual fund investments.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities, measured using inputs 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).

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that 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) Short-term financial assets and liabilities are stated at carrying value which is approximately equal to their fair value.

(ii) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Group could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

(iii) There have been no transfers between Level 1, Level 2 and Level 3 for the year ended September 30, 2025, September 30, 2024, March 31, 2025, March 31, 2024 and March 31, 2023.

(c) Financial risk management objectives and policies

The Group's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade receivables, other financial assets and cash and bank balances derived from its operations.

In the course of its business, the Group is exposed primarily to fluctuations in foreign currency exchange rates, interest rates, liquidity and credit risk, which may adversely impact the fair value of its financial instruments. The Group has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management policy is approved by the Board of Directors. The risk management framework aims to:

- (i) create a stable business planning environment by reducing the impact of currency and interest rate fluctuations on the Group's business plan.
- (ii) achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

Market risk

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchange rates, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

(1) Market risk- 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 Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates. Thus profits and cash flows from financing activities are dependent on market interest rates. Further, any decline in the credit rating of the Group will have an adverse impact on the interest rates.

The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group is as follows:

Particulars	September 30, 2025	September 30, 2024	March 31, 2025	March 31, 2024	March 31, 2023
Fixed rate instruments:					
Financial liabilities	13.93	191.26	13.54	366.38	935.63
Variable rate instruments:					
Financial liabilities	875.45	269.00	987.4	405.28	539.08

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on the portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/decrease in basis points	For the six-month period ended September 30, 2025	For the six-month period ended September 30, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest rate fluctuation	+50	(4.38)	(1.35)	(4.94)	(2.03)	(2.70)
Interest rate fluctuation	-50	4.38	1.35	4.94	2.03	2.70

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37 Financial instruments (cont'd)

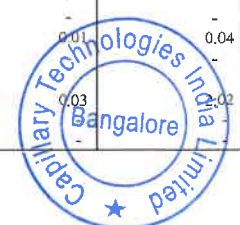
(2) Market risk- Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating and financing activities. The Group's exposure to foreign currency changes from operating activities is not material.

The following table shows foreign currency exposure at the end of reporting period:

Particulars	September 30, 2025		September 30, 2024	
	Amount in foreign currency	Amount in ₹	Amount in foreign currency	Amount in ₹
Trade receivables				
USD	5.16	458.03	9.44	790.92
MYR	-	-	0.07	1.37
SGD	-	-	0.34	22.02
THB	-	-	-	0.24
EUR	0.28	29.41	-	-
GBP	0.02	2.88	1.81	203.15
IDR	3,710.00	19.77	1,593.59	8.81
AED	0.20	4.83	1.13	25.70
AUD	0.09	5.02	-	-
CAD	0.01	0.43	-	-
NZD	0.11	5.77	-	-
Cash and cash equivalents				
USD	1.62	143.88	1.41	118.47
SGD	-	-	0.14	8.88
GBP	0.14	17.28	0.48	54.02
IDR	-	-	1,494.56	7.82
MYR	-	-	0.02	0.09
AED	-	-	0.15	3.33
CNY	-	-	0.04	0.48
AUD	0.31	18.27	-	-
Security deposits				
SGD	-	-	0.01	0.61
USD	-	-	0.02	1.87
GBP	-	-	0.02	1.85
MYR	-	-	0.03	0.55
IDR	-	-	22.76	0.12
AED	-	-	0.01	0.31
Borrowings				
USD	-	-	0.16	13.39
Trade payables				
USD	2.25	199.55	1.60	133.84
SGD	-	-	1.32	86.14
PHP	0.01	0.01	-	-
AED	-	-	0.73	16.58
GBP	-	-	0.39	43.31
JPY	17.80	10.64	-	-
EUR	0.02	1.72	-	-
Other current financial liabilities				
SGD	-	-	0.18	11.59
USD	-	-	0.78	65.19
GBP	-	-	0.19	20.80
AED	-	-	0.22	4.93
MYR	-	-	0.16	3.18
IDR	-	-	772.58	4.27

Particulars	March 31, 2025		March 31, 2024		March 31, 2023	
	Amount in foreign currency	Amount in ₹	Amount in foreign currency	Amount in ₹	Amount in foreign currency	Amount in ₹
Trade receivables						
USD	5.16	441.05	22.98	1,913.02	0.60	45.88
HKD	-	-	-	-	0.22	2.27
MYR	0.01	0.14	0.01	0.22	0.08	0.37
SGD	-	-	0.25	13.60	0.34	21.27
THB	-	-	0.10	0.24	11.63	19.13
GBP	-	-	1.26	132.50	-	-
EUR	0.36	32.89	0.15	13.49	-	-
Other receivables from related parties						
USD	-	-	-	-	2.12	174.12
Cash and cash equivalents						
USD	15.74	1,345.02	12.17	1,014.42	0.00	0.26
SGD	-	-	0.01	0.64	0.03	1.74
GBP	-	-	0.61	64.69	-	-
Security deposits						
SGD	-	-	0.01	0.59	0.02	1.36
USD	-	-	0.02	1.92	-	-
GBP	-	-	0.22	22.92	-	-
Borrowings						
USD	-	-	0.17	13.90	2.18	179.22
Trade payables						
USD	0.84	71.68	2.42	201.96	7.18	589.91
SGD	-	-	1.19	73.49	1.64	246.41
BDT	-	-	0.00	0.00	-	-
GBP	-	-	0.71	75.16	-	-
MYR	-	-	-	-	0.01	0.15
EUR	0.10	9.33	-	-	-	-
CAD	0.01	0.31	-	-	-	-
JPY	6.14	3.50	-	-	-	-
PHP	0.01	0.01	-	-	-	-
THB	-	-	-	-	0.01	0.04
AUD	-	-	0.00	0.20	-	-
Other current financial liabilities						
SGD	-	-	0.50	30.67	0.03	2.02
USD	-	-	9.97	830.72	-	-
GBP	-	-	0.42	44.40	-	-



37 Financial instruments (cont'd)

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in respective foreign currency exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Group's exposure to foreign currency changes for all other currencies is not material.

Particulars	Change in currency	Effect on profit or loss before tax	
		Strengthening	Weakening
September 30, 2025			
USD	5%	20.12	(20.12)
EUR	5%	1.38	(1.38)
GBP	5%	1.01	(1.01)
AED	5%	0.24	(0.24)
IDR	5%	0.99	(0.99)
AUD	5%	1.16	(1.16)
JPY	5%	(0.53)	0.53
CAD	5%	0.02	(0.02)
PHP	5%	(0.00)	0.00
NZD	5%	0.29	(0.29)
September 30, 2024			
USD	5%	34.94	(34.94)
SGD	5%	(3.31)	3.31
MYR	5%	(0.06)	0.06
THB	5%	0.01	(0.01)
EUR	5%	-	-
GBP	5%	9.75	(9.75)
AUD	5%	-	-
IDR	5%	0.62	(0.62)
AED	5%	0.39	(0.39)
March 31, 2025			
USD	5%	85.72	(85.72)
MYR	5%	0.01	(0.01)
EUR	5%	1.18	(1.18)
CAD	5%	(0.02)	0.02
JPY	5%	(0.17)	0.17
PHP	5%	(0.00)	0.00
March 31, 2024			
USD	5%	94.04	(94.04)
SGD	5%	(4.47)	4.47
MYR	5%	0.01	(0.01)
THB	5%	0.01	(0.01)
EUR	5%	0.67	(0.67)
GBP	5%	5.03	(5.03)
AUD	5%	(0.01)	0.01
March 31, 2023			
USD	5%	(27.44)	27.44
SGD	5%	(2.50)	2.50
MYR	5%	0.01	(0.01)
THB	5%	0.95	(0.95)
HKD	5%	0.11	(0.11)
EUR	5%	0.04	(0.04)

The sensitivity analysis has been based on the composition of the Group's financial assets and liabilities at September 30, 2025, September 30, 2024, March 31, 2025, March 31, 2024 and March 31, 2023. The period/year end balances are not necessarily representative of the average debt outstanding during the period/year.

(ii) Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹ 1,770.35 million, ₹ 1,595.97 million, ₹ 1,611.21 million, ₹ 1,456.51 million and ₹ 801.11 million as at September 30, 2025, September 30, 2024, March 31, 2025, March 31, 2024 and March 31, 2023 respectively. Trade receivable includes both secured and unsecured receivables and are derived from revenue earned from domestic and overseas customers. Credit risk has always been managed by the Group through taking security deposits and bank guarantees from customers, credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Group grants credit terms in the normal course of business. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime expected credit losses at each reporting date, right from initial recognition. The company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix takes into account, available external and internal credit risk factors and the Company's historical experience with customers. An impairment analysis is performed at each reporting date on an individual basis based on historical data of credit losses. Credit risk on cash and cash equivalents including other bank balances, investment in mutual funds and debt securities is limited as the Company generally invest in deposits with banks, financial institutions and counterparties with high credit ratings assigned by international and domestic credit rating agencies.

For ageing analysis of the trade receivables, refer note 9.

Credit risk from balances with bank and financial institutions and in respect to loans and security deposits is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Credit risk on liquid funds and Inter Corporate deposits is limited because the counterparties are banks and companies with high credit-ratings assigned by credit-rating agencies.

Credit risk exposure

The allowance for lifetime expected credit loss on customer balances amounts to ₹ 137.57 million, ₹ 135.76 million, ₹ 128.28 million, ₹ 53.33 million and ₹ 10.53 million as at year ended September 30, 2025, September 30, 2024, March 31, 2025, March 31, 2024 and March 31, 2023 respectively.

(d) Liquidity risk

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group has obtained fund based working capital limits from a bank. The Group invests its surplus funds in bank fixed deposit, which carry no or low market risk. The Group monitors its risk of shortage of funds on a regular basis. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, etc. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be medium.



37 Financial instruments (cont'd)

(d) Liquidity risk (cont'd)

The following table shows a maturity analysis of the anticipated cash flows excluding interest obligations for the Group's financial liabilities on an undiscounted basis, which may differ from both carrying value and fair value.

Particulars	Contractual Cash Flows		Carrying Amount	
	As at September 30, 2025	As at September 30, 2024	As at September 30, 2025	As at September 30, 2024
Less than 1 year				
Borrowings (refer note 1)	876.07	447.70	876.07	447.70
Lease liabilities	59.08	30.59	50.54	28.63
Trade payables	724.05	719.71	724.05	719.71
Other financial liabilities	107.08	139.48	107.08	139.48
	1,766.28	1,337.48	1,757.74	1,335.52
Between 1 to 5 years				
Borrowings (refer note 1)	3.00	-	3.00	-
Lease liabilities	64.23	2.21	61.68	2.73
Trade payables	-	13.58	-	13.58
Other financial liabilities	-	-	-	-
	67.23	15.79	64.68	16.31
More than 5 years				
Borrowings (refer note 1 below)	10.31	12.56	10.31	12.56
Lease liabilities	-	-	-	-
Trade payables	-	-	-	-
Other financial liabilities	-	-	-	-
	10.31	12.56	10.31	12.56
Total	1,843.82	1,365.83	1,832.73	1,364.39

Particulars	Contractual Cash Flows			Carrying Amount		
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Less than 1 year						
Borrowings (refer note 1)	987.40	735.33	1,026.10	988.12	729.97	1,042.65
Lease liabilities	34.63	23.33	19.14	30.78	23.42	17.94
Trade payables	503.30	728.26	588.57	503.30	728.26	588.57
Other financial liabilities	145.39	204.83	130.26	145.39	204.83	130.26
	1,670.72	1,691.75	1,764.07	1,667.59	1,686.48	1,779.42
Between 1 to 5 years						
Borrowings (refer note 1)	3.00	32.84	417.81	3.00	33.58	424.73
Lease liabilities	35.19	10.11	2.10	32.54	8.01	2.10
Trade payables	2.45	-	-	2.45	-	-
Other financial liabilities	-	18.53	18.53	-	18.53	18.53
	40.64	61.48	438.44	37.99	60.12	445.36
More than 5 years						
Borrowings (refer note 1 below)	9.82	8.11	8.02	9.82	8.11	7.33
Lease liabilities	-	-	-	-	-	-
Trade payables	-	-	-	-	-	-
Other financial liabilities	-	-	-	-	-	-
	9.82	8.11	8.02	9.82	8.11	7.33
Total	1,721.18	1,761.34	2,210.53	1,715.40	1,754.71	2,232.11

Notes:

1. The above disclosure excludes interest to be paid on the borrowings, by the Group.

38 Capital management

The Group's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Group.

The Group determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through equity, cash generated from operations, long-term and short-term borrowings and support from the Ultimate Holding Company.

For the purpose of the Group's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity share holders of the Group.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors debt equity ratio, which is Net debt i.e. total debts less funds divided by total equity. The Group's policy is to keep the gearing ratio at an optimum level to ensure that the debt related covenants are complied with.

Particulars	As at	As at	As at	As at	As at
	September 30, 2025	September 30, 2024	March 31, 2025	March 31, 2024	March 31, 2023
Share capital	146.65	146.46	146.65	146.46	105.79
Other Equity	5,815.33	5,233.30	5,535.82	5,243.06	1,759.90
Equity (A)	5,961.98	5,379.76	5,682.47	5,389.52	1,865.69
Cash and cash equivalents	603.49	194.01	2,140.71	1,806.68	462.00
Current investments	249.09	1,301.01	-	699.25	-
Total Fund (B)	852.58	1,495.02	2,140.71	2,505.93	462.00
Lease liabilities (F)	112.22	31.36	63.32	31.43	20.04
Borrowings	889.38	460.26	1,000.94	771.66	1,474.71
Total debts (C)	1,001.60	491.62	1,064.26	803.09	1,494.75
Net Debt (D=(C-B))	149.02	(1,003.40)	(1,076.45)	(1,702.84)	1,032.75
Total capital (equity + net debt)	6,111.00	4,376.36	4,606.02	3,686.68	2,898.44
Net debt to equity ratio (E=D/A)	*	*	*	*	0.55
Net debt (excluding lease liabilities) (G=(D-F))	36.80	(1,034.76)	(1,139.77)	(1,734.27)	1,012.71
Net debt to equity ratio (excluding lease liabilities) (H=G/A)	*	*	*	*	0.54

* Net debt is negative and hence not applicable.

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings.

During the period ended September 30, 2025, September 30, 2024 and year ended March 31, 2025, March 31, 2024 and March 31, 2023, the Group had repaid certain borrowings with the amount of funds generated during the period/year raised during the previous year in order to de-leverage the balance sheet. Further, owing to right issues by the parent company and certain advances received from the customer in a subsidiary at the end of March 2024, the Cash and cash equivalents have increased considerably, leading to Gearing ratio being in the negative. No changes were made in the objectives, policies or processes for managing capital during the period ended September 30, 2025, September 30, 2024, year ended March 31, 2025, March 31, 2024 and March 31, 2023.



39 Business Combinations

(a) Acquisitions during the period ended September 30, 2025

On March 31, 2025, Capillary Technologies LLC, a subsidiary of Capillary Pte. Ltd. (which is wholly owned by the Parent Company), entered into a Sale and Purchase Agreement with Loyalty Solutions Holdings US Inc. (LSI) to acquire 100% equity interest in Kognitiv Solutions Inc., a company incorporated in Ontario, Canada which is a wholly owned subsidiary of LSI and to purchase the rights, title and interest of the Intellectual property.

As part of the transaction, Capillary Technologies LLC also entered into a separate Asset Purchase Agreement with Kognitiv US LLC (another wholly owned subsidiary of LSI) to acquire customer contracts, customer relationships, and associated receivables. These agreements jointly constitute a business combination in accordance with the principles of Ind AS 103 w.e.f. May 1, 2025 for a consideration of Canadian dollar 23.44 million (net of net working capital amounting to Canadian dollar 0.56 million). This strategic acquisition is expected to enhance the Company's loyalty business operations in the United States and establish a presence in the Canada location.

Assets acquired

The fair value of identifiable assets and liabilities of the group i.e. Kognitiv Solutions Inc are shown below:

	Balance recognised on acquisition
Assets and liabilities	
Net liability acquired*	(24.90)
Identified intangible assets acquired	
- Customer relationship	390.37
- Intellectual property rights	172.43
Goodwill	909.53
Purchase consideration	1,447.43
*Represents net liabilities after offsetting trade receivables and prepaid expenses against trade payables and other liabilities.	
Purchase consideration	
Consideration paid in cash	1,440.09
Consideration paid for settlement of debt and debt like items	7.34
	1,447.43

All other disclosures as required under Ind AS 103 are as follows -

- (i) No contingent liabilities have been recognised.
- (ii) There are no such transactions that are recognized separately from the acquisition of assets and assumption of liabilities in the business combination.

The excess of the purchase consideration paid over the fair value of assets acquired has been attributed to goodwill. The primary items that generated this goodwill are the value of the acquired assembled workforce and estimated synergies, neither of which qualify as an intangible asset.

Transaction costs that the Company incurs in connection with a business combination such as legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred. The transaction costs of ₹17.29 million related to the acquisition have been included under Professional and consultancy expenses in the Consolidated Statement of Profit and loss for the period ended September 30, 2025.

(b) Asset purchase during the year ending March 31, 2024

The Asset Purchase Agreement (Global APA) was signed between Tenergy LLC (Seller) and Capillary Pte. Ltd ("CPL") on May 4, 2023, for the sale of certain identified assets to CPL. On the closing date, i.e., June 1, 2023, the identified asset purchase was completed. The global APA also provided for affiliates of Tenergy to sell certain identified assets to CPL and its affiliates.

With the understanding set out in the Global APA, Capillary Technologies India Limited (Parent company of Capillary Pte. Ltd) and Tenergy India Private Limited (wholly owned subsidiary of Tenergy LLC, USA) entered into an agreement on June 1, 2023 (Closing date) for purchase from the Seller, the identified Assets on an itemized sale basis. The total purchase consideration was USD 3.36 million.

Assets acquired

The fair value of identifiable assets and liabilities purchased from Tenergy group are shown below:

	Balance recognised on acquisition
Assets and liabilities	
Net intangible assets acquired	257.31
Purchase consideration	257.31
Purchase consideration	
Consideration paid in cash	257.31
	257.31

(c) Acquisitions during the year ended March 31, 2023

On March 31, 2023, Capillary Technologies LLC (subsidiary of Capillary Pte. Ltd, wholly owned subsidiary of the Parent Company) executed a Stock Purchase Agreement with Nomura Research Institute Holdings America, Inc. and Brierley & Partners, Inc. for acquisition of 100% membership interest and shareholding of Capillary Brierley Inc. (formerly known as Brierley & Partners, Inc.) w.e.f. April 1, 2023. Brierley & Partners, Inc. was the holder of all the issued and outstanding equity interests of Brierley Europe Limited. On March 31, 2023, Capillary Pte. Ltd executed a Share Purchase Agreement with Brierley & Partner, Inc. for acquisition of 100% membership interest and shareholding of Capillary Technologies Europe Limited (formerly known as Brierley Europe Limited) w.e.f. April 1, 2023. The total purchase consideration was USD 10.06 million.

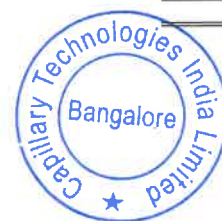
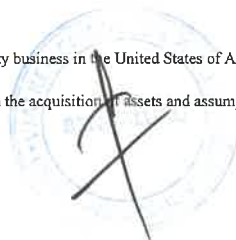
Assets acquired

The fair value of identifiable assets and liabilities of the group i.e. Capillary Brierley Inc. (formerly known as Brierley & Partners, Inc.) and Capillary Technologies Europe Limited (formerly Brierley Europe Limited) are shown below:

	Balance recognised on acquisition
Assets and liabilities	
Net assets acquired including property, plant and equipment	289.15
Identified intangible assets acquired	479.38
Deferred tax liability on identified intangibles on purchase consideration	(101.72)
Goodwill	159.49
Purchase consideration	826.30
Purchase consideration	
Consideration paid in cash	472.44
Consideration paid for settlement of debt and debt like items	353.86
	826.30

All other disclosures as required under Ind AS 103 are as follows -

- (i) The primary reason for the acquisition is the enhancement of Loyalty business in the United States of America (USA) and United Kingdom (UK.)
- (ii) No contingent liabilities have been recognised.
- (iii) There are no such transactions that are recognized separately from the acquisition of assets and assumption of liabilities in the business combination.
- (iv) The above business combination is not achieved in stages.
- (v) Goodwill is not tax deductible.



Name of the entity in the Group	Country of incorporation	Relationship as at September 30, 2025	% of effective ownership interest		Net assets, i.e., total assets minus total liabilities				Share in total comprehensive income			
			September 30, 2025	September 30, 2024	September 30, 2025		September 30, 2024		September 30, 2025		September 30, 2024	
					As % of consolidated net assets*	₹ in millions	As % of consolidated net assets*	₹ in millions	As % of comprehensive income*	₹ in millions	As % of comprehensive income*	₹ in millions
Parent Company Capillary Technologies India Limited	India	Parent Company	79.38%	4,732.56	86.00%	4,674.82	(39.64%)	(81.95)	57.67%	(40.28)		
Foreign Subsidiaries												
Capillary Pte. Ltd	Singapore	Subsidiary	100%	4,278.46	55.16%	2,967.27	4.09%	8.45	(20.53%)	14.34		
Capillary Technologies DMCC	UAE	Step-down subsidiary	100%	(78.50)	(1.78%)	(96.00)	2.70%	5.57	(5.52%)	3.85		
Capillary Technologies Shanghai Co. Ltd	China	Step-down subsidiary	100%	0.43	0.01%	0.48	0.00%	-	0.93%	(0.65)		
Capillary Technologies (Malaysia) Sdn Bhd ***	Malaysia	Step-down subsidiary	100%	(82.17)	(1.55%)	(83.24)	0.14%	0.28	(0.27%)	0.19		
PT Capillary Technologies Indonesia ***	Indonesia	Step-down subsidiary	100%	(46.67)	(0.90%)	(48.49)	0.18%	0.36	(0.91%)	0.64		
Capillary Technologies LLC (formerly known as 'Persuade Loyalty LLC')	USA	Step-down subsidiary	100%	4,090.81	43.73%	2,352.32	74.57%	154.17	(324.81%)	226.87		
Capillary Technologies Europe Limited (formerly known as United Kingdom Brierley Europe Limited) v.e.f. April 1, 2023	United Kingdom	Step-down subsidiary	100%	114.69	1.46%	78.28	6.44%	13.32	(18.33%)	12.80		
Capillary Brierley Inc. (formerly known as Brierley & Partners, USA Inc) v.e.f. April 1, 2023	USA	Step-down subsidiary	100%	256.57	9.21%	495.27	8.12%	16.79	210.98%	(147.36)		
Capillary Technologies Inc. v.e.f. June 1, 2023	USA	Step-down subsidiary	100%	20.66	0.57%	30.90	2.26%	4.67	(25.31%)	17.68		
Cognivity Solutions Inc. v.e.f. May 1, 2025	Canada	Step-down subsidiary	100%	(24.27)	-	-	5.14%	10.62	-	-		
Sub Total			222.45%	13,262.57	192.79%	10,371.61	63.98%	132.28	(126.11%)	88.08		
Consolidation adjustments/ eliminations**			(122.45%)	(7,300.59)	(92.79%)	(4,991.85)	36.02%	74.47	226.11%	(157.93)		
Total			100.00%	5,961.98	100.00%	5,379.76	100.00%	206.75	100.00%	(69.85)		

Name of the entity in the Group	Country of incorporation	Relationship as at March 31, 2025	% of effective ownership interest held (directly & indirectly) and voting rights		Net assets, i.e., total assets minus total liabilities				Share in total comprehensive income						
			March 31, 2025	March 31, 2024	March 31, 2025		March 31, 2024		March 31, 2025		March 31, 2024				
					As % of consolidated net assets*	₹ in millions	As % of consolidated net assets*	₹ in millions	As % of comprehensive income*	₹ in millions	As % of comprehensive income*	₹ in millions	As % of comprehensive income*		
Parent Company Capillary Technologies India Limited	India	Parent Company	84.07%	4,777.19	86.36%	4,654.53	109.90%	2,050.35	15.31%	30.82	98.77%	(527.40)	112.06%	(905.56)	
Foreign Subsidiaries															
Capillary Pte. Ltd	Singapore	Subsidiary	100%	74.96%	4,259.65	54.87%	2,957.01	136.44%	2,545.64	12.94%	26.05	(5.57%)	29.76	(224.13)	
Capillary Technologies DMCC	UAE	Step-down subsidiary	100%	(1,529)	(86.60)	(101.23)	(35.29%)	(638.48)	4.61%	9.29	(3.64%)	19.46	4.81%	(38.85)	
Capillary Technologies Shanghai Co. Ltd	China	Step-down subsidiary	100%	0.01%	0.43	0.02%	1.15	0.20%	5.38	(0.35%)	1.65%	(8.79)	1.62%	(13.10)	
Capillary Technologies (Malaysia) Sdn Bhd	Malaysia	Step-down subsidiary	100%	(1,359)	(76.48)	(1,379)	(73.82)	(4,369)	(81.33)	0.16%	0.32	(0.68%)	3.65	0.21%	(1.72)
PT Capillary Technologies Indonesia	Indonesia	Step-down subsidiary	100%	(8,094)	(45.40)	(47.17)	(2.04%)	(49.32)	(6.67%)	1.34	(0.28%)	1.49	(0.03%)	0.25	
Capillary Technologies LLC (formerly known as 'Persuade Loyalty LLC')	USA	Step-down subsidiary	100%	45.27%	2,572.40	39.06%	2,105.05	39.87%	743.82	214.03%	430.84	(37.30%)	199.15	3.59%	(29.02)
Persuade Holdings Inc (formerly known as Persuade Holdings USA LLC) up to June 2, 2023	USA	Step-down subsidiary	NA	NA	NA	NA	0.00%	0.02	NA	NA	0.00%	-	0.00%	-	
Capillary Technologies Europe Limited (formerly known as United Kingdom Brierley Europe Limited) v.e.f. April 1, 2023	United Kingdom	Step-down subsidiary	100%	1.64%	93.11	2.77%	149.35	NA	NA	12.85%	25.86	3.49%	(18.65)	NA	NA
Capillary Brierley Inc. (formerly known as Brierley & Partners, USA Inc) v.e.f. April 1, 2023	USA	Step-down subsidiary	100%	3.96%	225.02	5.30%	285.90	NA	NA	(82.68%)	(166.43)	15.11%	(80.66)	NA	NA
Capillary Technologies Inc. v.e.f. June 1, 2023	USA	Step-down subsidiary	100%	0.27%	15.29	0.24%	13.13	NA	NA	0.90%	1.81	(4.13%)	22.07	NA	NA
Sub Total			206.51%	11,734.61	184.50%	9,943.90	244.20%	4,556.08	178.43%	359.19	67.41%	(359.92)	149.99%	(1,212.13)	
Consolidation adjustments/ eliminations**			(106.51%)	(6,052.14)	(84.50%)	(4,551.33)	(144.20%)	(2,690.39)	(78.43%)	(157.89)	32.59%	(174.04)	(49.99%)	404.01	
Total			100.00%	5,682.47	100.00%	5,392.57	100.00%	1,865.69	100.00%	201.30	100.00%	(533.96)	100.00%	(808.12)	

* The figures have been considered from the respective standalone financial statements.

** Consolidation adjustments/eliminations include intercompany eliminations and consolidation adjustments.

*** For the six months period ended September 30, 2024, for the purpose of preparation of the restated consolidated financial information, management had considered unaudited financial information in case of Capillary Technologies (Malaysia) Sdn Bhd and PT Capillary Technologies Indonesia. However, the said entities were subsequently audited on which audit opinions dated October 17, 2025 were issued for the six months period ended September 30, 2024. There are no material differences between audited and unaudited financial information considered in preparation of these restated consolidated financial information for the above mentioned period in case of such entities.



Capillary Technologies India Limited (formerly known as Capillary Technologies India Private Limited)
Annexure VI - Notes to the Restated Consolidated Financial Information
(All amounts in Indian Rupees (₹) millions, unless otherwise stated)

41 Exceptional items

As on March 31, 2023, the Acquired Enterprises i.e. Capillary Technologies LLC (formerly known as Persuade Loyalty LLC) did not achieve the earn out condition mentioned in the Acquisition Agreement and hence the contingent consideration was no longer payable. The Management of the Parent Company, vide a Waiver and Consent Letter granted an agreed USD 0.83 million fully vested options of the Ultimate Holding Company and a cash payout of USD 0.38 million as a final settlement with the erstwhile shareholders and the investors of the Acquired Enterprises. The balance cash payout of USD 2.12 million (₹ 113.82 million) which was no longer payable had been written back to the Restated Consolidated Statement of Profit and Loss as "Exceptional items".

42 Discontinued Operations

(i) The Parent Company vide its Board resolution dated January 27, 2025, decided to discontinue its operations in the Anywhere Commerce Platform ('ACP') effective from October 1, 2024. The ACP business of the Group comprised of operations and cashflow that was clearly distinguished from the operations of the rest of the Group. Accordingly, the Group has derecognised the net carrying value of assets of ₹ 6.49 million to the Restated Consolidated Statement of Profit and Loss for the year ended March 31, 2025.

Accordingly, the discontinued operations has been accounted for in accordance with the stipulations of Ind AS 105 - Non-current assets held for sale and discontinued operations. The comparative periods have also been adjusted in line with the requirements of the standard.

The (Loss)/Profit from the Discontinued Operations for the years are as mentioned below:

	For the six-month period ended September 30, 2025	For the six-month period ended September 30, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
I. Revenue from operations	-	62.78	62.78	259.54	354.78
II. Other income	-	-	-	-	-
III. Total income (I+II)	-	62.78	62.78	259.54	354.78
IV. Total expenses	-	72.25	72.25	251.81	396.25
V. (Loss)/ profit before tax (III-IV)	-	(9.47)	(9.47)	7.73	(41.47)
VI. Tax expense (net) from discontinued operations	-	-	-	1.62	-
VII. (Loss)/ profit for the period/year from discontinued operations (V-VI)	-	(9.47)	(9.47)	6.11	(41.47)
Net cashflow attributable to the discontinued operations is as follows:					
Cashflow from Operating activities	-	1.20	1.20	52.82	77.44
Cashflow from Investing activities	-	-	-	-	-
Cashflow from Financing activities	-	-	-	-	-
Net increase in cash and cash equivalents	-	1.20	1.20	52.82	77.44

(ii) The Parent Company vide its Board resolution dated March 12, 2025, decided to discontinue its operations in the Digital business effective from March 31, 2025. The e-commerce business of the Group comprised of operations and cashflow that was clearly distinguished from the operations of the rest of the Group. The business did not have any assets which were not recoverable and accordingly, no amount was derecognised to the Restated Consolidated Statement of Profit and Loss for the year ended March 31, 2025.

Accordingly, the discontinued operations has been accounted for in accordance with the stipulations of Ind AS 105 - Non-current assets held for sale and discontinued operations. The comparative periods have also been adjusted in line with the requirements of the standard.

The Profit from the Discontinued Operations for the years are as mentioned below:

	For the six-month period ended September 30, 2025	For the six-month period ended September 30, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
I. Revenue from operations	-	186.04	270.05	391.91	318.32
II. Other income	-	-	-	-	-
III. Total income (I+II)	-	186.04	270.05	391.91	318.32
IV. Total expenses	-	142.00	269.12	286.06	255.23
V. Profit before tax (III-IV)	-	44.04	0.93	105.85	63.09
VI. Tax expense (net) from discontinued operations	-	-	0.20	22.23	13.25
VII. Profit for the year from discontinued operations (V-VI)	-	44.04	0.73	83.62	49.84
Net cashflow attributable to the discontinued operations is as follows:					
Cashflow from Operating activities	-	47.18	16.12	101.39	32.93
Cashflow from Investing activities	-	-	-	-	-
Cashflow from Financing activities	-	-	-	-	-
Net increase in cash and cash equivalents	-	47.18	16.12	101.39	32.93

43 Assessment of arm's length for related party transactions

The Group is subject to local transfer pricing regulations in each of the geographies in which it operates for determining the arm's length income and expenditure as derived from the related party transactions. These regulations, require maintenance of prescribed documents and/or furnishing the certificate by the management or an external accountant within the specified due date under the regulations to support the arm's length outcome determination by the Group. Based on these guidelines, the management is of the opinion that the related party transactions are at arm's length and does not warrant any adjustment, on the part of the management, on the amount of tax expense and tax provision reported in the Restated Consolidated Financial Information. The Parent Company is in the process of conducting a transfer pricing study as required by the transfer pricing regulations under the Income Tax Act 1961 ('regulations') to determine whether the transactions entered during the period ended March 31, 2025 with the associated enterprises were undertaken at "arm's length price". The management confirms that all the transactions with associate enterprises are undertaken at negotiated prices on usual commercial terms and is confident that the aforesaid regulations will not have any impact on the Restated Consolidated Financial Statements, particularly on the amount of tax expense and that of provision for taxation.



Capillary Technologies India Limited (formerly known as Capillary Technologies India Private Limited)
Annexure VI - Notes to the Restated Consolidated Financial Information
(All amounts in Indian Rupees (₹) millions, unless otherwise stated)

44 Other statutory information:

(i) The Parent Company has not advanced or loaned or invested funds to any person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding that the Intermediaries shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by on behalf of the Parent Company ("Ultimate Beneficiaries") or provide any guarantee, or security or the like on behalf of the Ultimate Beneficiaries except below:

Name of the Intermediaries to which funds are advanced	Date of funds advanced	Amount of funds advanced	Date on which funds are invested by Intermediaries to the Ultimate Beneficiaries	Amount of funds further advanced to Ultimate Beneficiaries	Ultimate Beneficiaries
For the six-month period ended September 30, 2025					
Capillary Pte. Ltd., Singapore	March 28, 2025	1,282.05	April 28, 2025 April 29, 2025	1,300.45	refer note (a) below
For the six-month period ended September 30, 2024					
Nil					
For the year ended March 31, 2025					
Nil					
For the year ended March 31, 2024					
Capillary Pte. Ltd., Singapore	April 05, 2023	208.35	April 06, 2023	208.35	refer note (b) below
	August 21, 2023	41.67	August 22, 2023	41.67	refer note (c) below
	December 27, 2023	41.61	December 28, 2023	41.61	refer note (d) below
For the year ended March 31, 2023					
Capillary Pte. Ltd., Singapore	March 29, 2023	659.28	March 31, 2023	659.28	refer note (e) below

The Parent Company has complied with relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and the Companies Act, 2013 for the above transactions and the transactions are not violative of the Prevention of Money Laundering Act, 2002 (15 of 2003)

Complete details of the Intermediaries and Ultimate Beneficiaries are given below.

Note (a) - Capillary Pte. Ltd., has invested in the shares of Capillary Technologies LLC, USA in the month of April 2025, which has further invested in the acquisition of Kognitiv Solutions, Inc.,

Note (b) - Capillary Pte. Ltd., has invested in the shares of Capillary Technologies LLC, USA on April 06, 2023.

Note (c) - Capillary Pte. Ltd., has invested in the shares of Capillary Technologies Europe Limited, on August 22, 2023.

Note (d) - Capillary Pte. Ltd., has invested in the shares of Capillary Technologies DMCC, on December 28, 2023.

Note (e) - Capillary Pte. Ltd., has invested in the shares of Capillary Technologies LLC, USA on March 30, 2023, which has further invested in acquisition of Brierley & Partners, Inc., The Ultimate Beneficiaries is Nomura Research Institute Holdings America, Inc.

(ii) The Parent Company has not received funds from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Name of the Company who has advanced the funds	Date of funds received	Amount of funds received	Date on which funds are further advanced to other intermediary	Amount of funds further advanced to other intermediary	Other intermediary
For the six-month period ended September 30, 2025					
Nil					
For the six-month period ended September 30, 2024					
Nil					
For the year ended March 31, 2025					
Nil					
For the year ended March 31, 2024					
M/s Innoven Triple Blue Capital Advisors LLP	March 31, 2023	200.00	April 05, 2023	200.00	Capillary Pte. Ltd. And Capillary Technologies LLC (refer note (a) above)
For the year ended March 31, 2023					
Trudy Holdings (Formerly known as Avataar Holdings)	March 29, 2023	820.60	March 29, 2023	659.28	Capillary Pte. Ltd. And Capillary Technologies LLC (Refer note (a) above)
Gameberry Labs Private Limited	November 29, 2022	250.00	December 02, 2022	230.06	Capillary Pte. Ltd.

Complete details of the Intermediaries and Funding Parties:

Name of the entity	Registered address	Government identification no:	Relationship with the Company
Capillary Pte. Ltd. (Intermediary)	68, Circular Road, # 02-01, Singapore - 049422	202125294W	Subsidiary
Capillary Technologies LLC (Intermediary)	Suite 2060 , 333 South Seventh Street, Minneapolis , Minnesota, 55402	710149300022	Subsidiary
Gameberry Labs Private Limited	78/9, Bellandur Village, Varthur Hobli, Bangalore, Karnataka, India, 560103	U72900KA2017PTC103583	Lender
Avataar Holdings (Funding Party)	Lot 15 A3, 1st Floor, Cybercity, Ebene 72201, Mauritius	177534	Shareholder of the Company
M/s Innoven Triple Blue Capital Advisors LLP (Funding Party)	A/ 805A, The Capital, G- Block, Bandra Kurla Complex, Behind ICICI Bank, Plot C-70, AAM-6580 Bandra, Maharashtra - 400051		Lender

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Capillary Technologies India Limited (formerly known as Capillary Technologies India Private Limited)
Annexure VI - Notes to the Restated Consolidated Financial Information
(All amounts in Indian Rupees (₹) millions, unless otherwise stated)

44 Other statutory information (cont'd)

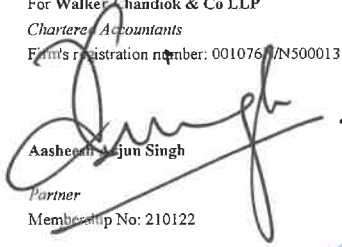
- (iii) The Parent Company has no such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the period in the tax assessments under the Income-tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income-tax Act, 1961).
- (iv) The Parent Company does not have any Benami property, where any proceeding has been initiated or pending against the Parent Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- (v) The Parent Company does not have any transactions with companies struck off during the periods/years ended September 30, 2025, September 30, 2024, March 31, 2025, March 31, 2024 and March 31, 2023.
- (vi) The Parent Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period other than those disclosed in note 16.
- (vii) The Parent Company has not traded or invested in Crypto currency or Virtual Currency during the period/years ended September 30, 2025, September 30, 2024, March 31, 2025, March 31, 2024 and March 31, 2023.

45 Events after reporting period:

There are no material non-adjusting events after the reporting period till the date of issue of these financial statements which require disclosure in consolidated financial statements.

As per our report of even date.

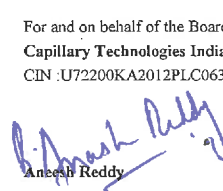
For Walker Chandok & Co LLP
Chartered Accountants
Firm's registration number: 001076/IN500013

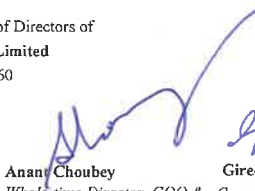

Aashesh Rajun Singh
Partner
Membership No: 210122

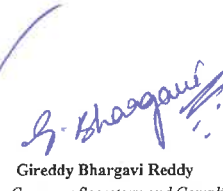
Place: Bengaluru, India
Date: October 19, 2025



For and on behalf of the Board of Directors of
Capillary Technologies India Limited
CIN : U72200KA2012PLC063060


Anesh Reddy
Managing Director and CEO
DIN: 02214511


Anant Choubey
Whole-time Director, COO & CFO
DIN: 06536413


Gireddy Bhargavi Reddy
Company Secretary and Compliance officer
Membership No: - A17091

Place: Bengaluru, India
Date: October 19, 2025

Place: Bengaluru, India
Date: October 19, 2025

Place: Bengaluru, India
Date: October 19, 2025

Capillary Technologies India Limited (formerly known as Capillary Technologies India Private Limited)
Annexure VII - Statement of Restated Adjustments to the Audited Consolidated Financial Statements
(All amounts in Indian Rupees (₹) millions, unless otherwise stated)

Part A: Statement of Restated Adjustments to the Audited Consolidated Financial Statements

I. Reconciliation between total equity as per the audited consolidated financial statements and the restated consolidated financial information

	As at September 30, 2025	As at September 30, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Total equity as per the audited consolidated financial statements	5,961.98	5,144.59	5,682.47	5,166.10	1,664.43
Adjustments:					
(i) Audit qualification (refer part C below)	-	-	-	-	-
(ii) Adjustments due to change in accounting policy/ prior period items/ other adjustments					
(a) Adjustment on account of translation of Goodwill, Intangible assets and Deferred tax liabilities at the closing rate for the respective periods [^]	-	237.57	-	225.76	208.01
(b) Deferred tax impact on the above adjustment [^]	-	(2.40)	-	(2.34)	(6.75)
Total impact of adjustments	-	235.17	-	223.42	201.26
Total equity as per the restated consolidated statement of assets and liabilities	5,961.98	5,379.76	5,682.47	5,389.52	1,865.69
[^] Adjustment pertains to restatement of Goodwill, Intangible Assets and Deferred tax liabilities at the closing rate for the respective periods in accordance with Ind AS 21 "Effect of changes in foreign exchange rates". Adjustment pertaining to translations prior to April 1, 2022 amount to ₹ 66.11 million which is also included in the above adjustment.					

II. Reconciliation of total comprehensive income/ (loss) for the period/year between profit/ (loss) as per the audited consolidated financial statements and the restated consolidated financial information

	For the six-month period ended September 30, 2025	For the six-month period ended September 30, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Net loss after tax as per the consolidated financial statements	206.75	(81.60)	201.30	(536.12)	(943.27)
Adjustments:					
(i) Audit qualification (refer part C below)	-	-	-	-	-
(ii) Adjustments due to change in accounting policy/ prior period items/ other adjustments					
(a) Impact on other comprehensive income on account of translation of Goodwill, Intangible Assets and Deferred tax liabilities at the closing rate for the respective periods [^]	-	11.75	-	22.16	135.15
Total impact of adjustments	-	11.75	-	22.16	135.15
Total comprehensive income / (loss) for the year as per the restated consolidated statement of profit and loss	206.75	(69.85)	201.30	(533.96)	(808.12)
[^] Adjustment pertains to restatement of Goodwill, other intangible assets and its corresponding impact on deferred tax liability at the closing rate for the respective periods in accordance with Ind AS 21 "Effect of changes in foreign exchange rates"					

Part B: Material regrouping

No material regroupings were made in the restated consolidated statement of assets and liabilities, the restated consolidated statement of profit and loss and the restated consolidated statements of cash flows for the years ended September 30, 2025, September 30, 2024, March 31, 2025, March 31, 2024 and March 31, 2023 in order to bring them in line with the accounting policies and classification as per the consolidated financial statements of the Group as at and for the period ended September 30, 2025, prepared in accordance with Schedule III of the Companies Act, 2013, requirements of Ind AS 1 - Presentation of financial statements' and other applicable Ind AS principles and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018, as amended other than those disclosed below.

For the year ended March 31, 2024

(i) The Group had issued share warrants to its customer during FY 2023-24 as part of a revenue contract with a customer. The Group considered such warrants cost as a non-cash consideration paid to acquire a contract with the customer and recognised such warrants cost as unbilled receivable, which will be amortised as a reduction in revenue over the anticipated future cash inflow over the contract period. However, as per Ind AS 115, the aforementioned assets is in the nature of prepayments and accordingly, the Group has reclassified such assets of ₹ 912.16 million from unbilled receivable to other current assets amounting to ₹ 107.13 million and other non-current assets amounting to ₹ 805.03 million.

For the six month period ended September 30, 2024

(ii) The Group had issued share warrants to its customer. The Group considered such warrants cost as a non-cash consideration paid to acquire a contract with the customer and recognised such warrants cost as unbilled receivable, which will be amortised as a reduction in revenue over the anticipated future cash inflow over the contract period. However, as per Ind AS 115, the aforementioned assets is in the nature of prepayments and accordingly, the Group has reclassified such assets of ₹ 863.33 million from unbilled receivable to other current assets amounting to ₹ 130.76 million and other non-current assets amounting to ₹ 732.57 million.



Part C: Non-adjusting items

Audit qualifications for the respective years, which do not require any adjustments in the Restated Consolidated Financial Information:

- 1) There are no audit qualifications in the auditor's report on the special purpose interim consolidated financial statements for the six month period ended September 30, 2025.
- 2) There are no audit qualifications in the auditor's report on the special purpose interim consolidated financial statements for the six month period ended September 30, 2024.
- 3) There are no audit qualifications in the auditor's report on the consolidated financial statements for the year ended March 31, 2025 apart from the below.
The auditor's report on the consolidated financial statements of the Group as at and for the year ended March 31, 2025 and included the following paragraphs in relation to reporting on other legal and regulatory requirements:
(i) In our opinion, proper books of accounts as required by law relating to the preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except that the back-up of the books of accounts and other books and paper maintained in electronic mode has not been maintained on servers physically located in India, on a daily basis by the Holding Company.
- (ii) Based on our examination which included test checks, except for instance mentioned below, the Holding Company, in respect of financial year commencing on or after April 1, 2023, has used accounting software for maintaining its books of accounts which have a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, other than the consequential impact of the exceptions given below and furthermore, except for matters mentioned below, the audit trail has been preserved by the Holding Company as per the statutory requirements for record retention.
The Holding Company has used an accounting software operated by a third-party service provider for maintenance of accounting records. In the absence of any information on existence of audit trail (edit logs) for any direct changes made at the database level in the 'Independent Service Auditor's Assurance Reports on the Description of Controls, their Design and Operating Effectiveness' ['Type 2 report'] issued in accordance with ISAE 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information) and ISAE 3402, Assurance Reports on Controls at a Service Organization], we are unable to comment on whether the audit trail feature with respect to the database of this software was enabled and operated throughout the year.

- 4) There are no audit qualifications in the auditor's report on the consolidated financial statements for the year ended March 31, 2024 apart from the below.

The auditor's report on the consolidated financial statements of the Group as at and for the year ended March 31, 2024 and included the following paragraphs in relation to reporting on other legal and regulatory requirements:

- (i) In our opinion, proper books of accounts as required by law relating to the preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except that the back-up of the books of accounts and other books and paper maintained in electronic mode has not been maintained on servers physically located in India, on a daily basis by the Holding Company.
- (ii) The Holding Company has used accounting software operated by third-party service providers for the maintenance of accounting and payroll records. In the absence of any information on the existence of the audit trail (edit logs) for any direct changes made at the database level in the 'Independent Service Auditor's Assurance Reports on the Description of Controls, their Design and Operating Effectiveness' ['Type 2 report'] issued in accordance with ISAE 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information and ISAE 3000 (Revised), Assurance Reports on Controls at a Service Organization], we are unable to comment on whether the audit trail feature with respect to the database of these software were enabled and operated throughout the year.

- 5) There are no audit qualifications in the auditor's report on the consolidated financial statements for the year ended March 31, 2023 apart from the below.

The auditor's report on the consolidated financial statements of the Group as at and for the year ended March 31, 2023 and included the following paragraphs in relation to reporting on other legal and regulatory requirements:

- In our opinion, proper books of accounts as required by law relating to the preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except that the back-up of the books of accounts and other books and paper maintained in electronic mode has not been maintained on servers physically located in India, on a daily basis by the Holding Company.

Emphasis of matter not requiring adjustment to the Restated Consolidated Financial Information

There are no emphasis of matter paragraphs in the auditor's report on the special purpose interim consolidated financial statements for the six months period ended September 30, 2025 and September 30, 2024 and consolidated financial statements for the year ended March 31, 2025, March 31, 2024 and March 31, 2023.

Statement / comments included in the Companies (Auditor's Report) Order, 2020 (CARO 2020), which do not require any adjustments in the Restated Consolidated Financial Information:

For the year ended March 31, 2025:

- a) There are no statements / comments in the auditor's report (both standalone and consolidated financial statements) with respect to CARO 2020 for the year ended March 31, 2025.

For the year ended March 31, 2024:

- a) There are no statements / comments in the auditor's report with respect to CARO 2020 for the year ended March 31, 2024 except the following:

(ix)(a)- According to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings to any lender or in the payment of interest thereon, except for the below;

Nature of borrowing	Name of lender	Amount not paid on due date	Whether interest	principal or interest	No. of days delay	Remarks, if any
Indian Rupee term loan from Body Corporate	Innoven Capital India Private Limited	6.45	Interest	Interest	1	Paid on July 12, 2023.
Non convertible debentures	Innoven Triple Blue Capital Advisors LLP	7.15	Interest	Interest	4	Paid on July 5, 2023.
Non convertible debentures	Innoven Triple Blue Capital Advisors LLP	7.39	Interest	Interest	1	Paid on August 2, 2023.
Non convertible debentures	Innoven Triple Blue Capital Advisors LLP	6.79	Interest	Interest	3	Paid on October 4, 2023.
Non convertible debentures	Innoven Triple Blue Capital Advisors LLP	30	Principal	Principal	5	Paid on October 6, 2023.

(x)(b) - The Company has incurred cash losses in the current financial year and in the immediately preceding financial years amounting to ₹ 279.12 million and ₹ 130.61 million respectively.



Capillary Technologies India Limited (formerly known as Capillary Technologies India Private Limited)
Annexure VII - Statement of Restated Adjustments to the Audited Consolidated Financial Statements
(All amounts in Indian Rupees (₹) millions, unless otherwise stated)

Part C: Non-adjusting items (cont'd)

For the year ended March 31, 2023

a) There are no statements / comments in the auditor's report with respect to CARO 2020 for the year ended March 31, 2023 except the following:

(ix)(a)- According to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings to any lender or in the payment of interest thereon, except for the below:

Nature of borrowing	Name of lender	Amount not paid due date	Whether principal and interest	No. of days delay	Remarks, if any
Indian Rupee term loan from Body Corporate	Innoven Capital India Private Limited	10.75	Principal and Interest	7	Amount paid on March 8, 2023 and subsequently, the lender has condoned the delay in payment of principal and interest

(ix)(d)- In our opinion and according to the information and explanations given to us, and on an overall examination of the standalone financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes except for short term borrowings from body corporates amounting to ₹ 230.06 million which has been utilized for investment in subsidiaries.

(ix)(e)- According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, except for the following:

Nature of fund taken	Name of lender	Amount involved	Name of the subsidiary	Relation	Nature of transaction for which funds were utilized
Short-term borrowings from body corporate	Gameberry Labs Private Limited	230.06	Capillary Pte. Ltd	Wholly owned subsidiary	Investments in equity shares

(xvii) - The Company has incurred cash losses in the current financial year and in the immediately preceding financial years amounting to ₹ 130.61 million and ₹ 185.42 million respectively.

The above Annexure should be read with the basis of preparation and Material Accounting Policies appearing in Annexure V, notes to the Restated Consolidated Financial Information appearing in Annexure VI and Statement of Restated Adjustments to the Audited Consolidated Financial Statements appearing in Annexure VII.

As per our report of even date

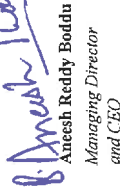
For Walker Chandniok & Co LLP

Chartered Accountants

Firm registration number: 001076N/NS00013


Aashish Arjun Singh
Partner

For and on behalf of the Board of Directors of
Capillary Technologies India Limited
CIN : U72200KAZ012PLC063060


Anesh Reddy Boddla
Managing Director
and CEO

Membership No. 210122

Place: Bengaluru, India

Date: October 19, 2025




Gireddy Bhargavi Reddy
Company Secretary and Compliance officer

DIN: 06536413

Place: Bengaluru, India

Date: October 19, 2025

Membership Number - A17091

Place: Bengaluru, India

Date: October 19, 2025