

**INDEPENDENT AUDITOR'S REPORT**

**TO THE MANAGEMENT OF EMUDHRA INC**

**Report on the Special Purpose Consolidated Financial Statements**

**Opinion**

We have audited the accompanying consolidated financial statements of **eMudhra INC** ("the company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of material accounting policies and other explanatory information (herein referred to as "the consolidated financial statements").

In our opinion, and to the best of our information and according to the explanations given to us, the accompanying financial statements give a true and fair view of the state of affairs of the Company as at March 31, 2026 and of its results of operations and its cash flows for the year then ended in accordance with the financial reporting provisions of Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2023, as amended, ("Ind AS") and other accounting principles generally accepted in India.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



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### **Emphasis of Matter - Basis of Accounting and Restriction on Distribution and Use**

We draw attention to Note 2 to the consolidated financial statements, which describes the basis of accounting. The consolidated financial statements are prepared by management of eMudhra INC in connection with consolidation of financial statements with the eMudhra Limited ("Parent Company") in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2023, as amended, ("Ind AS") and other accounting principles generally accepted in India. As a result, the consolidated financial statements may not be suitable for another purpose.

Our report is intended solely for the purpose of consolidation of financial statements to comply with the Section 129(3) of the Companies Act, 2013 of eMudhra Limited ("Parent Company"). Our report is strictly intended solely for the information and use by eMudhra Limited for the preparation of consolidated financial statements and for the use at their annual general meetings for the information of their members. It is not intended to be and should not be used by anyone other than specified parties.

Our opinion is not modified in respect of this matter.

### **Management's Responsibility for the Consolidated Financial Statements**

The Company's Board of Directors is responsible for the preparation of the consolidated financial statements in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2023, as amended, ("Ind AS") and other accounting principles generally accepted in India ; this includes the design, implementation and maintenance of internal control relevant to the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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



### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



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

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



For Suri & Co.,

Chartered Accountants

Firm's Registration No. 004283S

*V. Natarajan*

V Natarajan

Partner

Membership No.223118

Place: Bengaluru

Date: 06<sup>th</sup> May, 2026

## eMudhra INC

## Consolidated Balance sheet as at 31st March 2026

(All amounts are in USD, unless otherwise stated)

Particulars	Note No.	As at March 31,2026	As at March 31,2025
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	3	21,04,951	7,740
(b) Capital work-in-progress	3a	-	20,06,393
(c) Goodwill	3b	1,59,40,557	1,45,85,658
(d) Other intangible assets	4a	1,22,15,672	78,13,211
(e) Intangible assets under development	4b	-	-
(f) Financial assets			
(i) Investments	5	1,71,591	1,92,277
<b>Total Non-current assets</b>		<b>3,04,32,771</b>	<b>2,46,05,279</b>
<b>Current assets</b>			
(a) Financial assets			
(i) Trade receivables	6	61,75,299	62,71,507
(ii) Cash and cash equivalents	7	13,26,193	31,37,173
(iii) Other financial assets	8	1,375	38,597
(iv) Loans	9	5,58,228	5,30,803
(b) Other current assets	10	23,06,420	13,23,689
<b>Total current assets</b>		<b>1,03,67,515</b>	<b>1,13,01,769</b>
<b>Total Assets</b>		<b>4,08,00,286</b>	<b>3,59,07,049</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	11	1,53,30,150	1,53,30,150
(b) Other equity	12	97,47,091	83,07,184
<b>Total equity attributable to the owners of the company</b>		<b>2,50,77,241</b>	<b>2,36,37,334</b>
Non-controlling interests		54,815	86,393
<b>Total equity</b>		<b>2,51,32,056</b>	<b>2,37,23,727</b>
<b>Liabilities</b>			
<b>Non-Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	13	-	-
(ii) Other Financial Liabilities	15	-	6,47,679
<b>Total Non-Current liabilities</b>		<b>-</b>	<b>6,47,679</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	13	1,00,74,446	46,06,393
(ii) Trade payables	14	23,05,783	26,68,827
(iii) Other financial liabilities	15	20,42,196	19,29,889
(b) Other current liabilities	16	24,628	-
(c) Provision	17	8,97,162	17,56,238
(d) Current Tax Liabilities (Net)	18	3,24,015	5,74,296
<b>Total current liabilities</b>		<b>1,56,68,230</b>	<b>1,15,35,643</b>
<b>Total liabilities</b>		<b>1,56,68,230</b>	<b>1,21,83,322</b>
<b>Total equity and liabilities</b>		<b>4,08,00,286</b>	<b>3,59,07,049</b>

Corporate information and material accounting policies  
See accompanying notes to the financial statements

1 &amp; 2

As per our report of even date attached  
For Suri & Co.,  
Chartered Accountants  
Firm Registration Number: 004283S

V. Natarajan  
Natarajan V  
Partner  
Membership No: 223118



For and on behalf of the Board of Directors  
of eMudhra INC

S Arvind

Arvind Srinivasan  
Director

Place: Bengaluru  
Date : May 06, 2026

Place: Bengaluru  
Date : May 06, 2026



Particulars	Note No.	For the year ended March 31,2026	For the year ended March 31,2025
<b>Income</b>			
I Revenue from operations	19	2,68,24,504	2,65,43,965
II Other income	20	3,94,835	2,667
<b>III Total Income (I+II)</b>		<b>2,72,19,339</b>	<b>2,65,46,632</b>
<b>IV Expenses</b>			
Operating expenses	21	2,03,20,222	2,04,29,343
Employee benefits expense	22	22,38,057	16,76,305
Finance costs	23	86,589	1,17,428
Depreciation and amortisation expenses	24	10,93,071	5,66,892
Other expenses	25	17,70,972	17,11,707
<b>Total expenses (IV)</b>		<b>2,55,08,911</b>	<b>2,45,01,675</b>
<b>V Profit before exceptional items and tax (III-IV)</b>		<b>17,10,428</b>	<b>20,44,957</b>
VI Exceptional items		-	-
<b>VII Profit before tax (V-VI)</b>		<b>17,10,428</b>	<b>20,44,957</b>
<b>VIII Tax expense</b>			
Current tax		3,23,195	4,52,929
Previous year tax		(68,012)	-
<b>Total tax expenses</b>		<b>2,55,183</b>	<b>4,52,929</b>
<b>IX Profit for the year (VII-VIII)</b>		<b>14,55,245</b>	<b>15,92,028</b>
<b>X Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss:</b>			
Remeasurement (loss)/gain on defined benefit plan (net of taxes)		-	-
Equity instruments through other comprehensive income (net of taxes)		(20,686)	(7,723)
<b>Other comprehensive income/(loss) for the year</b>		<b>(20,686)</b>	<b>(7,723)</b>
<b>XI Total comprehensive income for the year (IX+X)</b>		<b>14,34,559</b>	<b>15,84,305</b>
(comprising profit and other comprehensive income for the year)			
<b>Profit is attributable to</b>			
Owners of eMudhra INC		11,71,823	13,44,633
Non-controlling interests		2,83,422	2,47,396
<b>Other comprehensive income attributable to</b>			
Owners of eMudhra INC		(20,686)	(7,723)
Non-controlling interests		-	-
<b>Total comprehensive income attributable to:</b>			
Owners of eMudhra INC		11,51,137	13,36,910
Non-controlling interests		2,83,422	2,47,396
<b>XII Earnings per share (Nominal value of share USD 1/- each)</b>	26		
Basic		0.08	0.10
Diluted		0.08	0.10

Corporate information and material accounting policies

1 &amp; 2

See accompanying notes to the financial statements

As per our report of even date attached

For Suri &amp; Co.,

Chartered Accountants

Firm Registration Number: 004283S

Y. Natarajan

Natarajan V  
Partner

Membership No: 223118

For and on behalf of the Board of Directors  
of eMudhra INC

S Arvind

Arvind Srinivasan  
DirectorPlace: Bengaluru  
Date : May 06, 2026Place: Bengaluru  
Date : May 06, 2026

**Consolidated Cash flow statement for the year ended 31st March 2026**

(All amounts are in USD, unless otherwise stated)

Particulars	For the year ended March 31,2026	For the year ended March 31,2025
<b>A. Cash flow from Operating activities:</b>		
Profit before tax	17,10,428	20,44,957
<b>Adjustments for:</b>		
Depreciation and amortisation expense	10,93,071	5,66,892
Share based payment	4,38,880	2,65,126
Provision for doubtful debts	2,00,229	1,02,500
Movement in minority interest	(2,83,422)	(2,47,396)
Interest on contingent consideration	86,589	1,05,150
<b>Operating profit before working capital changes</b>	<b>32,45,775</b>	<b>28,37,229</b>
<b>Working capital adjustments:</b>		
Decrease/(Increase) in other non-current and current financial assets	(9,45,509)	3,70,842
Decrease/(Increase) in trade receivable	(1,04,020)	(37,09,523)
Decrease/(Increase) in loans	(27,424)	(2,34,081)
Increase/(Decrease) in non-current and current other current liabilities	(1,25,482)	(15,000)
Increase/(Decrease) in other current liabilities and current provisions	(9,37,101)	3,27,688
Increase/(Decrease) in non-current and current financial liabilities	(6,21,961)	17,77,014
Increase/(Decrease) in trade payables	(3,63,045)	11,43,754
<b>Cash generated from operations</b>	<b>1,21,233</b>	<b>24,97,923</b>
Income taxes paid (net)	(4,27,438)	(3,60,588)
<b>Net Cash flow from / (used in) operating activities (A)</b>	<b>(3,06,205)</b>	<b>21,37,335</b>
<b>B. Cash flow from Investing activities:</b>		
Purchase of property, plant and equipment and Intangible assets	(55,86,351)	(64,87,313)
Payment towards acquisition of business (net of assets acquired)	(13,54,899)	(91,24,658)
<b>Net cash from / (used in) investing activities (B)</b>	<b>(69,41,250)</b>	<b>(1,56,11,971)</b>
<b>C. Cash flow from Financing activities:</b>		
Proceeds / (repayment) from short term borrowings (net)	54,68,053	12,06,393
Decrease/(Increase) in loans	-	-
Proceeds from issue of equity shares	-	1,01,60,313
Increase/(Decrease) in Non-controlling interests	(31,578)	(3,47,607)
<b>Net cash from / (used in) financing activities(C)</b>	<b>54,36,475</b>	<b>1,10,19,099</b>
<b>Net increase/ (decrease) in cash and cash equivalents (D=A+B+C)</b>	<b>(18,10,980)</b>	<b>(24,55,535)</b>
<b>Cash and cash equivalents at the beginning of the year (E)</b>	<b>31,37,173</b>	<b>55,92,708</b>
<b>Cash and cash equivalents at the end of the year (D+E)</b>	<b>13,26,193</b>	<b>31,37,173</b>
<b>Components of cash and cash equivalents as at end of the year</b>		
	<b>March 31,2026</b>	<b>March 31,2025</b>
Balance with banks:		
- On current account	13,26,193	31,37,173
<b>Total cash and cash equivalents as per Balance Sheet</b>	<b>13,26,193</b>	<b>31,37,173</b>
<b>Cash and cash equivalents as per Statement of Cash Flow</b>	<b>13,26,193</b>	<b>31,37,173</b>

See accompanying notes to the financial statements

As per our report of even date attached  
For Suri & Co.,  
Chartered Accountants  
Firm Registration Number: 004283S

*V. Natarajan*  
Natarajan V  
Partner

Membership No: 223118



Place: Bengaluru  
Date : May 06, 2026

For and on behalf of the Board of Directors  
of eMudhra INC

*S. Arvind*

Arvind Srinivasan  
Director



Place: Bengaluru  
Date : May 06, 2026

eMudhra INC

**Statement of changes in equity**

(All amounts are in USD, unless otherwise stated)

**A. Equity share capital**

Particulars	Note No.	Amount
Balance as at 1st April 2024		81,75,000
Changes due to prior period errors		-
Restated balance as at 1st April 2024		81,75,000
Changes in equity share capital during the year	11	
- Issue of shares		71,55,150
- Buyback of shares		-
Balance as at 31st March 2025		1,53,30,150

Particulars	Note No.	Amount
Balance as at 1st April 2025		1,53,30,150
Changes due to prior period errors		-
Restated balance as at 1st April 2025		1,53,30,150
Changes in equity share capital during the year	11	
- Issue of shares		-
- Buyback of shares		-
Balance as at 31st March 2026		1,53,30,150

**B. Other Equity**

Particulars	Note No.	Attributable to the equity holders of the company				Total Other Equity
		Reserves and Surplus				
		Retained Earnings	Share based payment reserve	Securities premium	Equity Instrument through Other Comprehensive	
Balance as at 1st April 2024		24,74,555	86,030	11,39,400	-	36,99,986
Change in accounting policy or prior period errors		-	-	-	-	-
Restated balance as at 1st April 2024		24,74,555	86,030	11,39,400	-	36,99,986
Add: Transactions during the year	12					
Profit for the year		13,44,633	-	-	-	13,44,633
Remeasurement of the net defined benefit plans		-	-	-	(7,723)	(7,723)
On issue of equity shares		-	-	30,05,163	-	30,05,163
Stock compensation expense		-	2,65,126	-	-	2,65,126
Transaction with Owners in their capacity as owner		-	-	-	-	-
Dividend		-	-	-	-	-
Balance as at 31st March 2025		38,19,188	3,51,156	41,44,563	(7,723)	83,07,184
Balance as at 1st April 2025		38,19,188	3,51,156	41,44,563	(7,723)	83,07,184
Change in accounting policy or prior period errors		-	-	-	-	-
Restated balance as at 1st April 2025		38,19,188	3,51,156	41,44,563	(7,723)	83,07,184
Add: Transactions during the year	12					
Profit for the year		11,71,823	-	-	-	11,71,823
Changes in reserves due to acquisition		(1,50,110)	-	-	-	(1,50,110)
Remeasurement of the net defined benefit plans		-	-	-	(20,686)	(20,686)
Stock compensation expense		-	4,38,880	-	-	4,38,880
Transaction with Owners in their capacity as owner		-	-	-	-	-
Dividend		-	-	-	-	-
Balance as at 31st March 2026		48,40,901	7,90,036	41,44,563	(28,409)	97,47,091

See accompanying notes to the financial statements

As per our report of even date attached  
For Suri & Co.,  
Chartered Accountants  
Firm Registration Number: 004283S

*V. Natarajan*  
Natarajan V  
Partner  
Membership No: 223118



For and on behalf of the Board of Directors  
of eMudhra INC

*S. Arvind*  
Arvind Srinivasan  
Director



Place: Bengaluru  
Date : May 06, 2026

Place: Bengaluru  
Date : May 06, 2026

## **eMudhra INC**

### **Notes forming part of the consolidated financial statements**

#### **Note 1 Company Information**

eMudhra INC (“the parent company”) provides various solutions and services like digital signatures, authentication solutions, paperless office solutions and other solutions around PKI technology. eMudhra INC stands for enabling a digital future with a foundation built on digital identity and trust.

The company is a subsidiary of eMudhra Limited, a public limited company incorporated and domiciled in India and has its registered office at Plot No 12-P1-A & 12-P1-B, Hi-Tech Defence and Aerospace Park (IT sector), Jala Hobli, BK Palya, Bangalore – 562149.

The company is incorporated and domiciled in state of Delaware, USA and has registered office at 97 Cedar Grove Lane, Suite 202, Somerset, NJ 08873

The consolidated financial statements are approved for issue by the Board of Directors on 06<sup>th</sup> May 2026.

#### **Note 2 Material Accounting Policies**

##### **1. Basis of Preparation**

The consolidated financial statements are prepared and presented in accordance with Generally Accepted Accounting Principles in India (GAAP) comprises the mandatory Indian Accounting Standards (Ind AS) [as notified under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015], as amended from time to time, to the extent applicable, the provisions of the Companies Act, 2013 and these have been consistently applied.

The Consolidated financial statements up to and for the year ended March 31, 2026 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act.

##### **2. Use of Estimates and judgement**

The preparation of the consolidated financial statements in conformity with generally accepted accounting principles in India that requires that the management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, disclosure of contingent liability and contingent assets as at the date of consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Although such estimates are made on a reasonable and prudent basis taking into account of all available information, actual results could differ from these estimates and such differences are recognised in the period in which the results are ascertained and in any future periods affected.

Management also uses judgement in deciding whether individual item or group of items are material in the consolidated financial statements. Materiality is judged by reference to the size and nature of the item. The deciding factor is whether omission, misstatement or obscuring the information could individually or collectively influence the economic decision that users make on the basis of the consolidated financial statements.

##### **3. Basis of Measurement**

The consolidated financial statements have been prepared on a historical cost basis except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments, if any
- Financial assets and liabilities that are qualified to be measured at fair value
- The defined benefit asset / liability is recognised as the present value of defined benefit obligation less fair value of plan assets.
- Employee share-based payments



## eMudhra INC

### Notes forming part of the consolidated financial statements

#### 4. Functional and Presentation Currency

The consolidated financial statements have been presented in United States Dollar (USD), which is the company's functional currency.

#### 5. Current/ non-current classification

All assets and liabilities are classified into current and non-current as per the normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 201 in respect of parent and subsidiary companies which are incorporated in India.

##### Assets

An asset is classified as current when it satisfies any of the following criteria:

- i) it is expected to be realised in the normal operating cycle;
- ii) it is held primarily for the purpose of being traded;
- iii) it is expected to be realised within 12 months after the reporting date; or
- iv) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

##### Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- i) it is expected to be settled in the normal operating cycle;
- ii) it is held primarily for the purpose of being traded;
- iii) it is due to be settled within 12 months after the reporting date; or
- iv) The Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

#### 5a. Goodwill

Goodwill represents the purchase consideration in excess of the Group's interest in the net fair value of identifiable assets, liabilities and contingent liabilities of the acquired entity. When the net fair value of the identifiable assets, liabilities and contingent liabilities acquired exceeds purchase consideration, the fair value of net assets acquired is reassessed and the bargain purchase gain is recognized in capital reserve. Goodwill is measured at cost less accumulated impairment losses.

#### Impairment on Goodwill

Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a Cash Generating Unit (CGU) is less than its carrying amount. For the impairment test, goodwill is allocated to the CGU or groups of CGUs which benefit from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. Impairment occurs when the carrying amount of a CGU including the goodwill, exceeds the estimated recoverable amount of the CGU. The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. Value-in-use is the present value of future cash flows expected to be derived from the CGU. Key assumptions in the cash flow projections are prepared based on current economic conditions and includes estimated long term growth rates, weighted average cost of capital and estimated operating margins.



## eMudhra INC

### Notes forming part of the consolidated financial statements

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the CGU or groups of CGUs, which benefit from the synergies of the acquisition. The Group internally reviews the goodwill for impairment at the operating segment level, after allocation of the goodwill to CGUs or groups of CGUs.

#### 6. Revenue Recognition

The Group's contracts/sales orders with customers include promises to transfer multiple products/services ("performance obligations") to a customer. Revenues from customer contracts/sales orders are considered for recognition and measurement when the contracts/sales orders have been accepted, expressed /implied, by the parties to the contract, the parties to contract/sales order are committed to perform their respective obligations under the contract/sales order, and the contract/sales order is legally enforceable.

Revenue from fixed-price maintenance contracts is recognized by estimating the proportionate completion method when the pattern of benefits from the services rendered to the customer and the Group's costs to fulfil the contract is not even through the period of the contract because the services are generally discrete in nature and not repetitive. Revenues in excess of billing are classified as unbilled revenue in our consolidated financial statements.

Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract.

For software development and related services, the performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses. Revenue from licenses where the customer obtains a "right to use" the licenses is recognized at the time the license is made available to the customer.

Arrangements to deliver software products generally have three elements viz. license fee, implementation/integration fee and Annual maintenance contracts ("AMC"). Where the license is required to be substantially customized as part of the implementation service the entire arrangement fee for license and implementation is considered to be a single performance obligation and the revenue is recognized using the percentage-of-completion method as the implementation is performed. Revenue from client training, support and other services arising due to the sale of software products is recognized as the performance obligations are satisfied.

In case of AMC and license subscription model, revenue is recognized on a straight-line basis over the period in which the services are rendered except in those cases where contract/sales order value is less than INR 1 million.

In case of trust services and software reseller model, the revenue is recognised as and when the performance obligations are transferred for negotiated price (transaction price), and it is highly probable that the group will be able to collect the transaction price due under the contract/sales orders or otherwise.

Variable consideration primarily consists of discounts, rebates, price concessions, incentives and performance bonuses which are reduced from the transaction price, if specified in the contract with customer/based on customary business practices.

#### Other Income:

- i) Interest income is recognised using the effective interest rate method.
- ii) Dividend income is recognised when the right to receive is established.
- iii) Rental income arising from operating leases is recognised on a straight-line basis over the lease term unless increase in rentals are in line with the expected inflation or otherwise justified.
- iv) Other income not specifically stated above is recognised on accrual basis.



## eMudhra INC

### Notes forming part of the consolidated financial statements

#### 7. Property, Plant and Equipment and Capital Work in-Progress

Property, plant and equipment's (PPE) are stated at cost less accumulated depreciation and impairment losses, if any. Cost of acquisition includes directly attributable costs for bringing the assets to its present location and use.

The cost of an item of PPE comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying assets up to the date the asset is ready for its intended use.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. The cost of property, plant and equipment not ready for their intended use as at each reporting date is disclosed as capital work-in-progress.

Capital work-in-progress comprises supply-cum erection contracts; the value of capital supplies received at site and accepted, capital goods in transit and under inspection. 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 statement of profit and loss when the asset is derecognised.

#### 8. Intangible Assets and Intangible Asset under Development

The cost of software (which is not an integral part of the related hardware) acquired for internal use and Direct expenditure incurred for development of intangible assets resulting in significant future economic benefits, is recognised as an Intangible Asset in the books of accounts when the same is ready for use.

Intangible Assets that are not yet ready for their intended use as at the reporting date are classified as "Intangible Assets under Development". Research costs are expensed as incurred. Cost of Developmental work which is completed, wherever eligible, is recognised as an Intangible Asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

#### 9. Depreciation / Amortisation

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets. The Depreciation is provided as per the useful life prescribed in Schedule II of Companies Act, 2013.

Leasehold improvements are depreciated over the period of lease.

Where cost of a part of the asset is significant to total cost of the asset and estimated useful life of that part is different from the estimated useful life of the remaining asset, estimated useful life of that significant part is determined separately and the significant part is depreciated on straight-line basis over its estimated useful life.

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 and has useful life that is materially different from that of the remaining asset.

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



## eMudhra INC

### Notes forming part of the consolidated financial statements

Depreciation/amortisation on Property, plant & equipment added/disposed off during the year is provided on pro-rata basis with respect to date of acquisition/disposal.

Intangible assets are amortised over the estimated useful lives of 10 years on a straight-line basis, from the date that they are available for use. The residual values, useful lives and amortisation methods, are reviewed at each financial year end and adjusted prospectively, if appropriate.

#### 10. Impairment of Non-Financial Assets

The Group assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount.

An asset's recoverable amount is the higher of an assets or Cash Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset in determining fair value less costs of disposal.

Reversal of impairment provision is made when there is an increase in the estimated service potential of an asset or Cash Generating Unit (CGU), either from use or sale, on reassessment after the date when impairment loss for that asset was last recognised.

#### 11. Leases

##### As a Lessee: -

Contracts with third party, which gives the right to use of an asset, is accounted in line with the provisions of "Ind AS 116 – Leases" if the recognition criteria as specified in the accounting standard are met.

Lease payments associated with short terms leases and leases in respect of low value assets are charged off as expenses on straight line basis over lease term or other systematic basis, as applicable.

At commencement date, the value of "right of use" is capitalised at the present value of outstanding lease payments plus any initial direct cost and estimated cost, if any, of dismantling and removing the underlying asset and presented as part of Plant, property and equipment. Liability for lease is created for an amount equivalent to the present value of outstanding lease payments and presented as Borrowings. Subsequent measurement of right of use assets is made using Cost model.

Each lease payment is allocated between the liability created and finance cost. The finance cost is charged to the Statement of Profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the respective company's incremental borrowing rate. Lease modifications, if any are accounted as a separate lease if the recognition criteria specified in the standard are met.



**eMudhra INC**  
**Notes forming part of the consolidated financial statements**

**As a lessor: -**

Leases are classified as operating lease, or a finance lease based on the recognition criteria specified in Ind AS 116.

**a) Finance lease:**

At commencement date, amount equivalent to the “net investment in the lease” is presented as a Receivable.

The implicit interest rate is used to measure the value of the “net investment in Lease”. Each lease payment is allocated between the Receivable created and finance income. The finance income is recognised in the Statement of Profit and loss over the lease period so as to reflect a constant periodic rate of return on the net investment in Lease.

The asset is tested for de-recognition and impairment requirements as per Ind AS 109 – Financial Instruments.

Lease modifications, if any are accounted as a separate lease if the recognition criteria specified in the standard are met.

**b) Operating lease:**

The Group recognises lease payments from operating leases as income on either a straight-line basis or another systematic basis, if required.

Lease modifications, if any are accounted as a separate lease if the recognition criteria specified in the standard are met.

**12. Inventories**

The inventories are valued at lower of cost and net realisable value.

The cost of bought out materials is ascertained by using the weighted average cost formula. The cost comprises the purchase cost of the item and cost of bringing such item into factory.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

**13. Income Taxes**

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

**Current income tax**

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Current tax assets and liabilities are offset only if,

- as a legally enforceable right to set off the recognized amounts; and
- Intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.



## eMudhra INC

### Notes forming part of the consolidated financial statements

#### Deferred Tax

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

#### 14. Foreign Currencies

Transactions in foreign currencies are initially recorded by the Group at their respective currency exchange rates at the date the transaction qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency by using the closing exchange rate at the reporting date. Differences arising on settlement or translation of monetary items are recognised in statement of profit and loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the dates of the initial transactions.

#### 15. Employee Benefits

Short-term employee benefits – Employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognised in the period in which the employee renders the related service.

**Post-employment benefits (defined benefit plans)** – The employees' gratuity scheme is a defined benefit plan. In accordance with the Payment of Gratuity Act, 1972 and other applicable law outside India, the Group provides for gratuity for the eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The present value of the obligation under such defined benefit plan is determined at each Balance Sheet date based on an actuarial valuation using projected unit credit method. The discount rate is based on the prevailing market yields of Indian government securities. Gains and Losses through re-measurement of the net defined benefit liability / (asset) are recognized in Other Comprehensive Income.

Actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income (OCI). Net interest expense (income) on the net defined liability (asset) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in statement of profit and loss.

#### Defined Contribution Plan

The Group has defined contribution plans for employees comprising of Provident Fund and Employee's State Insurance for the parent and subsidiary companies incorporated in India. The contributions paid/payable to these plans during the year are charged to the Statement of Profit and Loss for the year when the contributions are due. The group liability is limited to the extent of contributions made to these funds.



## eMudhra INC

### Notes forming part of the consolidated financial statements

**Long-term employee benefits** – Long-term employee benefits comprise of compensated absences and other employee incentives, if any. These are measured based on an actuarial valuation carried out by an independent actuary at each Balance Sheet date unless they are insignificant. Actuarial gains and losses and past service costs are recognized in the Statement of Profit and Loss.

#### 16. Provisions/ Contingent liabilities and Contingent Assets

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 a provision to be reimbursed, 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 Statement of profit and loss net of any reimbursement.

Provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognizes any impairment loss on the assets associated with that contract. 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.

#### Contingent Liabilities/Assets

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 consolidated financial statements.

A contingent asset is a possible asset that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. The Group does not recognize a Contingent asset but discloses its existence in the consolidated financial statements where an inflow of economic benefits is probable.

#### 17. Cash and Cash Equivalents

Cash comprises of cash on hand and demand deposits. Cash equivalents are short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash, which are subject to an insignificant risk of change in value.

Bank overdrafts, if any, are classified as borrowings under current liabilities in the balance sheet.

#### 18. Financial Instruments

##### Initial measurement

The Group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition except for the trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to or deducted from the fair value on initial recognition.

Subsequent measurement [non-derivative financial instruments]



## **eMudhra INC**

### **Notes forming part of the consolidated financial statements**

#### **Financial assets carried at amortized cost.**

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset 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 for payments of principal and interest on the principal amount outstanding.

#### **Financial assets at fair value through other comprehensive income [FVTOCI]**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely for payments of principal and interest on the principal amount outstanding. The Group has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

#### **Financial assets at fair value through profit or loss [FVTPL]**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

#### **Financial Liabilities**

Financial liabilities are subsequently carried at amortized cost using the effective interest method.

#### **Trade receivables**

Trade receivables are the amount due from the customers for the services rendered in the ordinary course of business. Trade receivables are initially recognised at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at the fair value. The Group holds trade receivables for the receipt of contractual cashflows and therefore measures them subsequently at the amortised cost using effective interest rate method.

#### **Trade payables and other payables**

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recorded initially at fair value and subsequently measured at amortised cost using effective interest rate method.

#### **Investment in Subsidiaries and associates**

Investment in subsidiaries and Associates are measured at cost less impairment.

#### **Share Capital – Ordinary Shares**

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

#### **De-recognition of financial instruments**

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Group Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

#### **Reclassification of Financial Instruments**

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. If the Group reclassifies financial assets, it applies the reclassification prospectively.



## eMudhra INC

### Notes forming part of the consolidated financial statements

#### Offsetting of Financial Instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet 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.

#### 19. Fair value Measurement

Fair value is the price that would be received on sale of 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 which can be accessed by the Group for the asset or liability

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

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized 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 prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – 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).

Level 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

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.

#### 20. Impairment of Financial Assets

##### Financial Assets

The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss.

##### Non-Financial Assets

##### Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.



**eMudhra INC**

**Notes forming part of the consolidated financial statements**

**21. Share based payments**

Equity-settled share based payments to employees and other providing similar services are measured at the fair value of the equity instruments at the grant date. Equity settled shares are issued by eMudhra Limited (“parent company”). The disclosure requirement in accordance with the Ind AS 102, Share based payment are disclosed by the Parent company in the consolidated financial statement of the group for the year ended 31st March 2026.



(All amounts are in USD, unless otherwise stated)

**3 Property, plant and Equipment**

Particulars	Computer and Hardware	Furniture and Fixtures	Total
<b>Gross carrying amount</b>			
As at March 31, 2024	3,315	-	3,315
Additions/ adjustments during the year	-	8,091	8,091
Disposals/ adjustments during the year	-	-	-
<b>As at March 31, 2025</b>	<b>3,315</b>	<b>8,091</b>	<b>11,406</b>
Additions/ adjustments during the year	22,75,847	1,777	22,77,624
Disposals/ adjustments during the year	-	-	-
<b>As at March 31, 2026</b>	<b>22,79,162</b>	<b>9,868</b>	<b>22,89,030</b>
<b>Accumulated Depreciation</b>			
As at March 31, 2024	3,149	-	3,149
Depreciation for the year	-	517	517
Disposal/ adjustments during the year	-	-	-
<b>As at March 31, 2025</b>	<b>3,149</b>	<b>517</b>	<b>3,666</b>
Depreciation for the year	1,79,595	818	1,80,413
Disposal/ adjustments during the year	-	-	-
<b>As at March 31, 2026</b>	<b>1,82,744</b>	<b>1,335</b>	<b>1,84,079</b>
<b>Net carrying amount</b>			
As at March 31, 2025	166	7,574	7,740
As at March 31, 2026	20,96,418	8,533	21,04,951

**(i) Depreciation / Amortisation**

Depreciation is calculated on straight line basis over the estimated useful lives of the asset

**(ii) Method of Accounting Depreciation**

Depreciation / Amortisation has been calculated as per the Accounting Policy No. 9 of the company and recognised as expense in the Statement of Profit and Loss.

**(iii) Estimation of useful life of Assets**

The estimated useful lives of various categories of Tangible Assets is as follows:

Asset Class	Years
Computer and hardware	3
Furniture & Fixtures	10

**(iv) Restriction on title: Nil****(v) Contractual commitments**

Refer Note 28 for outstanding contractual commitments.

**(vi) Impairment of assets - Refer note 27****(vii) Amount of depreciation recognised as a part of other asset is Nil.**

## 3a Capital work-in-progress

Particulars	As at March 31,2026	As at March 31,2025
Computer & Hardware	-	20,06,393
<b>Total</b>	-	<b>20,06,393</b>

## Ageing of Capital work-in-progress as at March 31, 2026

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
Projects in Progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

## Completion schedule - Time and Cost overrun 2025-26

CWIP	To be completed in				Total
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	
Computer & Hardware	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

## Ageing of Capital work-in-progress as at March 31, 2025

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
Projects in Progress	20,06,393	-	-	-	20,06,393
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>20,06,393</b>	-	-	-	<b>20,06,393</b>

## Completion schedule - Time and Cost overrun 2024-25

CWIP	To be completed in				Total
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	
Computer & Hardware	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

(i) Impairment of assets - Refer note 27

## (ii) Movement of Capital work in progress

Particulars	Computer and Hardware
As at March 31, 2024	-
Additions	20,06,393
Capitalisation	-
<b>As at March 31, 2025</b>	<b>20,06,393</b>
Additions	2,71,231
Capitalisation	(22,77,624)
<b>As at March 31, 2026</b>	<b>-</b>



## 3b Goodwill

Particulars	Goodwill
As at March 31, 2024	56,61,000
Acquisition through business combination (refer a & b)	89,24,658
As at March 31, 2025	1,45,85,658
Acquisition through business combination (refer c)	13,54,899
As at March 31, 2026	1,59,40,557

## a. TWO95 International Inc

On 01 July 2024, the Company through its wholly owned subsidiary "eMudhra Inc", acquired Two95 international Inc, engaged in technology solutions and services relating to digital transformation and has been in operations since 2009 with a focus on Healthcare, Utilities, Financial Services and Government in USA.

With over 15 years of industry experience, Two95 International Inc is a leader in providing comprehensive IT solutions, specializing in Generative AI, Digital Transformation, Edge Computing, and Cyber Security. Their flexible solutioning models ensure that they deliver tailored solutions to meet the unique needs of clients. Their highly skilled team of analysts, architects, and software engineers is dedicated to driving innovation and excellence in every project.

The business acquisition was conducted by entering into a share purchase agreement for a total consideration of USD 1,01,00,000 as on acquisition date, which includes a cash consideration of USD 88,00,000 and contingent consideration with an estimated fair value of USD 11,18,932 as on the date of acquisition. There is an additional contingent consideration with an estimated fair value of USD 2,02,461 which will be paid based on the performance of the company.

The following table shows the final allocation of purchase price:

Particulars	Purchase price allocated
Net Assets acquired	16,31,804
Goodwill	84,68,196
Total purchase price	1,01,00,000

## b. Sendrcrypt Technologies Inc

On 30 July 2024, the Company through its wholly owned subsidiary, "eMudhra Inc", acquired Sendrcrypt Technologies Inc, USA as a Merger and merged into eMudhra Inc. Sendrcrypt is in the business of providing top tier email security solutions to protect digital communications. Sendrcrypt flagship product, Sendrcrypt Email Security Suite, leverages advanced encryption to ensure the confidentiality and integrity of emails across multiple platforms, including Windows, macOS, iOS, and Android.

The business acquisition was conducted by entering into a share purchase agreement for a total consideration of USD 30,00,000 as on acquisition date.

The following table shows the final allocation of purchase price:

Particulars	Purchase price allocated
Net Assets acquired	25,43,538
Goodwill	4,56,462
Total purchase price	30,00,000

## c. AI Cyberforge Inc

On 01 July 2025, the Company through its wholly owned subsidiary, "eMudhra Inc", acquired AI Cyberforge Inc, USA has acquired 100% ownership interest for a cash consideration of (USD 4.80 million). Effective December 06, 2025, AI Cyberforge Inc, USA merged with eMudhra Inc after the approval for the merger from state authorities. AI Cyber Forge Inc is provider of Cyber Security software.

The following table shows the final allocation of purchase price:

Particulars	Purchase price allocated
Net Assets acquired	34,45,101
Goodwill	13,54,899
Total purchase price	48,00,000

## (i) References to other goodwill related notes

For goodwill accounting policy refer accounting policy no. 5a



## 4a Other intangible assets

Particulars	Computer Software (Including development costs)
<b>Gross carrying amount</b>	
As at March 31, 2024	33,90,232
Additions	52,52,830
Disposals	-
<b>As at March 31, 2025</b>	<b>86,43,062</b>
Additions	53,15,120
Disposals	-
<b>As at March 31, 2026</b>	<b>1,39,58,182</b>
<b>Accumulated Amortisation</b>	
As at March 31, 2024	2,63,476
Amortisation for the year	5,66,375
Disposals	-
<b>As at March 31, 2025</b>	<b>8,29,852</b>
Amortisation for the year	9,12,658
Disposals	-
<b>As at March 31, 2026</b>	<b>17,42,510</b>
<b>Net carrying amount</b>	
As at March 31, 2025	78,13,211
As at March 31, 2026	1,22,15,672

## (i) Depreciation / Amortisation

Amortisation is calculated on straight line basis over the estimated useful lives of the asset.

## (ii) Method of Accounting Depreciation/Amortisation

Amortisation has been calculated as per the Accounting Policy No. 9 of the company and recognised as expense in the Statement of Profit and Loss.

## (iii) Estimation of useful life of Assets

The estimated useful lives of the Other Intangible Assets is as follows:

Asset Class	Years
Computer software (including development costs)	10

## (iii)(a) Significant estimate in useful life of Other Intangible Assets:

The Company has performed an assessment of the useful lives of Other Intangible Assets. The Company has assessed that each product group has undergone continuous enhancements through the addition of new features and remains actively deployed which increased efficiencies of the assets, the useful life of these assets is increased to 10 years from the remaining useful life.

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. The Company, based on technical assessment made by management estimate and the certificate issued by the expert, depreciates Other Intangible Assets (as mentioned above) over estimated useful lives of another 10 years.

This change in accounting estimate was effective from the beginning financial year 2025-26. The effect of this change in estimate for the twelve months ended March 31, 2026, as determined by the Management results in a decrease in accumulated depreciation by approximately USD 77,433.

## (iv) Restriction on title: Nil

## (v) Contractual commitments

Refer Note 28 for outstanding contractual commitments

## (vi) Impairment of assets - Refer note 27



eMudhra INC

Notes forming part of the consolidated financial statements

(All amounts are in USD, unless otherwise stated)

Note No. Particulars	As at	
	March 31, 2026	March 31, 2025

4b Intangible assets under development	-	-
Internally developed	-	-
Total	-	-

Intangible assets under development ageing schedule 2025-26

Intangible assets under development	Amount in Intangible assets under development for a period of			Total
	Less than 1 year	1 - 2 Years	2 - 3 Years More than 3 years	
Projects in Progress	-	-	-	-
Projects temporarily suspended	-	-	-	-
Total	-	-	-	-

Completion schedule - Time and cost over run 2025-26

Intangible assets under development	To be completed in			Total
	Less than 1 year	1 - 2 years	2 - 3 years More than 3 years	
Projects in Progress	-	-	-	-
Total	-	-	-	-

Intangible assets under development ageing schedule 2024-25

Intangible assets under development	Amount in Intangible assets under development for a period of			Total
	Less than 1 year	1 - 2 Years	2 - 3 Years More than 3 years	
Projects in Progress	-	-	-	-
Projects temporarily suspended	-	-	-	-
Total	-	-	-	-

Completion schedule - Time and cost over run 2024-25

Intangible assets under development	To be completed in			Total
	Less than 1 year	1 - 2 years	2 - 3 years More than 3 years	
Projects in Progress	-	-	-	-
Total	-	-	-	-

(i) Contractual commitments

Refer Note 28 for outstanding contractual commitments

(ii) Impairment of assets - Refer note 27



eMudhra INC

Notes forming part of the consolidated financial statements

(All amounts are in USD, unless otherwise stated)

Note No.	Particulars	As at March 31,2026	As at March 31,2025
5	<b>Financial assets</b>		
	<b>Non-current Investment</b>		
	<b>Unquoted</b>		
	<b>Investment in equity at fair value through other comprehensive income</b>		
	BMC PRO SPA	1,71,591	1,92,277
	(Series A 1,296 shares each fully paid) (2025: (Series A 1,296 shares each fully paid)		
	<b>Total</b>	<u>1,71,591</u>	<u>1,92,277</u>

The company has designated investment in equity shares of BMC Pro Spa, at Fair Value through Other Comprehensive Income because these equity shares represent investments that are intended to be held for long-term strategic purposes. Fair Value of the Investment based on Net Asset Value. Method is given below:

Particulars	As at March 31,2026	As at March 31,2025
Fair value	1,71,591	1,92,277
Dividend income recognised during the year	-	-
<b>Closing balance</b>	<u>1,71,591</u>	<u>1,92,277</u>

6	<b>Trade receivables</b>		
	<b>Unsecured, considered good</b>		
	- Related parties	-	59,648
	- Others	61,75,528	60,18,199
	Less: Allowance for expected credit loss	(229)	(6,340)
	<b>Total (a)</b>	<u>61,75,299</u>	<u>60,71,507</u>
	<b>Unsecured, considered credit impaired</b>		
	- Others	3,00,000	3,00,000
	Less: Allowance for expected credit loss	(3,00,000)	(1,00,000)
	<b>Total (b)</b>	<u>-</u>	<u>2,00,000</u>
	<b>Grand Total (a)+(b)</b>	<u>61,75,299</u>	<u>62,71,507</u>

(i) Payment terms

a. In majority of contracts, payment is due on delivery of License/delivery of services to customer. However, in some contracts a portion of dues is linked to satisfaction of further performance obligations like completion of installation and commission activity etc.

b. Amount retained by customer in respect of completed performance obligation, due to linking of payment with completion of other performance obligations in the contract, is classified as contract asset. Balance amount receivable is classified as Trade receivable.

(ii) Financial instruments

Refer note 34 for classification of financial instruments

(iii) Related party disclosure

For related party disclosure refer note 33

(iv) Refer note 31 for trade receivable ageing schedule

7 Cash and cash equivalents

	Balance with banks:		
	- In current account	13,26,193	31,37,173
	<b>Total</b>	<u>13,26,193</u>	<u>31,37,173</u>

(i) Refer note 34 for classification of financial instruments

(ii) There are no repatriation restrictions with regard to cash and cash equivalents



eMudhra INC

Notes forming part of the consolidated financial statements

(All amounts are in USD, unless otherwise stated)

Note No.	Particulars	As at March 31,2026	As at March 31,2025
9	<b>Loans</b>		
	<b>Unsecured, considered good</b>		
	Loans to related parties	2,152	2,152
	<b>Others</b>		
	Loans to employees	5,56,076	5,28,651
	<b>Total</b>	<b>5,58,228</b>	<b>5,30,803</b>
	<b>(i) Financial instruments</b>		
	Refer note 34 for classification of financial instruments		
	<b>(ii) Related party disclosure</b>		
	For related party disclosure refer note 33		
8	<b>Other financial assets</b>		
	<b>Current</b>		
	<b>Unsecured, considered good</b>		
	Security deposits	1,375	1,375
	Other receivables	-	37,222
	<b>Total</b>	<b>1,375</b>	<b>38,597</b>
10	<b>Other current assets</b>		
	<b>Unsecured, considered good</b>		
	Advance to suppliers	1,79,011	19,165
	<b>Others</b>		
	Unbilled revenue		
	- Related party	-	1,95,500
	- Others	20,57,102	10,81,659
	Prepaid Expenses	25,061	27,365
	Other current assets	45,246	-
	<b>Total</b>	<b>23,06,420</b>	<b>13,23,689</b>



**eMudhra INC**

**Notes forming part of the consolidated financial statements**

(All amounts are in USD, unless otherwise stated)

Note No.	Particulars	As at March 31, 2026	As at March 31, 2025
11	<b>Share capital</b>		
	<b>Authorised share capital</b>		
	1,53,30,150 (2025: 1,53,30,150) Equity shares of USD 1 each	1,53,30,150	1,53,30,150
	<b>Total</b>	<b>1,53,30,150</b>	<b>1,53,30,150</b>
	<b>Equity share capital</b>		
	<b>(i) Issued, Subscribed and fully paid up share capital</b>		
	1,53,30,150 (2025: 1,53,30,150) Equity shares of USD 1 each	1,53,30,150	1,53,30,150

**(ii) Reconciliation of the equity share outstanding at the beginning and at the end of the year:**

Particulars	As at March 31, 2026 No. of Shares	Amount	As at March 31, 2025 No. of Shares	Amount
Share outstanding at the beginning of the year	1,53,30,150	1,53,30,150	81,75,000	81,75,000
Add: Share issued during the year	-	-	71,55,150	71,55,150
Less: Shares bought back during the year	-	-	-	-
Share outstanding at the end of the year	<b>1,53,30,150</b>	<b>1,53,30,150</b>	<b>1,53,30,150</b>	<b>1,53,30,150</b>

**(iii) Details of shareholders holding more than 5% shares in the Company**

Name of the shareholder	As at March 31, 2026 No. of Shares	% Holding	As at March 31, 2025 No. of Shares	% Holding
eMudhra Limited	1,53,30,150	100%	1,52,30,150	99%
eMudhra (MU) Limited	-	0%	1,00,000	1%

(iv) During previous 5 years the company has not bought back its shares.

(v) During the previous 5 years the company has not allotted any shares as fully paid up pursuant to contract without payment being received in cash.

(vi) During the previous 5 years the company not allotted any shares as fully paid up by way of bonus shares.



eMudhra INC

Notes forming part of the consolidated financial statements

(All amounts are in USD, unless otherwise stated)

Note No.	Particulars	As at March 31,2026	As at March 31,2025
<b>12</b>	<b>Other equity</b>		
	Retained earnings [refer note 12.1 below]	48,40,901	38,19,188
	Securities Premium [refer note 12.2 below]	41,44,563	41,44,563
	Total other comprehensive income [ refer note 12.3 below]	(28,409)	(7,723)
	Share based payment reserve [refer note 12.4 below]	7,90,036	3,51,156
		<u>97,47,091</u>	<u>83,07,184</u>
<b>12.1</b>	<b>Retained earnings</b>		
	Balance at the beginning of the year	38,19,188	24,74,555
	Add: Change in reserves due to merger	(1,50,110)	-
	Profit for the year	11,71,823	13,44,633
	<b>Balance as at the end of the year</b>	<u>48,40,901</u>	<u>38,19,188</u>
<b>12.2</b>	<b>Securities Premium</b>		
	Balance at the beginning of the year	41,44,563	11,39,400
	Add: Issue of equity shares	-	30,05,163
	<b>Balance as at the end of the year</b>	<u>41,44,563</u>	<u>41,44,563</u>
<b>12.3</b>	<b>Other comprehensive income for the year</b>		
	Balance at the beginning of the year	(7,723)	-
	Add: Other comprehensive income for the year	(20,686)	(7,723)
	Add: Exchange fluctuation	-	-
	<b>Balance as at the end of the year</b>	<u>(28,409)</u>	<u>(7,723)</u>
<b>12.4</b>	<b>Share based payment reserve</b>		
	Balance at the beginning of the year	3,51,156	86,030
	Add: Stock compensation expense during the year	4,38,880	2,65,126
	<b>Balance as at the end of the year</b>	<u>7,90,036</u>	<u>3,51,156</u>

**Nature and purpose of the reserves**

**Securities premium**

Securities premium is created out of the premium on issue of equity shares.

**Other Comprehensive income**

Other Comprehensive income are those gains/ losses which are not yet realised and excluded from the statement of profit and loss. It consist of gain/loss from investment in equity at fair value through other comprehensive income

**Share based payment reserve**

The reserve related to employee share based payment plans granted by the eMudhra Limited ("parent company") to the employees of the company.



Note No.	Particulars	As at March 31,2026	As at March 31,2025
13	<b>Borrowings</b>		
	<b>Non Current</b>		
	<b>Unsecured</b>		
	<b>Loans from related party</b>		
	From Other related parties	-	-
	<b>Total</b>	-	-
	<b>Current</b>		
	<b>Unsecured</b>		
	<b>Loans from related party</b>		
	From Other related parties	1,00,74,446	46,06,393
	<b>Total</b>	<b>1,00,74,446</b>	<b>46,06,393</b>
	<b>(i) Financial instruments</b>		
	Refer note 34 for classification of financial instruments		
	<b>(ii) Related party disclosure</b>		
	For related party disclosure refer note 33		
	<b>(iii) The loan from related parties are interest free and are repayable on demand</b>		
14	<b>Trade payables</b>		
	<b>Current</b>		
	To related parties	7,70,885	12,68,723
	To Others	15,34,898	14,00,104
	<b>Total</b>	<b>23,05,783</b>	<b>26,68,827</b>
	<b>(i) Financial instruments : Refer note 34 for classification of financial instruments.</b>		
	<b>(ii) Related party disclosure : Refer note 33 for Related Party Disclosure</b>		
	<b>(iii) Refer note 32 for trade payables ageing schedule</b>		
15	<b>Other financial liabilities</b>		
	<b>Non-Current</b>		
	Payable for acquisition of business- Contingent consideration	-	6,47,679
	<b>Total</b>	-	<b>6,47,679</b>
	<b>Current</b>		
	Employee benefit payable	7,97,192	11,23,149
	Payable for acquisition of business- Contingent consideration	7,15,132	7,78,864
	Other advances from customers	5,29,872	27,876
	<b>Total</b>	<b>20,42,196</b>	<b>19,29,889</b>
	<b>(i) Financial instruments : Refer Note 34 for classification of financial instruments.</b>		
	<b>(ii) Refer note 37 for Payable for acquisition of business- Contingent consideration</b>		
16	<b>Other current liabilities</b>		
	Deferred Revenue	11,250	-
	Statutory dues	13,378	-
	<b>Total</b>	<b>24,628</b>	-
17	<b>Provision</b>		
	<b>Employee benefits</b>		
	Bonus/Other payment	8,97,162	17,56,238
	<b>Total</b>	<b>8,97,162</b>	<b>17,56,238</b>
18	<b>Current Tax Liabilities (Net)</b>		
	Provision for tax, net	3,24,015	5,74,296
	<b>Total</b>	<b>3,24,015</b>	<b>5,74,296</b>



(All amounts are in USD, unless otherwise stated)

Note No.	Particulars	For the year ended March 31,2026	For the year ended March 31,2025
19	<b>Revenue from operations</b>		
	Sale of software solutions/services	2,68,24,504	2,65,43,965
	<b>Total</b>	<b>2,68,24,504</b>	<b>2,65,43,965</b>
	<b>(i) Disaggregation of revenue</b>		
	Revenue earned by the company is disaggregated by its sources based on its key operating segments as disclosed in note 36		
	<b>(ii) Reconciliation of revenue recognised in Statement of Profit and Loss with contract Price</b>		
	Revenue as per the Statement of Profit and Loss		
	Sale of software solutions/services	2,68,24,504	2,65,43,965
	<b>Total (a)</b>	<b>2,68,24,504</b>	<b>2,65,43,965</b>
	<b>Add/ (less) adjustment to contract price</b>		
	Foreign Exchange variation claim	-	-
	Price revision	-	-
	Discount and rebate offered	-	-
	Others	-	-
	<b>Total adjustment (b)</b>	<b>-</b>	<b>-</b>
	<b>Contract price (a+b)</b>	<b>2,68,24,504</b>	<b>2,65,43,965</b>

**(iii) Satisfaction of performance obligation**

a. In majority of the contracts performance obligation is satisfied "at a point in time" which is primarily determined on customer obtaining the control of the asset. Revenue from licenses where the customer obtains a "right to use" the license are recognised at the time the license is made available to the customer.

b. In Contracts with multiple performance obligations, revenue is recognised using percentage of completion method on satisfaction of each performance obligation.

c. Contract with the customer normally do not contain significant financing component and any advance payment received and /or amount retained by customer is with intention of protecting either parties to the contract.

d. Variable consideration primarily consists of discounts, rebates, price concessions, incentives and performance bonuses which are reduced from the transaction price, if specified in the contract with customer/ based on customary business practices.

e. Warranties provided are mainly in the nature of performance warranty.

f. In case of AMC contracts, output method is used to recognise revenue where passage of time is the criteria for satisfaction of performance obligation.

g. For revenue recognition in respect of performance obligation satisfied at a "point in time" the following criteria is used for determining whether the customer has obtained "Control on asset"

i. Transfer of significant risk and rewards

ii. Customer has legal right/title to the asset

iii. The entity has transferred the physical possession of the asset

iv. Customer has accepted the asset

v. Entity has the present right to payment for the asset

h. Transaction price is typically determined based on contract entered into with customer. Allocation of transaction price in respect to multiple obligation is based on relative standalone selling price.

i. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and is reassessed at the end of each reporting period.

j. The Company classifies its right to consideration as either trade receivables or Contract asset. The Company's receivables are rights to consideration that are unconditional.

Unbilled revenue comprising revenue in excess of billing where the right to consideration is unconditional and is due only after passage of time. Unbilled revenue is recognised based on the satisfaction of performance obligations which is measured based on the satisfaction of the internal milestones by the company using the input method (i.e., resources consumed, costs incurred).

k. No non-cash considerations are received/given during the current year.

**l. Remaining Performance obligation**

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Company expects to recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed remaining performance obligation related disclosures for contracts where the revenue recognised corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time-and-material and unit of work based contracts. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in scope of contracts, periodic revaluations, adjustment for revenue that has not materialised and adjustments for currency fluctuations.

m. Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period USD Nil (2025: USD 15,000)

n. Revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods (for example, changes in transaction price) Nil (2025: Nil)



(All amounts are in USD, unless otherwise stated)

Note No.	Particulars	For the year ended March 31,2026	For the year ended March 31,2025
<b>20</b>	<b>Other income</b>		
	Gain on reversal of contingent consideration (refer note 37)	1,48,000	-
	Other miscellaneous income	2,46,835	239
	Foreign exchange gain(net)	-	2,428
	<b>Total</b>	<b>3,94,835</b>	<b>2,667</b>
<b>21</b>	<b>Operating expenses</b>		
	License fee	7,45,522	9,88,725
	Other direct operating expenses including partner remuneration	1,95,72,565	1,94,32,590
	Payment gateway charges	1,836	7,573
	Postage and courier charges	299	455
	<b>Total</b>	<b>2,03,20,222</b>	<b>2,04,29,343</b>
<b>22</b>	<b>Employee benefits expense</b>		
	Salaries, allowances and bonus	16,32,788	12,98,125
	Contribution to other funds	40,640	45,887
	Share based payment	4,38,880	2,38,407
	Employee insurance expenses	1,00,248	71,752
	Staff welfare expenses	25,501	22,134
	<b>Total</b>	<b>22,38,057</b>	<b>16,76,305</b>
<b>23</b>	<b>Financial costs</b>		
	Interest expenses	-	11,934
	Interest on Income tax	-	344
	Interest on Contingent Consideration	86,589	1,05,150
	<b>Total</b>	<b>86,589</b>	<b>1,17,428</b>
<b>24</b>	<b>Depreciation and amortisation expense</b>		
	Amortisation on other intangible assets	9,12,658	5,66,375
	Depreciation on plant, property and equipment	1,80,413	517
	<b>Total</b>	<b>10,93,071</b>	<b>5,66,892</b>
<b>25</b>	<b>Other expenses</b>		
	Business promotion expenses	5,83,769	5,03,071
	Communication expenses	28,902	19,455
	Fees rates and taxes	1,31,731	2,05,453
	Information technology expenses	92,140	1,13,659
	Insurance expenses	50,387	42,295
	Legal and professional expenses	2,75,118	4,02,828
	Membership charges	10,850	350
	Miscellaneous expense	4,083	7,345
	Office maintenance expense	7,527	16,380
	Printing and stationary	-	103
	Short term leases	1,39,794	1,22,838
	Repairs and Maintenance		
	- Plant and machinery	-	43
	- Others	16,201	2,543
	Provision for doubtful debts	2,00,229	1,02,500
	Bad debts written off	6,340	-
	Less: Charged to provision	(6,340)	-
	Travelling and conveyance	2,28,331	1,72,844
	Foreign exchange loss (net)	1,910	-
	<b>Total</b>	<b>17,70,972</b>	<b>17,11,707</b>



Note No.	Particulars		As at March 31,2026	As at March 31,2025
26	<b>Earnings per share</b>			
	<b>Basic:</b>			
	Profit after tax	A	11,71,823	13,44,633
	Weighted average number of shares outstanding	B	1,53,30,150	1,29,58,169
	Basic Earnings Per Share	A/B	0.08	0.10
	<b>Diluted</b>			
	Profit after tax	A	11,71,823	13,44,633
	Weighted average number of shares outstanding	B	1,53,30,150	1,29,58,169
	Diluted Earnings Per Share	A/B	0.08	0.10

**26a Consolidation Procedure**

The Consolidated Financial Statements comprise the financial statements of the holding company and its subsidiaries consolidated for all entities which are controlled by the parent company. Control exists when the parent has power over an investee, exposure or rights to variable returns from its involvement with the investee and ability to use its power to affect those returns. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the effective date the control commences and ceases when the control is lost.

The Consolidated Financial Statements ("CFS") have been prepared on the basis of audited financial statements of the holding Company viz., emudhra INC, and its subsidiaries viz. IKON Tech Services LLC (51% of members interest), Two95 International Inc., (Share Holding 93.40%) and Certinext (Share Holding 100%)

For preparation of consolidated financial statements, the financial statements of the company and its subsidiaries have been combined on a line-by-line basis by adding together book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances and transactions and resulting unrealized gain/loss. The consolidated financial statements are prepared by applying uniform accounting policies in use by the holding company.

- 26b** The excess / deficit of cost to the holding company of its investment in the subsidiaries over its portion of equity at the respective dates on which investment in such entities were made are recognized in the financial statements as goodwill /capital reserve. The Group tests for impairment of goodwill at each balance sheet date. When the Group identifies that the goodwill has been impaired, the goodwill to the extent impaired is recognized in the Consolidated Statement of Profit and Loss.
- 26c** Non Controlling interests in the net results of operations and the net assets of the subsidiaries represent that part of the profit / loss and the net assets not attributable to the holding company.
- 26d** Additional information disclosed in individual financial statements of the holding and subsidiaries having no bearing on the true and fair view of the consolidated financial statements and also the information pertaining to the items which are not material have not been disclosed in the consolidated financial statements.

**27 Impairment of Assets**

Company has analysed indications of impairment of assets of each cash generating units (CGU). On the basis of assessment of internal and external factors, none of the unit has found indications of impairment of its assets.

**28 Contractual commitments**

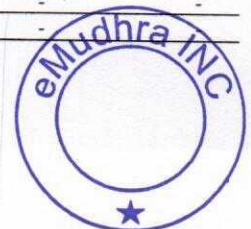
Particulars	As at March 31,2026	As at March 31,2025
a) Estimated amount of contracts remaining to be executed on capital account and not provided as on 31st March (Net of advances)	-	-
b) Other commitments i.e. non cancellable contractual commitments (i.e. cancellation of which will result in a penalty disproportionate to the benefits involved) as on 31st March	-	-
<b>Total</b>	-	-

**29 Contingent Liabilities**

Particulars	As at March 31,2026	As at March 31,2025
(a) Claims not acknowledged as debts	-	-
(b) Outstanding letters of credit	-	-
(c) Others	-	-
	-	-

**30 Contingent assets**

Particulars	As at March 31,2026	As at March 31,2025
Nil	-	-
<b>Total</b>	-	-



## 31 Trade receivables ageing Schedule

Trade receivables ageing as at March 31, 2026

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	54,05,350	54,938	5,79,740	1,35,500	-	61,75,528
(ii) Undisputed Trade receivables – credit impaired	-	-	3,00,000	-	-	3,00,000
(iii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
	<b>54,05,350</b>	<b>54,938</b>	<b>8,79,740</b>	<b>1,35,500</b>	-	<b>64,75,528</b>
Less: Allowance for expected credit loss						(3,00,229)
<b>Total</b>						<b>61,75,299</b>

Note: The above amount does not include unbilled revenue of USD 20,57,102 disclosed under note 10.

Trade receivables ageing as at March 31, 2025

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	57,40,198	1,81,657	1,55,992	-	-	60,77,847
(ii) Undisputed Trade receivables – credit impaired	3,00,000	-	-	-	-	3,00,000
(iii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
	<b>54,40,198</b>	<b>1,81,657</b>	<b>1,55,992</b>	-	-	<b>63,77,847</b>
Less: Allowance for expected credit loss						(1,06,340)
<b>Total</b>						<b>62,71,507</b>

Note: The above amount does not include unbilled revenue of USD 12,77,159 disclosed under note 10.

## 32 Trade payables Ageing Schedule

Trade payables ageing as at March 31, 2026

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
<b>Undisputed dues</b>						
(i) MSME	-	-	-	-	-	-
(ii) Others	9,00,626	12,31,014	1,45,879	28,264	-	23,05,783
<b>Disputed dues</b>						
(i) Disputed dues - MSME	-	-	-	-	-	-
(ii) Disputed - Others	-	-	-	-	-	-
<b>Total</b>	<b>9,00,626</b>	<b>12,31,014</b>	<b>1,45,879</b>	<b>28,264</b>	-	<b>23,05,783</b>

Trade payables ageing as at March 31, 2025

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
<b>Undisputed dues</b>						
(i) MSME	-	-	-	-	-	-
(ii) Others	17,47,635	6,63,038	2,58,155	-	-	26,68,827
<b>Disputed dues</b>						
(i) Disputed dues - MSME	-	-	-	-	-	-
(ii) Disputed - Others	-	-	-	-	-	-
<b>Total</b>	<b>17,47,635</b>	<b>6,63,038</b>	<b>2,58,155</b>	-	-	<b>26,68,827</b>



## 33 Related Party Transactions

## A. Disclosure related to subsidiary, associate and group companies

## 1 Particulars of subsidiary, associate and group companies :

SI No.	Name of the company	Relationship	Country
1	eMudhra (MU) Limited	Group Company	Mauritius
2	eMudhra Technologies Limited	Group Company	India
3	eMudhra Consumer Services Limited	Group Company	India
4	eMudhra Limited	Parent Company	India
5	eMudhra PTE Limited	Group Company	Singapore
6	Taarav PTE Limited	Enterprises in which promoter group exercise significant influence	Singapore
7	eMudhra DMCC	Group Company	Dubai
8	eMudhra BV	Group Company	Netherland
9	eMudhra Kenya Limited	Group Company	Kenya
10	eMudhra employees stock option trust	Employee stock option trust	India
11	PT eMudhra Technologies Indonesia	Group Company	Indonesia
12	Cryptas International GmbH	Step down subsidiary through "eMudhra BV"	Austria
13	PrimeSign GmbH	Step down subsidiary of "Cryptas International GmbH"	Austria
14	Cryptas IT Security GmbH	Step down subsidiary of "Cryptas International GmbH"	Austria
15	Cryptas Deutschland GmbH	Step down subsidiary of "Cryptas International GmbH"	Germany
16	Cryptas Nordics AB	Step down subsidiary of "Cryptas International GmbH"	Sweden
17	European Trust Services GmbH	Associate of "Cryptas International GmbH"	Austria
18	Smart Craft Private Limited	Enterprises in which promoter group exercise significant influence	India
19	Cedar Grove Real Estates Private Limited	Enterprises in which promoter group exercise significant influence	India
20	Bluesky Infotech [Partnership firm]	Enterprises in which promoter group exercise significant influence	India
21	Lifeuno Ventures Private Limited	Enterprises in which promoter group exercise significant influence upto June 30, 2025	India
22	Cyber Tech Systems and Software Ltd	Enterprises in which one of the Independent director of the group exercise interest	India

## 2 Particulars of key managerial person

SI No	Entity	Name of the key managerial person		
		March 31,2026	March 31,2025	Relationship
1	eMudhra INC	Arvind Srinivasan	Arvind Srinivasan	Director
		Prasanna Narasimha	Prasanna Narasimha	Director
2	IKON Tech services LLC	Sailaja Patibandla	Sailaja Patibandla	Member of IKON
		Ana Duran	Ana Duran	Member of IKON
		V. Srinivasan	V. Srinivasan	Member of IKON
3	Two95 International Inc.,	Mahesh Menon	Mahesh Menon	Director
		Shanker Koladi	Shanker Koladi	Director
		V. Srinivasan	V. Srinivasan	Director
4	Certinext INC	Arvind Srinivasan	Arvind Srinivasan	Director



eMudhra INC

Notes forming part of the consolidated financial statements

(All amounts are in USD, unless otherwise stated)

33 Related Party Transactions

3 Transactions with Related Parties:

SI No	Nature of transaction	Related party	Nature of relationship	Transactions	
				2025-26	2024-25
1	Purchase of tangible assets	eMudhra BV	Group Company	-	20,06,393
2	Sales of software licencing fees	eMudhra DMCC	Group Company	-	2,55,148
3	Purchase of software Licencing fees	eMudhra Consumer Services Limited	Group Company	5,78,331	2,36,503
		eMudhra Limited	Parent Company	39,313	53,531
		eMudhra Technologies Limited	Group Company	97,810	24,691
		eMudhra DMCC	Group Company	30,068	6,74,000
4	Loan Provided(received) Net	eMudhra PTE Limited	Group Company	-	2,152
5	(Borrowings)/ Repayment, net	eMudhra DMCC	Group Company	(73,54,446)	7,00,000
		eMudhra BV	Group Company	18,86,393	(19,06,393)
6	Issue of equity Shares	eMudhra Limited	Parent Company	-	1,01,60,313

4 Detailed transactions with key managerial persons (IKON & Two95)

SI No	Nature of transaction	Related party	Nature of relationship	2025-26	2024-25
1	Salary and allowance paid	Ana Duran	Member	89,990	89,990
		Sailaja Patibandla	Member	1,43,981	1,43,981
2	Remuneration paid	Two95 International Inc.,	Mahesh Menon	1,69,000	1,26,000
		Two95 International Inc.,	Shanker Koladi	1,69,000	1,26,000



**eMudhra INC****Notes forming part of the consolidated financial statements**

(All amounts are in USD, unless otherwise stated)

**33 Related Party Transactions****5 Closing balances with Related Parties:**

SI No	Nature of transaction	Related party	Nature of relationship	As at March 31,2026	As at March 31,2025
1	<b>Trade Payable</b>				
		eMudhra Consumer Services Limited	Group Company	5,91,643	4,25,328
		eMudhra Limited	Parent Company	39,313	53,529
		eMudhra Technologies Limited	Group Company	97,810	24,691
		eMudhra DMCC	Group Company	42,119	7,65,175
2	<b>Unbilled Revenue</b>				
		Certinext	Group Company	-	1,95,500
3	<b>Borrowings</b>				
		eMudhra BV	Group Company	20,000	19,06,393
		eMudhra DMCC	Group Company	1,00,54,446	27,00,000
4	<b>Trade Receivable</b>				
		eMudhra Limited	Parent Company	-	59,648
5	<b>Loans</b>				
		eMudhra PTE Limited	Group Company	2,152	2,152

Note: The Company's related Party transactions during the year ended March 31, 2026 and March 31, 2025 the outstanding balances as at March 31, 2026 and March 31, 2025 are within its parent company and group companies with whom the Company generally enters its transactions which are at arms length and in the ordinary course of business.



(All amounts are in USD, unless otherwise stated)

## 34 Financial Instruments

The carrying value and fair value of financial instruments by categories were as follows:							
Particulars	Fair value hierarchy	As at March 31, 2026			As at March 31, 2025		
		FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
<b>Assets:</b>							
<b>Non Current:</b>							
(i) Investments	3	-	1,71,591	-	-	1,92,277	-
<b>Current</b>							
(i) Trade receivables	3	-	-	61,75,299	-	-	62,71,507
(ii) Cash & cash equivalents	3	-	-	13,26,193	-	-	31,37,173
(iii) Loans	3	-	-	5,58,228	-	-	5,30,803
(vi) Other financial assets	3	-	-	1,375	-	-	38,597
<b>Total</b>		-	1,71,591	80,61,095	-	1,92,277	99,78,081
<b>Liabilities:</b>							
<b>Non-current:</b>							
(i) Financial Liabilities	3	-	-	-	-	-	6,47,679
<b>Current</b>							
(i) Borrowings	3	-	-	1,00,74,446	-	-	46,06,393
(ii) Trade Payables	3	-	-	23,05,783	-	-	26,68,827
(iii) Other financial liabilities	3	-	-	20,42,196	-	-	19,29,889
<b>Total</b>		-	-	1,44,22,425	-	-	98,52,788

**Fair value hierarchy**

Level 1 - Level 1 hierarchy includes financial instruments measured using Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – 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).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).



## 35 Financial risk management

## (i) Risk management framework

The group's financial risk management is an integral part of how to plan and execute its business strategies. The group's risk management policy is set by the Board. The group's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk relating to foreign currency exchange rate. The group's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. A summary of the risks have been given below.

## (ii) Credit risk

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the group's receivables from customers and other financial assets carried at amortised cost. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivables and Security deposits. The exposure is limited to its carrying value.

## (a) Trade and other receivables

The credit exposure of trade receivables is primarily on account of receivable from customers. The group has a process in place to monitor outstanding receivables on a monthly basis.

The group's exposure to credit risk for trade and other receivables by category is as follows:

Particulars	Carrying amount	
	As at March 31, 2026	As at March 31, 2025
Trade receivables (Gross)	64,75,528	63,77,847
Unbilled revenue	20,57,102	12,77,159
Less: Expected credit loss	(3,00,229)	(1,06,340)
	<b>82,32,401</b>	<b>75,48,666</b>

Following are the financial assets carried at amortised cost at the reporting date.

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables	61,75,299	62,71,507
Cash and cash equivalents	13,26,193	31,37,173
Loans	5,58,228	5,30,803
Other financial assets	1,375	38,597
	<b>80,61,095</b>	<b>99,78,081</b>

## (iii) Liquidity risk

Liquidity risk is the risk that the group will not be able to meet its financial obligations as they become due. The group manages its liquidity risk by ensuring, that it will always have sufficient liquidity to meet its liabilities when due. The group's Management is responsible for liquidity and fund management.

The group aims to maintain the level of its cash and cash equivalents at an amount in excess of expected cash outflows on financial liabilities over the next six months. The group also monitors the level of expected cash inflows on trade receivables together with expected cash outflows on trade payables and other financial liabilities.

Following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

## As at March 31, 2026

Particulars	within 12 months	1-5 Years	Total carrying amount
Borrowings	1,00,74,446	-	1,00,74,446
Trade payables	23,05,783	-	23,05,783
Other financial liabilities	20,42,196	-	20,42,196
	<b>1,44,22,425</b>	<b>-</b>	<b>1,44,22,425</b>

## As at March 31, 2025

Particulars	within 12 months	1-5 Years	Total carrying amount
Borrowings	46,06,393	-	46,06,393
Trade payables	26,68,827	-	26,68,827
Other financial liabilities	19,29,889	6,47,679	25,77,568
	<b>92,05,109</b>	<b>6,47,679</b>	<b>98,52,788</b>



**eMudhra INC**

**Notes forming part of the consolidated financial statements**

(All amounts are in USD, unless otherwise stated)

**(iv) Market risk**

Market risk is the risk that changes in market prices such as foreign exchange rates will affect the group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

**(v) Capital Management**

The group's objectives when managing capital are to

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and
- Maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the group is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The group's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The group will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The management monitors the return on capital as well as the level of dividends to shareholders. The group's goal is to continue to be able to provide return to shareholders.

Particulars	As at	As at
	March 31, 2026	March 31, 2025
Net debt	1,00,74,446	46,06,393
Total equity	2,50,77,241	2,36,37,334
Net debt to equity ratio	0.40	0.19



**36 Segment Information**

The parent company discloses the segment information in the consolidated financial statements of the group and accordingly the same is not disclosed.

**37 Payable for acquisition of business-Contingent consideration**

On July, 2024, eMudhra INC acquired 87% of interests in Two95 international LLC, engaged in technology solutions and services relating to digital transformation and has been in operations since 2009 in USA. This acquisition is expected to Increase revenue base in USA, Augment talent to drive customer engagement and Enhance local support to ensure streamlined delivery. The business acquisition was conducted by entering into a share purchase agreement for a total consideration of USD 10.10 million as on acquisition date, which includes a cash consideration of USD 8.80 million and contingent consideration with an estimated fair value of USD 1.12 million as on the date of acquisition. In addition to the above the it is agreed to compensate the sellers an upside monetary benefit with an estimated fair value of USD 0.20 million. At the acquisition date, the key inputs used in determination of the fair value of contingent consideration are the probabilities assigned towards achievement of financial targets and discount rate of 10.61%. During the year, an amount of USD 0.65 million paid to the sellers as a part of the consideration for the 6.6% share and reversed the liability of USD 0.15 million as the sellers didn't meet the conditions for upside monetary benefit. The undiscounted value of the contingent consideration as of March 31, 2026 is USD 0.65 million and upside monetary benefit of USD 0.08 million.

**38** The disclosure requirement in accordance with the Ind AS 102, Share based payment are disclosed by the Parent company in the consolidated financials statements of the group for the year ended 31st March 2026.

**39 Details of crypto currency or virtual currency**

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

**40 Valuation of Property, Plant and Equipment**

The Company has not revalued its property, plant and equipment during the current or previous year.

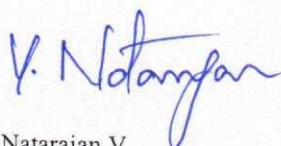
See accompanying notes to the financial statements

As per our report of even date attached

For Suri & Co.,

Chartered Accountants

Firm Registration Number: 004283S



Natarajan V

Partner

Membership No: 223118



For and on behalf of the Board of Directors  
of eMudhra INC



Arvind Srinivasan

Director



Place: Bengaluru

Date : May 06, 2026

Place: Bengaluru

Date : May 06, 2026