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National E-Governance Services Ltd.

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ANNUAL REPORT

2025-26

CIN U72900MH2016GOI282855



Registered Office

Gresham Assurance House, 4th Floor,
Sir P.M. Road, Fort, Mumbai - 400001



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BOARD OF DIRECTORS

SARVASHRI



N S Vishwanathan
Chairman and Independent Director



Prasad Parameswaran Pillai Naga
Independent Director



Sudha Krishnan
Independent Director



Rajesh Doshi
Independent Director



Prabhat Kumar Singh
Nominee Director - (ICICI)



Bindu Paul
Nominee Director (LIC)



Lal Singh
Nominee Director (BoB)



Debajyoti Ray Chaudhuri
Managing Director & CEO

KEY MANAGERIAL PERSONNEL

Pradeep Shripad
Chief Financial Officer

S Padmavathy
Company Secretary

STATUTORY AUDITORS

K N PRABHASHANKAR AND CO., CHARTERED ACCOUNTANTS

REGISTRARS AND TRANSFER AGENTS

MUG INTIME INDIA PRIVATE LIMITED

C- 101, 247 PARK, L.B. S MARG, VIKHROLI (WEST), MUMBAI - 400083

NOTICE OF 10TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the **10th Annual General Meeting** of the members of **National E-Governance Services Limited (CIN: U72900MH2016GOI282855)** will be held on the Wednesday, 12th of August, 2026 at 12.00 noon at a shorter notice through video conference/ OAVM to transact the following business. The venue of the meeting shall be deemed to be the registered office of the Company at 4th Floor, Gresham Assurance House, Sir PM Road, Fort, Mumbai- 400 001

I. Ordinary Business:

To consider and if thought fit, to pass with or without modification, the following resolutions as Ordinary Resolutions:

Item No. 1 – Adoption of Audited Standalone Financial Statements for the Financial Year ending 31st March, 2026:

To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2026 and the Reports of the Board of Directors and the Auditors (Statutory & C&AG) thereon.

Item No. 2 – Adoption of Audited Consolidated Financial Statements for the Financial Year ending 31st March, 2026:

To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2026 and the Reports of the Auditors (Statutory & C&AG along with its comments) thereon.

Item No. 3 – Appointment and fixation of remuneration of Statutory Auditors for the Financial Year 2026–27:

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the members do and hereby appoint the Statutory Auditors of the Company as advised by the Comptroller and Auditor General (C&AG) of India to conduct the audit for the Financial Year 2026–27 at the remuneration as may be fixed by the Board of Directors of the Company on the recommendation of the Audit Committee on intimation to C&AG.”

Item No. 4 – Declaration of Final Dividend at the rate of 10%, i.e. Re.1/- (Rupee One only) on each fully paid-up equity share of Rs.10/- (Rupees Ten only) for the year ended 31st March, 2026:

“RESOLVED THAT pursuant to provisions of Section 123(3) of the Companies Act, 2013 read with Companies (Declaration and Payment of Dividend) Rules, 2014, a final dividend of 10%, i.e. Re. 1/- (Rupee One only) on each fully paid-up equity share of Rs. 10/- (Rupees Ten only) aggregating to Rs. 7.50 crores, as recommended by the Board of Directors of the Company for the financial year ended March 31, 2026, be and is hereby declared and the same be paid out of the profits of the Company for the current financial year 2025–26, to those members whose name appear in the Register of Members as on the date of the Annual General Meeting approving the final dividend, being the record date for the payment of dividend.”

Item No. 5 – Re-Appointment of Shri. Lal Singh (DIN: 08221094), Director who retires by rotation and being eligible, offered himself for re-appointment:

“RESOLVED THAT pursuant to the provisions of the Section 152 (6) of the Companies Act, 2013 and applicable rules made there under and as per the provision of the articles of association of the company Shri. Lal Singh (DIN: 08221094), Director who retires by rotation and being eligible offered himself for re - appointment be and is hereby re- appointed as director of the company.”

II. Special Business:

Item No. 6 - Re-appointment of Shri. Subramanian Nurani Vishwanathan (DIN: 09568559) as an independent director for second term

To consider and if thought fit with or without modification, pass the following resolution as Special Resolutions:

"RESOLVED THAT, Shri. Subramanian Nurani Vishwanathan (DIN: 09568559), who was appointed as an independent director on 28th March 2024 for a term of 3 years till 27th March 2027, pursuant to Sections 149, 152 and 161 and other relevant provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof and read with Regulation 9 of the IBBI (Information Utilities) Regulations, 2017 on the recommendation of the Board of Directors of the company, approval of the members is be and are hereby accorded for the appointment of Shri. Subramanian Nurani Vishwanathan (DIN: 09568559) as an independent director, not liable to retire by rotation, for a second term of three years up to 27th March 2030.

RESOLVED FURTHER THAT, any director or the Company Secretary of the Company be and are hereby authorized to severally sign the requisite forms / documents and to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution."

Item No. 7 Approval of the perquisite (IT assets) to MD&CEO:

To consider and if thought fit with or without modification, pass the following resolution as Ordinary Resolutions:

"RESOLVED THAT, pursuant to the recommendation of the Board of directors of the company and as per the provisions of Section 196, 197, 198, 201 and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including rules, notifications and statutory modification, amendment or re-enactment thereof for the time being in force and as may be enacted from time to time) read with Schedule V of the said act, and such other approvals, permissions and sanctions of such authorities and/or agencies as may be required in this regard, approval of the members be and hereby is accorded for retention of laptop and mobile phone by Shri. Debajyoti Ray Chaudhuri, MD&CEO issued by the Company on completion of his term as MD&CEO, having perquisite value of Rs. 24,268/- and tax of approximately Rs. 8,330/- to be borne by the Company.

"RESOLVED FURTHER THAT, any director or Company Secretary or Chief Financial Officer of the Company be and are hereby severally authorised to do all such deeds for giving effect to the above resolution.

Date: 03/08/2026 Place: Bengaluru	For National E-Governance Services Limited By Order of the Board of Directors
Registered Office: Gresham Assurance House, 4th Floor, Sir P M Road, Fort, Mumbai 400001	Sd/- S. Padmavathy Company Secretary M No.: 37997

NOTES:

1. The Ministry of Corporate Affairs vide their circulars, General Circular Nos. (i) 20/2020 dated 05.05.2020 (AGM Circular), (ii) 14/2020, dated 08.04.2020 (EGM Circular – I) and (iii) 17/2020 dated 13.04.2020 (EGM Circular – II)] and subsequent circulars issued in this regard, 10/2022 dated 28.12.2022, General Circular No. 09/2023 dated 25.09.2023, General Circular No. 09/2024 dated 19.09.2024 and general Circular No. 3/2025 dated 22.09.2025 (collectively referred to as “MCA Circulars”) has permitted the holding of the annual general meeting through Video Conferencing (“VC”) or through other audio-visual means (“OAVM”), without the physical presence of the Members at a common venue.
2. The Members can join the AGM in the VC/OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
3. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the company. Since the AGM is being held through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM. The Proxy Form as well as the Attendance Slip and the Route Map of the Registered office are therefore, not annexed to this Notice.
4. Pursuant to Section 139(5) read with Section 142 (1) of the Companies Act, 2013, the Auditors of a Government Company are appointed by the Comptroller and Auditor General (C&AG) of India and their remuneration is fixed by the Company in the Annual General Meeting, authorised by the members.
5. The Board at its meeting held on 24th June 2026, has recommended a final dividend of Rs. 1/- per equity share of Rs. 10/- each for the financial year ending March 31, 2026 subject to approval of the Shareholders at this Annual General Meeting.
6. The Final dividend, if approved by the members at this Annual General Meeting will be paid to those shareholders whose names stand as beneficial owners as at the end of business hours on 12th August, 2026 (“Record Date”) as per list to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Members holding shares must intimate the changes, if any, to their respective Depository Participants (DPs) only.
7. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 and relevant documents referred to in this Notice of AGM along with the Annexures will be available electronically for inspection without any fee by the members from the date of circulation of this Notice and up to the date of AGM. Members seeking to inspect such documents can send an email to cs@nesl.co.in.
8. The RTA for correspondences relating to share registry related matters will be MUFG Intime India Private Limited, C- 101, 247 Park, L.B.S Marg, Gandhi Nagar, Vikhroli (West), Mumbai – 400 083

Date: 03/08/2026 Place: Bengaluru	For National E-Governance Services Limited By Order of the Board of Directors
Registered Office: Gresham Assurance House, 4 th Floor, Sir P M Road, Fort, Mumbai 400001	Sd/- S. Padmavathy Company Secretary M No.: A37997

EXPLANATORY STATEMENT AS REQUIRED UNDER THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 6

Shri. Subramanian Nurani Vishwanathan (DIN: 09568559) was inducted as an independent director with effect from 28th March 2024. Accordingly, his tenure of three years as Independent Director for the first term shall complete on 27th March 2027. As per the provision of Section 149(10) of the Companies Act, 2013 he can be reappointed as Independent Director for a second term on passing a special resolution by the shareholders in the General Meeting of the Company. As per the Secretarial Standards, the re-appointment for the second term through shareholders' approval has to be completed before the expiry of first term. Since his first term of three years is concluding on 27th March 2027 and as the company foresees that there may not be any circumstance to hold general meeting of the shareholders during that period, it is proposed to seek the approval of the shareholders in this Annual General Meeting (AGM) of the company.

Hence, it is proposed to seek the approval of the members of the company through special resolution to re-appoint him for the second term. The Nomination and Remuneration Committee of the company on 26th May 2026 had reviewed and recommended to the Board for the approval of the proposal for reappointment of Shri. Subramanian Nurani Vishwanathan, subject to the approval of members of the company. The Board of Directors of the company have reviewed the performance evaluation of Shri. Subramanian Nurani Vishwanathan and his performance was found satisfactory and approved for his re-appointment. During his first term of appointment, as Chairman of the Board, his contribution towards the growth of the company and his participation at the Board and Committee meetings were productive. His suggestions were valuable in taking the combined decision of the Board and Committees. Your Board strongly recommends the re-appointment of Shri. Subramanian Nurani Vishwanathan and as per the declaration provided to the Company, he is not disqualified from being appointed as Director of the Company

As per Regulation 9 of IBBI (IU) Regulations, 2017, an independent Director can hold the office for two terms of up to three years each. Shri. Subramanian Nurani Vishwanathan will be completing his first term of 3 years tenure on 27th March 2027 and as mentioned above, his term of re-appointment shall be for a period of three years upto 27th March 2030.

None of the other Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested in the resolution set out at item No. 6 of the Notice except Subramanian Nurani Vishwanathan. The Board recommends the Special Resolution as set out at item no. 6 for approval by the Members.

Item No. 7

Shri. Debajyoti Ray Chaudhuri would be completing his tenure as MD&CEO of the Company on 17th August 2026. He had placed his request for retention of one laptop and mobile phone provided by the Company during his tenure. The proposal was placed before the Board at its meeting held on 24th June 2026 and Board reviewed the proposal and approved the retention of the IT asset by MD&CEO in recognition of his services and contributions to the Company, considering the marginal utility of the laptop and mobile phone to the Company due to its age, subject to the approval of the shareholders at the ensuing Annual General Meeting.

The details of the assets requested to be retained are tabled below:

Sl No	Particulars	Location	Count	Cost of the Asset	Date of Acquisition	WDV as on 31st Aug'26 (estimated)
1	Microsoft Surface	Bangalore	1	1,58,635	07-Sep-21	7,932
2	iPhone 14 Pro Max	Bangalore	1	1,14,822	20-Jan-23	35,923

The transfer of the asset would result in a perquisite value of Rs. 24,268/-, on which the applicable tax of approximately Rs. 8,330/- would be borne by the Company. This perquisite was beyond the scope of HR policy and formed part of the remuneration of MD&CEO in accordance with the applicable provisions of the Companies Act, 2013. Hence with the recommendation of the Board, the approval of the shareholders is being sought for retention of these assets by the Shri. Debajyoti Ray Chaudhuri upon his exit from the Company on 17th August, 2026.

None of the other Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested in the resolution set out at item No. 7 of the Notice except Shri. Debajyoti Ray Chaudhuri. The Board recommends the Ordinary Resolution as set out at item no. 7 for approval by the Members.

Date: 03/08/2026 Place: Bengaluru	For National E-Governance Services Limited By Order of the Board of Directors
Registered Office: Gresham Assurance House, 4 th Floor, Sir P M Road, Fort, Mumbai 400001	Sd/- S. Padmavathy Company Secretary M No.: A37997

BOARD'S REPORT

To the Members,

The Board of Directors of **National E-Governance Services Limited** (CIN: U72900MH2016GOI282855) ("**The Company**" or "**NeSL**") are pleased to present the Tenth Annual Report along with the audited financial statements (Standalone and Consolidated) for NeSL & Group for the financial year (FY) ended 31st March, 2026.

I. FINANCIAL PERFORMANCE

a. Standalone and consolidated financial results:

(In INR Lakhs.)

Particulars	STANDALONE		CONSOLIDATED	
	FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25
Gross revenue from operations	15,206	12,874	15,437	13,000
Total expenditure before finance cost, depreciation (Net of expenditure transferred to capital)	8,980	7,011	9,575	7,510
Operating Profit	6,226	5,863	5,862	5,490
Add: Other income	2,098	1,699	2,147	1,733
Profit before finance cost, depreciation, exceptional items and taxes	8,324	7,562	8,009	7,223
Less: Finance costs	111	43	111	43
Profit before depreciation, exceptional items and taxes	8,213	7,519	7,898	7,180
Less: Depreciation	496	194	562	241
Profit/(Loss) before exceptional items & tax	7,717	7,325	7,336	6,939
Add: Exceptional Items	959	-	959	-
Profit before taxes	8,676	7,325	8,295	6,939
Less: Tax Expense				
Current Tax	2,182	1,929	2,186	1,929
Deferred Tax	(72)	(54)	237	(148)
Net Profit/(Loss) for the Period	6,566	5,450	5,872	5,158
Other Comprehensive Income (OCI)	(8)	(20)	(7)	(18)
Deferred tax	1	8	2	8
Total comprehensive loss for the year	(7)	(12)	(5)	(10)
Net Profit/(Loss)	6,559	5,438	5,867	5,148
Retained Earnings: Balance brought forward from the previous year	18,752	14,064	17,820	13,428
Add: Profit for the period	6,559	5,438	5,867	5,148
Balance	25,311	19,502	23,687	18,576
Total Appropriations	(1,407)	(750)	(1,408)	(756)
Dividend paid	(750)	(750)	(750)	(750)
Transfer to Dividend reserve	(657)	-	(657)	-
Share issue expenses	-	-	(1)	(6)
Retained Earnings: Balance to be carried forward	23,904	18,752	22,279	17,820
Dividend reserve: Balance to be carried forward	657	-	657	-
Total other equity	24,561	18,752	22,936	17,820

b. Overview of company performance

The company on a standalone basis registered revenue of Rs. 15,206 Lakhs during the year under review as against Rs. 12,874 Lakhs in the previous year, this being an increase of 18.11 %. The Net Profit for the year was Rs. 6,559 Lakhs as compared to Rs. 5,438 Lakhs in the previous year and resulted in retained earnings of Rs.23,904 Lakhs after transfer to dividend reserve of Rs. 657 lakhs as on 31st March 2026.

NESL Asset Data Limited (NADL), a wholly owned subsidiary, is an NBFC- Account Aggregator regulated by RBI. It reported a total comprehensive loss of Rs. 704.17 Lakhs, on a revenue of Rs. 229.71 Lakhs during the year under review. NeSL has invested Rs. 400 Lakhs during the year to meet its working capital requirements and also to maintain its Net Owned Funds (NOF) at Rs. 200 Lakhs as required under the conditions of its registration with RBI. The total investment in NADL at the end of the year was Rs.2,200 Lakh.

NESL E-Infrastructure Limited (NEIL), a wholly owned subsidiary reported a profit of Rs.11.81 Lakhs, on a revenue of Rs. 13.22 Lakhs during the year under review.

The Consolidated Revenue for the FY 2025-26 was Rs. 15,437 Lakhs, higher by 18.74% over the previous year's revenue of Rs. 13,000 Lakhs. The consolidated total comprehensive income for the year for financial year 2025-26 was Rs. 5,867 Lakhs as compared to Rs. 5,148 Lakhs in the previous year.

II. OPERATIONAL PERFORMANCE:

a. Information on debt Records:

The total number of unique debt records, including those pertaining to default accounts, as on the close of FY 2026 was 5,25,39,399 compared to 4,54,99,422 as on FY 2025. The amount of outstanding debt in respect of these records was Rs. 2,96,22,937 crores as on close of FY 2026 compared to Rs. 2,49,40,971 crores in the previous year. The total number of unique debt records, in respect of default accounts, as on the close of FY 2026 was 26,74,185 compared to 18,54,178 as on FY 2025. The amount of outstanding debt in respect of these default accounts was Rs. 28,57,698 as on the close of FY 2026 compared to Rs. 24,39,485.85 as on close of FY 2025. Similarly, the number of unique debtors in respect of whom information was submitted increased to 3,61,59,474 as on close of FY 2026 from 3,08,74,954 in the previous year. A unique feature of the Information Utility is that it has information relating to Operational Creditors (OC) and Debenture Trustees (DT), besides the Financial Creditors (FC). For OCs the number of debt records decreased from 4,01,691 as on close of FY 2025 to 1,21,282 as on FY 2026, mainly because of closure and updating of debt records. The outstanding debt in respect of these records have also decreased from Rs. 90,757 crores to Rs. 77,122 crores during the same period. For DTs the number of debt records increased from 15,836 on close of FY 2025 to 17,991 as on FY 2026, with outstanding debt involved going up from Rs. 65,36,776 crores to Rs. 71,90,951 crores during the same period.

A snapshot of the performance as on 31st March 2026 compared to previous year:

Unique Debtors in information Utility					
As of March 2026			As of March 2025		
3,61,59,474			3,08,74,954		
Debtor (FC)	Debtor (OC)	Both	Debtor (FC)	Debtor (OC)	Both
3,61,31,630	11,267	16,577	3,08,49,199	11,284	14,471

Active Debt Records in information Utility					
As of March 2026			As of March 2025		
5,25,39,399			4,54,99,422		
Corporates	Other Businesses	Individuals	Corporates	Other Businesses	Individuals
26,10,726	60,88,991	4,38,39,682	26,48,881	52,31,899	3,76,18,642

Outstanding Amount in respect of Active Debt Records (Amount in Rs. Crores)					
As of March 2026			As of March 2025		
2,96,22,937			2,49,40,971		
Corporates	Other Businesses	Individuals	Corporates	Other Businesses	Individuals
2,28,91,117	30,25,464	37,06,358	1,98,46,028	23,88,471	27,06,472

Submitters of Information					
As of March 2026			As of March 2025		
6,841			5,788		
Financial Creditor	Operational Creditor	Both	Financial Creditor	Operational Creditor	Both
3,358	3,376	107	2,979	2,724	85

b. Digital Document Execution (DDE) which was launched in the FY 21, has demonstrated further growth during the year under review. There was substantial increase in the number of the completed transactions from 1,28,41,751 as on 31st March 2025 to 2,77,90,350 as on 31st March 2026. The number of states which had granted approval to NeSL's digital e-stamping was 29 as on 31st March 2026.

- c. Electronic bank Guarantee (e-BG)** was launched by the company during the FY 2022-23. During the FY 2024-25, 12 banks were onboarded and during the FY 2025-2026, additional 4 banks were onboarded, thus bringing the total to 38 banks, which were issuing e-BGs on the NeSL platform. During the FY 2025-26, e-BG issuances increased by 74% and there was a nearly 200% increase considering e-BG lifecycle actions such as amendment, renewal etc., reinforcing the trust in a digital Bank Guarantee management brought about by NeSL's e-BG solution.
- d. Hybrid electronic Bank Guarantee (He-BG)** was launched during FY 2023-24 and 3 Banks were onboarded in that year. In FY 2024-25, 7 more banks onboarded and in the FY 2025-2026, additional 11 banks were onboarded, thus 21 banks are now issuing He-BGs. He-BGs is a solution where subsequent events of an existing physical BG like amendment, renewal etc are done through NeSL's e-BG platform.
- e. NeAS :** NeSL enterprise access solution was launched in FY 2024-25 to facilitate large users of e-BGs. It entails access of the e-BGs through the beneficiaries' internal IT systems. This API solution is now being used by 20 large corporations such as Indian Oil, ONGC and even a few Government Departments.
- f. New Feature Launch: FACE Authentication** leverages Aadhaar biometric to validate and e-sign documents. In continuing to build on the digital and paperless documentation process, Aadhaar face authentication was added as the 4th option for e-signing documents, alongside, Mobile OTP, Biometric Fingerprint and DSC digital e-sign.

g. Regulatory Updates:

- Various provisions of IBC were amended vide IBC (Amendment) Act, 2026 (The Gazette of India Notification dated 6th Apr 2026). However, these amended provisions come into force on such date as the Central Government by notification in the official Gazette appoint. The important amendments affecting the functioning of Information Utility are as follows:
 - i. The amendments to Sec 7 now provide that in applications made by Financial Institutions for initiation of CIRP, a Record of Default issued by the IU enclosed to the application, would be considered as sufficient, for the AA to establish the existence of default.
 - ii. Sec 214 Clause (e) is amended as follows:
 - i. *“(e)To get the information received from various persons authenticated by all concerned parties before storing such information, in such manner as may be specified”.*
 - iii. The amendment to Sec 215 (3) provides that the operational creditors will be required to submit the financial information with information utilities before filing an application for initiating a CIRP.
 - iv. The newly introduced Sub-sec (4) in Sec 215 provides that the CD or the Debtor, in respect of whom any information is submitted to IU under section 215, shall authenticate the information. If the CD or the debtor does not authenticate the financial information submitted by any creditor within the specified period, such information shall be deemed to be authenticated.
- As per the provisions of Regulation 25 of IBBI (IU) Regulations, 2017, NeSL has made available for download, an Annual Statement to each registered user, containing personalized information relevant to the user, and this statement can be accessed and downloaded free of charge by each registered user.
- All the grievances received during the year by the company have been redressed and there were no pending complaints or grievances as at 31st March, 2026. The details of grievances received, redressed and pending during the previous year have been published on NeSL's Website, in compliance with IU Regulation.
- Details of Grievances Received, Resolved and Pending as at 31st March 2026, year-wise are as under:

Financial Year	No. of Grievances Received	No. of Grievances Redressed	No. of Grievances Pending
2017-18	NIL	NIL	NIL
2018-19	NIL	NIL	NIL
2019-20	26	26	NIL
2020-21	144	144	NIL
2021-22	131	131	NIL
2022-23	197	197	NIL
2023-24	376	376	NIL
2024-25	411	400	11*
2025-26	911	911	NIL

Note * : For the FY 2024-25, the 11 grievances shown as pending as on 31-3-2025 were resolved on 01-04-2025.

- As per the provisions of Regulation 36A of IBBI (IU) Regulations, 2017, NeSL has published statistical information quarterly, during FY 2025-26.

I. OTHER IMPORTANT DEVELOPMENTS DURING THE YEAR

a. Enhancing the Value of IU

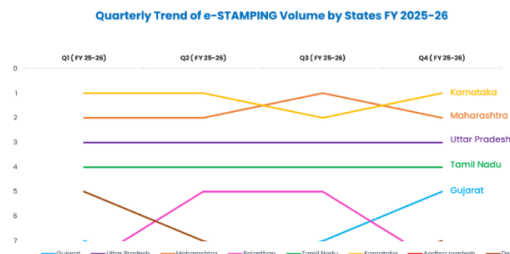
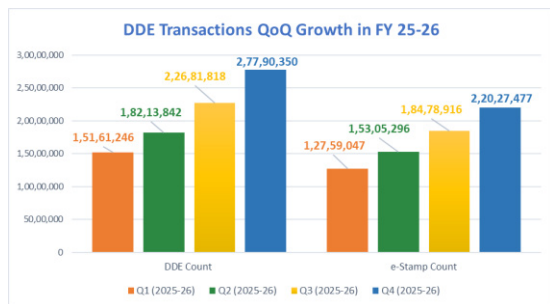
As one of the core services of NeSL is acceptance of financial information, efforts were made during the year to promote the submission of information to IU. The amendments to the IBC would further strengthen the efficacy of the IU and encourage submission of information. Efforts were made to educate and encourage submission into IU. Some key initiatives include:

- Many workshops on Information Utility services by NeSL for departments under Government of Karnataka: A detailed presentation by Team NeSL was made on the features of IU, benefits of submitting information and registration process with demo on data submission.
- Various webinars were held to update banks about the benefits of submission of information to the IU. Issues faced by users in submission of information were addressed.
- There was increased engagement with the government of Maharashtra, consequent to which, the first submission of financial information was made by a government department to the IU.

b. Momentum in DDE

NeSL's DDE found significant momentum during the last year with the number of executed transactions surpassing 2.75 crore as on 31st March 2026, an increase of 116%, compared to the previous year. The significant growth can be attributed to expansion of DDE across sectors and clients from contracting for the Government Departments to new use cases beyond credit documentation, further establishing DDE as a Unified Contracting Interface (UCI) of national significance. NeSL's DDE is digital and paperless and marks a paradigm shift in the way contracting is done. It brings in efficiency, cost reduction and substantially enhances the user experience. It is now gaining acceptance in the BFSI sector and even beyond.





During the last year, some key initiative drove the growth of DDE and have also set the foundation for growth in new sectors and industries. Some of them were the following:



- NeSL's DDE Powerw Ekal-Anubandh-Customs E-Bond of Central Board of Indirect Taxes & Customs. This is a single, unified multi-purpose Electronic Bond signed between Importer/exporter and Customs Department.
- With the aim of democratising document execution, NeSL is forging partnerships to enable and empower other technology enablers to leverage DDE and offer documentation journeys. Towards this end NeSL signed a MoU with M/s Protean E-Governance Services Limited, a listed company for execution of DDE. Similar agreements have been executed with other entities as part of our Authorised Representative (AR) business model.

c. Expanding e-BG Footprint

In our efforts to bring about greater adoption of NeSL's e-BG, NeSL entered into partnerships with many state governments and Central Government PSUs by integrating with their procurement portals and IT systems in FY 2025-26.

Some strategic initiatives include:

- Ekaal Anubadh (ICEGATE Department of Customs):** DDE Powers Ekal-Anubandh for Executing Customs E-Bond of Central Board of Indirect Taxes & Customs. With electronic bonds and electronic bank guarantees, importers/exporters/customs brokers can manage and track documents in real time, ensuring greater security and transparency throughout the transaction.
- e-BG Mandated by Several Government Departments as the only form of Bank Guarantee: Several government departments have preferred to accept NeSL's digital and 100% paperless Bank Guarantee like:-
 - Maharashtra State Power Generation Co. Ltd. (MAHAGENCO)
 - The Govt. of Tamil Nadu: Effective 1st June 2026 has mandated the use of NeSL's e-BG.
 - The Madhya Pradesh State Excise Department had made eBGs, issued through NeSL mandatory, for issuance and renewal of liquor shop licenses for FY 2025-26. The compliance was 100% with no paper BGs were accepted.
- e-BG in Entity Locker: In further enhancing the ease of access of e-BGs, NeSL signed an MoU with The National e-Governance Division (NeGD), under the Ministry of Electronics and Information Technology (MeitY) for e-BG's to be accessible through the Entity Locker promoting ease of access to e-BG's and convenience for bidders and beneficiaries.
- Numerous training sessions were held to make banks familiar with the process of issuance of e-BGs on NeSL platform. During these sessions, issues and challenges faced by users were addressed. The objective was to familiarise users with the process of issuance so that it becomes the first choice for them and they can then persuade applicants and beneficiaries to accept e-BGs issued through the NeSL platform.

Industry Awards and Recognition

In FY 2025-26, NeSL was honored with **five prestigious awards**, reaffirming our leadership in digital innovation, ethical practices, and support for national priorities such as financial inclusion and MSME empowerment. These recognitions highlight the trust reposed in NeSL by stakeholders and the industry at large, and underscore the impact of our solutions in transforming India's financial ecosystem.

- i. **BW Tech Excellence Award 2025** *Sustainable Technology Initiative of the Year* for NeSL's Electronic Bank Guarantee (e-BG) solution.
- ii. **BW Festival of Fintech 2025 - Gold Category**: *Fintech Innovation of the Year* for Digital Document Execution (DDE)
- iii. **BW Festival of Fintech 2025 - Gold Category** *RegTech Solution of the Year* for Electronic Bank Guarantee (e-BG)
- iv. **MSME Banking Excellence Award**: *Digital Innovation in Electronic Bank Guarantee for MSMEs*, recognising our role in empowering small businesses and strengthening financial inclusion.
- v. **Jamnallal Bajaj Uchit Vyavhar Puraskar 2026** - *Certificate of Merit* from the Council for Fair Business Practices, acknowledging NeSL's commitment to ethical and transparent business conduct.

Of the above, the last one was significant as, for the first time NeSL secured an award for fair business practices which places the company in a unique league comprising of the doyens of India's corporate sector. This was a recognition of NeSL's efforts over the years to have fair and equitable relationships with all its stakeholders.

Industry Events

The company participated in important industry events to bring about awareness about NeSL and explore business opportunities. Some of the notable events were: Global Trade Review – GTR India 2025, FICCI – Indian Banks' Association Banking Conference (FIBAC) in August 2025, Inaugural IBC Conclave 2025 – From Code to Catalyst: IBC Vision 2030 in August 2025, Pre-Budget Consultation – BFSI Sector with the Hon'ble Union Finance Minister, Smt. Nirmala Sitharaman, in November 2025, Guest Lecture – MBA-DBM Program at IIM Bodh Gaya in December 2025, ET Edge – Bharat's Best to a Billion Summit, in March 2026 and two Colloquiums organized in association with IBBI and NCLT. Apart from this, MD and CEO spoke about NeSL, DDE, e-BG and IP services at various other industry events and online webinars. NeSL's MD and CEO was also invited to be the Chief Guest at the 30th Anniversary Celebrations of IIM Kozhikode.

Employee Engagement

During FY 2025-26, the Company undertook several initiatives to strengthen employee engagement, capability building, and well-being. Town Halls meetings were conducted to share organisational performance, key achievements, and strategic priorities, promoting transparency and alignment. Knowledge-building remained a focus, with sessions on the Insolvency and Bankruptcy Code (IBC), the IBC Amendment Bill, & case studies, enhancing employees' domain expertise and a session was also conducted on 'Strategic Thinking in the AI World'.

Employee engagement was fostered through events such as Family Day, which also recognised long-serving employees, and an internal Strategy Meet to discuss business priorities. Wellness initiatives included an International Yoga Day session and an annual health check-up for all employees.

The Company organised awareness and development sessions covering financial planning and new Labour Codes. Cultural celebrations such as Kannada Rajyotsava and International Women's Day promoted inclusivity and employee participation.

In an effort to make a NeSL a knowledge organisation, the company conducts a monthly quiz on IBC and related matters. All employees are encouraged to participate, winners are declared every month and there is a grand prize for the employee who does well consistently over the period of the year.

EVENTS SUBSEQUENT TO THE CLOSE OF FINANCIAL YEAR END 31ST MARCH 2026

- **Amendment of IBBI Regulations:**

The IBBI has amended the IBBI (IU) Regulations, 2017, vide IBBI (IU) (Amendment) Regulations, 2016 vide The Gazette of India Notification dated 1st Jun 2026. The important amendments in **Regulation 21** are as under:

- i. In cases where the Debtor confirms the information of default (or) where the Debtor does not respond to authentication invitation e-mails sent by IU even after three reminders, the status of authentication is to be categorized as "Authenticated" and Record of default (RoD) is to be issued with this categorisation.
- ii. In cases where the Debtor disputes the information of default, "Information of Dispute" (Form E), is to be issued in place of "Record of Default" (RoD in Form D).
- iii. In cases where the Debtor disputes a part of the amount of default during the process of authentication, the IU is required to issue- (a) RoD in Form D for undisputed amount with "Authenticated" status; and (b) "Information of Dispute" in Form E for disputed portion. This provision is only applicable for financial institutions as defined in the Code Debtor disputing the non-financial information is not recognized as dispute for the purpose of issuing RoD.
- iv. Now there is no colour code to be used while issuing RoDs.

NeSL is taking steps to implement the Amended Regulations.

- **New Product Launched – Launch of e-ISB (Insurance Surety Bonds)**

On 15th June, 2026, NeSL has launched electronic insurance surety Bonds, a move likely to increase acceptance of ISB for various projects in the infrastructure sector. e-ISBs are 100% paperless and accordingly this initiative will not only ease administrative complexities for insurers but also encourage wider adoption of surety bonds in India. This will also benefit the MSME segment by way of reduction of costs and optimization of working capital.

- **IBC & NCLT @ 10 – By PHD Chamber of Commerce**

'IBC & NCLT @10' was held on 30th May 2026 in New Delhi celebrating ten years of the Code.

MD&CEO was felicitated for his contribution to the insolvency ecosystem along with other leaders in the IBC ecosystem.

- **IICA –National Conference on Redefining India's Restructuring Ecosystem**

MD & CEO spoke at the panel discussion titled "The Road Ahead: Building a Future-Ready Insolvency Ecosystem" at the National Conference held on 13th June 2026 at New Delhi. This event was attended by leading stakeholders in the insolvency ecosystem like Secretary (MCA), Hon'ble President NCLT and Chairman NCLAT.

- **IBBI Publication –10 Years of IBC**

On 19th June 2026, a publication was brought out by IBBI to commemorate "10 Years of the Insolvency and Bankruptcy Code". The publication had articles by eminent persons and included an article on "Information Utility: Evolution of an Institution" co-authored by Chairman and MD&CEO of NeSL.

- **MoU Signing –PHD Chamber of Commerce**

On 18th April 2026, an MoU was signed between PHD Chamber of Commerce and Industry (PHDCCI) and National E Governance Services Limited (NeSL), marking a collaborative push for capacity building and awareness to strengthen use of services of the IU.

The objectives of the MOU were to:-

- a. improve awareness and understanding of IU processes among relevant stakeholders,
- b. promote better adoption and correct usage through training and guidance material,
- c. identify recurring operational and user-level issues through a documented feedback mechanism, and
- d. explore standardized, clearer documentation formats and workflow guidance that reduce avoidable disputes and delays, without altering statutory requirements.

- **Enterprise Risk Management and Risk Management Policy**

The Board of the Company, on 24th June 2026 approved an Enterprise Risk Management framework and a Risk Management Policy, keeping in view the nature of the company's operations.

II. CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES:

As part of its Corporate Social Responsibility activities, the Company supports initiatives in the sustainability, health care and education segments. The company engages with reputed institutions to finance their projects which fall under the above categories. This helps the company in ensuring proper utilisation of funds and also timely completion of the projects. During FY 2025-26, the CSR spend by the company was Rs. 127.63 lakhs and NeSL supported the following three areas:

a. Environmental Sustainability:

NeSL, as part of its CSR initiative, continued to support initiatives to promote environmental sustainability. During the year, the company supported IIM Bangalore (IIMB), one of the premier educational institutions in the country, towards procurement of a five-seater EV for providing shuttle service for their students and staff. The company contributed an amount of Rs. 28.16 lakhs for the said initiative.

Further, the company supported Sevakshetra Hospital, an established charity hospital and a unit of Canara Bank Relief and Welfare Society offering health services to the needy, underprivileged people at affordable cost, towards installation of 75KW rooftop solar power system for captive power consumption at its premises. The Company contributed Rs. 31.02 lakhs towards the project.

a. Healthcare:

Healthcare continued to remain another focus area of the Company's CSR activities, particularly in supporting institutions providing quality and affordable healthcare services to economically weaker sections of society. During the year, the Company supported Sevakshetra Hospital towards procurement of critical medical equipment at a cost of Rs. 10.44 lakhs.

The Company also extended support to Sri Shankara Cancer Foundation, a reputed institution engaged in providing affordable cancer treatment and healthcare services to the public, towards purchase of critical medical equipment amounting to Rs. 38 lakhs.

b. Education:

In the field of education, the Company supported Madras Dyslexia Association, a non-profit organization working towards assisting children with dyslexia and learning disabilities, by contributing Rs. 20 lakhs towards partial funding for the new Centre for Excellence at R.A. Puram, Chennai.

The company actively engages with all donor institutions in respect of their CSR projects. The MD and other employees visited all the project sites to assess the impact of these projects.

Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company as part of its CSR initiatives has undertaken projects/programs in accordance with the CSR Policy as disclosed on the website of the company www.nesl.co.in. The details of the CSR activities are given as **Annexure 'III'** forming part of this report.

Further, although the Company was not mandatorily required to undertake an Impact Assessment under Rule 8(3)(a) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, read with Section 135 of the Companies Act, 2013, it voluntarily commissioned an Impact Assessment of its CSR initiatives undertaken during FY 2024-25 through M/s Sattva Consultancy Private Limited. The Executive summary of Impact Assessment report is annexed as **'Annexure-A'**.

VI. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES:

A report on the financial performance of each of the Subsidiaries, Associates and Joint Ventures included in the Consolidated Financial Statements is provided in *Form AOC-1* (Annexure I) and forms part of this report. The audited financial statements of all the subsidiaries are available on the website of the Company www.nesl.co.in.

VII. PERFORMANCE OF SUBSIDIARY COMPANIES:

On March 31, 2026, the Company has 2 wholly owned subsidiaries and there has been no material change in the nature of the business of the subsidiaries. There are no associates or joint venture companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act"). A brief on the wholly-owned subsidiary companies are as below:

(i) NESL Asset Data Limited (NADL):

NADL had recorded a significant improvement in its operational performance during FY 2025-26. The company had achieved a revenue of Rs. 2.30 crore compared to the revenue of Rs. 0.92 crore recorded in FY 2024-25. Operationally, NADL witnessed growth across key business metrics, with customer onboarding increasing by 141% to 3.65 crore, consents initiated by 135% to 12.41 crore and successful live data fetches by 276% to 11.36 crore. The increase in transaction volumes reflects the growing adoption of the Account Aggregator ecosystem and NADL's expanding role within it.

NeSL has invested Rs.22 crore as on the date of this report to meet NADL's working capital requirements and also to maintain the minimum NOF of Rs. 2 crores, which is one of the conditions of its registration with RBI.

As approved by the board of NeSL and members in the EGM, the Company has initiated the process of 100% s divestment in NADL. A merchant banker was appointed for the divestment of NeSL's stake in NADL. A Global Expression of Interest (Eoi) was invited to identify prospective investors for acquisition of the Company. The process of identifying the buyer is in the final stages. The transaction is being carried out in accordance with the framework recommended by the Special Committee of the board, specifically constituted by the board for this purpose and the approval of the board.

The entire divestment process is expected to be completed by the close of the current financial year.

(ii) NESL E-Infrastructure Limited (NEIL):

The company has discontinued its business operations with effect from 31st July 2025.

Accordingly, the Company has discontinued its operational and commercial activities and is presently undertaking only such limited and essential activities as are necessary for maintaining its legal and regulatory status. These activities primarily include payment of statutory dues, maintenance of statutory records, filing of necessary returns and forms with the Ministry of Corporate Affairs / Registrar of Companies, and compliance with other applicable statutory requirements.

VIII. DIVIDEND:

The Directors are pleased to recommend a dividend of Re. 1 per share for the current financial year. The dividend if approved and declared in the forthcoming Annual General Meeting would result in a Dividend outflow of Rs.7.50 Crore.

IX. RESERVES:

The balance of the retained earnings, after appropriation and adjustments of the year was Rs. 24,561 Lakhs on a standalone basis.

X. SHARE CAPITAL:

The company did not issue any equity shares or any equity share with differential rights, Sweat Equity shares, ESOPs, and has not made any provisions for purchase of its own shares during the year.

XI. CHANGE IN THE NATURE OF BUSINESS:

There has been no change in the nature of business of the Company during the year under review.

XII. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

There have been no material changes and commitments affecting the financial position of the Company which occurred between the end of the financial year to which the financial statements relate and the date of this report.

XIII. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:**A. Conservation of Energy:**

The company does not have any manufacturing facility nor is the company generating any power/energy. However, the company is taking all measure to conserve energy which is consumed in its normal course of business.

B. Technology absorption:

The Company is making continuous efforts to implement all emerging new technologies and developments which are relevant to the Business of the Company.

C. Foreign Exchange Earnings and Outgo: NIL**XIV. DIRECTORS AND KMP:****Appointments/Re-appointments/ resignations:**

- i. Shri. Atul Arora (DIN: 01999097) representing ICICI Bank ceased to be a director w.e.f 09th October 2025 pursuant to withdrawal of nomination from the bank.
- ii. Shri. Prabhat Kumar Singh (DIN: 11397197) representing ICICI Bank was appointed as Nominee Director w.e.f 11th December 2025.
- iii. Shri. Diwakar Kannan, Chief Technology Officer of the company (KMP) resigned from his office w.e.f. 30th May, 2026

- iv. Shri. J S Tolia (DIN: 09617044) representing LIC ceased to be a director w.e.f 05th June 2026, pursuant to withdrawal of nomination from LIC.
- v. Shri. N S Vishwanathan (DIN: 09568559), Independent Director and Chairman was appointed as an additional director (Independent) with effect from 28th March 2024 and his appointment as Independent Director on the Board was approved by the shareholders at their meeting held on 26th December 2024. Shri. N S Vishwanathan will be completing his first term of three years on 27th March 2027, as per Regulation 9(7) of IBBI (IU) Regulations, 2017 and therefore, it is proposed to reappoint him for a second term of 3 years at the ensuing AGM.

Other Updates:

- i. The tenure of MD&CEO, Shri. Debajyoti Ray Chaudhuri (DIN: 09242571) is concluding on 17th August 2026 and the company has initiated necessary process for the recruitment of MD&CEO.
- ii. The tenure of Executive Director, Smt. E P Nivedita, on deputation from C&AG is concluding on 31st July 2026 and the company has initiated necessary process for the recruitment of ED.

XV. DIRECTORS' RESPONSIBILITY STATEMENT:

In terms of the framework of Internal Financial Controls including Standard Operating procedures established and followed by the company, work performed by the Internal, Statutory and Secretarial auditors and external agencies including audit of Financial Controls and financial reporting by the Statutory Auditors and reviews performed by the management and relevant Board Committees, the Board is of the view that the Company's Internal Financial Controls, with required policies put in place, are considered reasonably adequate and effective.

In terms of aforesaid and pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability confirm:

- a) that in the preparation of the annual accounts, the applicable accounting standards (including the Standard that came into force during the year) have been followed and there are no material departures;
- b) that the directors selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) that the annual accounts have been prepared on a going concern basis;
- e) that proper internal financial controls were laid down to be followed and that such internal financial controls are adequate and were operating effectively; and
- f) that proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

XVI. EMPLOYEES

a. Particulars of Remuneration of Directors, KMPs and Employees:

The Independent Directors and non-executive directors/nominee directors of the Company are not remunerated in any form except for the sitting fees paid to them for attending the Board and Committee meetings in which they are members.

Further, towards the gross remuneration (CTC) of the Managing Director & CEO of the Company, the following were paid:

Sl. No	Name	Period	Amount (INR in Lakhs)
1.	Shri. Debajyoti Ray Chaudhuri	01/04/2025 to 31/03/2026	142.21

b. Disclosure as required under Rule 5 (2) and 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016:

As we are an unlisted public limited company, the provisions of Rule 5(2) and (3) are not applicable, and hence, no such disclosure is required in the Board's Report for the period.

c. Disclosure as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('POSH Act') and Rules made thereunder, the Company has constituted an Internal Complaints Committee for providing a redressal mechanism pertaining to sexual harassment of women employees at workplace.

The summary of complaints pertaining to sexual harassment filed, disposed of, and pending during the financial year 2025-26 are as follows:

1. Number of complaints of sexual harassment received in the year - NIL
2. Number of complaints disposed off during the year - NIL
3. Number of cases pending for more than ninety days - NIL

d. Disclosure with respect to Maternity Benefit Act, 1961:

In compliance with the provisions of the Maternity Benefit Act, 1961, including its subsequent amendments, the Company confirms that it has duly adhered to all statutory requirements concerning maternity leave and payment of maternity benefits. The Company ensures that all eligible female employees receive their entitlements as mandated by the Act, without any discrimination.

e. Gender-related workforce disclosure:

In compliance with the Companies (Accounts) Second Amendment Rules, 2025, the Board hereby disclose the number of employees at the end of financial year 2025-26:

Full time Employees:

Particulars	Number of Employees
Male	100
Female	46
Others	NIL

Consultants:

Particulars	Number of Employees
Male	15
Female	3
Others	NIL

XVII. GOVERNANCE/SECRETARIAL

A Report on Corporate Governance for the financial year ended 31st March 2026 is part of this Annual Report. In accordance with provisions of Section 134 of Companies Act, 2013 (Act) read with Rule 8 of the Companies (Accounts) Rules 2014 and also as part of governance, the directors wish to bring out the following:

a. Annual Return:

Pursuant to the provisions of Section 134 (3) (a) of the Companies Act, 2013 read with the rules made thereunder, the Annual Return of the Company has been disclosed on the website of the Company.

b. Whistle Blower Policy:

The Whistle Blower Policy of the Company has been disclosed on the website of the Company. During the year under review, the company/management has not received any whistle blower complaint from any person.

c. Board Performance Evaluation

The Company had engaged an independent agency, M/s S. N. Ananthasubramanian & Co. (SNACO) for the process of Board Performance evaluation for FY 2024-25. The Annual Evaluation was based on the feedback sought from Directors on various criteria to evaluate the effectiveness of its functioning, that of its committees and of individual Directors. The criteria broadly comprised board composition, structure, effectiveness and oversight of processes, deliberations, overall functioning, etc.

The Board, on the basis of compilation of the feedback received was satisfied that the evaluation process justified its confidence in it and the management's ability to discharge the duties enjoined upon them.

The external agency will carry out the board evaluation process for FY 2025-26 and the evaluation process shall be in accordance with the applicable statutory and regulatory requirements.

d. Risk Management:

During the year under review and as a continuous process, the Company is taking adequate safeguards in handling customer data and related processes with the deployment of appropriate technological solutions and security systems, which are standard to such operations. As such, the company does not envisage any major threat to its existence, emanating from its operations.

The Company being a technology-based entity, has in place a proper business risk management framework for identifying risks and opportunities that may have a bearing on the organization's objectives, assessing them in terms of likelihood and magnitude of impact.

The company already has an ED and Chief Risk Officer(CRO) who oversees the risk function and an Internal Risk Committee (IRC) supports the ED & CRO.

e. Independent Director:

The Company has received the necessary declaration from each of the Independent Directors in accordance with Section 149(7) of the Act, that he/she meets the criteria of independence as laid out in Section 149(6) of the Act.

The Independent Directors also separately met once on 10th July 2025 and took note of the affairs of the company.

f. Related Party transactions:

The particulars of contracts or arrangements during the year under review with related parties referred to in Section 188(1) and applicable rules of the Act, in Form AOC-2 is provided as **Annexure-II** to this Report.

g. Deposits from Public:

The company has neither invited nor accepted any fixed deposits as defined in Chapter V of the Companies Act, 2013 (Act) from the public during the period under review, as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

h. Particulars of Loans, Advances, Guarantees and Investments under Section 186:

The company has two wholly owned subsidiaries in which it holds investment by way of their respective Share Capital as under as on 31st March, 2026:

Sl. No.	Name of the Company	Amount invested
1.	NESL Asset Data Limited (NADL)	22,00,00,000
2.	NESL E-Infrastructure Limited (NEIL)	1,00,00,000

The Company did not give any loans, advances and has not provided any guarantees to any other corporates. It maintained term deposits/investments with scheduled banks/mutual funds and also invested in selected State Government bonds.

i. Significant and Material Orders passed by the Regulators

There were no significant and material orders passed by the Regulators or Courts or Tribunals during the year impacting the going concern status and the operations of the Company in future.

XVIII. AUDITORS:

a. Statutory Auditors:

As per the advice and directions of the C&AG of India vide its letter dated 11th September 2025, M/s K N Prabhashankar & Co, Chartered Accountants (bearing FRN 004982S), were re-appointed as the Statutory Auditors of the company for the Financial Year 2025-26 by the shareholders of the Company at the Annual General Meeting held on 26th September 2025 and they will hold the office till the conclusion of the ensuing Annual General Meeting. The company will appoint the auditors for FY 2026-27 based on the recommendation of the C&AG.

The Standalone Statutory Auditors Report does not contain any qualifications, reservations or adverse remarks on the Standalone financial statements of the Company for financial year 2025-26.

b. Secretarial Auditors:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. A and Z Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the Financial Year 2025-2026. The Secretarial Audit Report for the financial year 2025-2026 does not contain any adverse remark, qualification or reservation. The Secretarial Audit Report for financial year 2025-26 is given as part of this Report.

c. Internal Auditors:

In accordance with the provisions of Section 138 of Companies Act, 2013, the Company had appointed, M/s. BDO India LLP, Chartered Accountant firm as Internal Auditors of the Company for the FY 2025-26.

d. Reporting of Frauds by Auditors

During the year under review, the Auditors have not reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee under Section 143(12) of the Companies Act, 2013.

e. C&AG Report

The company shall send the financials along with the Statutory Auditors report to the C&AG for their supplementary report/review, which on receipt will be placed at the Annual General Meeting of the Company.

XIX. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

There were no applications or any proceedings pending under the Insolvency & Bankruptcy Code, 2016 during the year under review.

XX. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE-TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

The Company has not obtained any loans from Banks or Financial Institutions.

XXI. COMPLIANCE WITH SECRETARIAL STANDARDS: The Company has complied with the applicable Secretarial Standards issued by the "Institute of Company Secretaries of India".

CORPORATE GOVERNANCE REPORT

I. BOARD ASPECTS:

a. Composition of the Board & KMP:

The Board comprised of the following directors during the FY 2025-26:

Sl. No.	Name of Director	Designation	DIN	Date of Appointment	Date of Cessation
1.	Shri. Nurani Subramanian Vishwanathan	Chairman and Independent Director	09568559	28/03/2024	-
2.	Smt. Sudha Krishnan	Independent Director	02885630	15/02/2022	-
3.	Shri. Prasad Parameswaran Pillai Naga	Independent Director	07430506	15/02/2022	-
4.	Shri. Rajesh Doshi	Independent Director	00059903	07/05/2022	-
5.	Shri. Jagat Singh Tolia	Nominee Director (LIC)	09617044	06/06/2023	05/06/2026
6.	Shri. Atul Arora	Nominee Director (ICICI Bank)	01999097	13/05/2024	09/10/2025
7.	Shri. Prabhat Kumar Singh	Nominee Director (ICICI Bank)	11397197	11/12/2025	-
8.	Shri. Ashok Kumar Sharma	Nominee Director (SBI)	09832521	22/07/2024	-
9.	Shri. Lal Singh	Nominee Director (Bank of Baroda)	08221094	21/01/2025	-
10.	Shri. Debajyoti Ray Chaudhuri	Managing Director & CEO	09242571	18/08/2021	-

b. KMPs of the company:

Sl. No.	Name of KMP	Designation	Date of Appointment	Date of Resignation/ Retirement
1.	Shri. Debajyoti Ray Chaudhuri	Managing Director & CEO	18/08/2021	-
2.	Smt. Nivedita E P	Executive Director & CRO	15/03/2023	-
3.	Shri. Diwakar Kannan	Chief Technology Officer	30/09/2020	30/05/2026
4.	Shri. Pradeep Shripad	Chief Financial Officer	05/02/2025	-
5.	Smt. S Padmavathy	Company Secretary	01/10/2022	-

c. Meetings of the Board:

The Board met 6 times during the financial year FY 2025-26:

Sl. No.	Date of Meeting	No of Directors eligible to attend	No. of Directors attended	No. of Directors not attended
1.	26/05/2025	9	8	1
2.	11/07/2025	9	7	2
3.	07/08/2025	9	7	2
4.	30/10/2025	8	6	2
5.	24/11/2025	8	7	1
6.	12/02/2026	9	7	2

d. Attendance of Directors:

Details of attendance of Directors at the Board Meetings held during the financial year 2025-2026 are provided below:

Sl. No.	Name of Director	Designation	No. of Meetings attended
1.	Shri. Nurani Subramanian Vishwanathan	Chairman & Independent Director	6
2.	Shri. Prasad Parameswaran Pillai Naga	Independent Director	6
3.	Smt. Sudha Krishnan	Independent Director	6
4.	Shri. Rajesh Doshi	Independent Director	6
5.	Shri. Ashok Kumar Sharma	Nominee Director (SBI)	3
6.	Shri. Jagat Singh Tolia	Nominee Director (LIC)	2
7.	Shri. Atul Arora	Nominee Director (ICICI)	2
8.	Shri. Lal Singh	Nominee Director (BOB)	4
9.	Shri. Prabhat Kumar Singh	Nominee Director (ICICI)	1
10.	Shri. Debajyoti Ray Chaudhuri	MD & CEO	6

e. Independent Directors Meeting held on 10th July, 2025

Sl. No.	Name of Director	Designation	Attendance
1.	Shri. Nurani Subramanian Vishwanathan	Independent Director	Attended
2.	Smt. Sudha Krishnan	Independent Director	Attended
3.	Shri. Prasad Parameswaran Pillai Naga	Independent Director	Attended
4.	Shri. Rajesh Doshi	Independent Director	Attended

f. The 9th Annual General Meeting of the Company was held on 26th September 2025 and the following directors attended the AGM:

Sl. No.	Name of the Director	Attendance
1.	Shri. Nurani Subramanian Vishwanathan	Attended
2.	Shri. Prasad Parameswaran Pillai Naga	Attended
3.	Shri. Rajesh Doshi	Attended
4.	Shri. Lal Singh	Attended
5.	Shri. Debajyoti Ray Chaudhuri	Attended

II. COMMITTEES OF THE BOARD:

The Board has formed various committees as required under the provisions of the Act. Accordingly, the following committees have been constituted:

a. Audit Committee:**i. Composition of the Committee:**

The Audit Committee of the company comprised of the following members as on date of the report:

Sl. No.	Name of the Director	Designation
1.	Smt. Sudha Krishnan	Chairperson (Independent Director)
2.	Shri. Nurani Subramanian Vishwanathan	Member (Independent Director)
3.	Shri. Ashok Kumar Sharma	Member (Nominee Director-SBI)

ii. Terms of Reference:

The Committee shall *inter alia* be responsible for:

- i. The recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- ii. Review and monitor the auditor's independence and performance and effectiveness of audit process;
- iii. Examination of the financial statements and the auditors' report thereon;
- iv. Approval or any subsequent modification of transactions of the company with related parties
- v. Scrutiny of inter-corporate loans and investments;
- vi. Valuation of undertakings or assets of the company, wherever it is necessary;
- vii. Evaluation of internal financial controls and risk management systems;
- viii. Monitoring the end use of funds raised through public offers and related matters.

iii. Meetings of the Audit Committee:

The Audit Committee met four times during the financial year 2025-26:

Sl. No.	Date of Meeting	No. of Directors eligible to attend	No. of Directors attended	No. of Directors not attended
1.	26/05/2025	3	2	1
2.	10/07/2025	3	2	1
3.	30/10/2025	3	2	1
4.	31/03/2026	3	2	1

iv. Attendance of Directors:

Details of attendance of Directors at the Audit Committee Meetings held during the reporting period:

Sl. No.	Name of Director	No. of Meetings attended
1.	Smt. Sudha Krishnan	4
2.	Shri. Nurani Subramanian Vishwanathan	4
3.	Shri. Ashok Kumar Sharma	-

b. Nomination and Remuneration Committee:**i. Composition of the Committee:**

The Nomination & Remuneration Committee consists of following members as on date of the report:

Sl. No.	Name of the Director	Designation
1.	Shri. Prasad Parameswaran Pillai Naga	Chairman (Independent Director)
2.	Shri. Nurani Subramanian Vishwanathan	Member (Independent Director)
3.	Shri. Jagat Singh Tolia *	Member (Nominee Director-LIC)

* Shri. Prabhat Kumar Singh, Nominee director ICICI Bank replaced Shri. Jagat Singh Tolia in the committee w.e.f. 15/06/2026.

ii. Terms of Reference:

The Committee shall *inter alia* be responsible for:

- i. Periodically oversee an evaluation of the Board, and recommend desirable changes in Board size, composition, Committees structure and processes, and other aspects of the Board's functioning;
- ii. Review and concur the appointments of KMPs, Directors and senior management team one level below the Board;

- iii. Ensure the compliance in terms of constitution and reconstitution of various Committees and advise the Board accordingly;
- iv. Recommend new Board members in light of resignation of current members or a planned expansion of the Board;
- v. Review stockholder proposals relating to Board's composition and recommend an appropriate course of action;
- vi. Review key corporate governance processes not specifically assigned to other committees, and recommend changes needed to ensure that the company is at best practice;
- vii. Formulate criteria for determining qualifications, positive attributes and independence of director and recommend to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees;
- viii. Review and recommend to the Board the appointment and fixation of compensation payable to KMPs, whole-time directors, non-executive directors and draw up the policy on ESOP and recommend the same to the Board for its adoption;
- ix. Review and recommend the incremental compensation and variable pay for Executive Directors to the Board, KMPs and Senior Management Cadre;
- x. Draw up the structure for review and performance of Board, Committees, Directors (excluding nominee Directors) and evaluate the performance of Board, Committees and Directors and submit the report about the performance every year;
- xi. Perform other activities related to this Charter as requested by the Board of Directors or to address issues related to any significant subject within its terms of reference.

iii. Meetings of the Nomination and Remuneration Committee:

The Committee met six times during the financial year 2025-26:

Sl. No.	Date of Meeting	No. of Directors eligible to attend	No. of Directors attended	No. of Directors not attended
1.	20/05/2025	3	3	-
2.	24/11/2025	3	2	1
3.	09/01/2026	3	3	-
4.	12/02/2026	3	2	1
5.	18/02/2026	3	3	-
6.	04/03/2026	3	3	-

iv. Attendance of Directors:

Details of attendance of Directors at the Nomination and Remuneration Committee Meetings held during the reporting period, are provided below:

Sl. No.	Name of Director	No. of Meetings attended
1.	Shri. Prasad Parameswaran Pillai Naga	6
2.	Shri. Nurani Subramanian Vishwanathan	6
3.	Shri. Jagat Singh Tolia	4

c. Corporate Social Responsibility Committee**i. Composition of the Committee:**

The Corporate Social Responsibility Committee of the company consists of the following members:

Sl. No.	Name of the Director	Designation
1.	Shri. Nurani Subramanian Vishwanathan	Chairman (Independent Director)
2.	Shri. Prasad Parameswaran Pillai Naga	Member (Independent Director)
3.	Smt. Sudha Krishnan	Member (Independent Director)
4.	Shri. Ashok Kumar Sharma	Member (Nominee Director-SBI)

ii. Terms of Reference:

The Committee shall *inter alia* be responsible for:

- To formulate and recommend to the Board a Corporate Social Responsibility Policy (CSR Policy) which will indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act.
- Recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
- Monitor the Corporate Social Responsibility Policy of the company from time to time.
- Monitor the amount approved by the Board is spent for the purpose and report the same to the Board.

iii. Meetings of the Corporate Social Responsibility Committee:

The Committee met once during the financial year 2025-26:

Sl. No.	Date of Meeting	No of Directors eligible to attend	No. of Directors attended	No. of Directors not attended
1.	14/08/2025	4	3	1

iv. Attendance of Directors:

Details of attendance of Directors at the Corporate Social Responsibility Committee Meeting held during the reporting period, are provided below:

Sl. No.	Name of Director	No. of Meetings attended
1.	Shri. Nurani Subramanian Vishwanathan	1
2.	Shri. Prasad Parameswaran Pillai Naga	1
3.	Smt. Sudha Krishnan	1
4.	Shri. Ashok Kumar Sharma	-

d. Special Committee**i. Composition of the Committee:**

The Special Committee of the company consists of the following members:

Sl. No.	Name of the Director	Designation
1.	Shri. Nurani Subramanian Vishwanathan	Chairman (Independent Director)
2.	Smt. Sudha Krishnan	Member (Independent Director)
3.	Shri. Ashok Kumar Sharma	Member (Nominee Director-SBI)
4.	Shri. Prabhat Kumar Singh*	Member (Nominee Director-ICICI)

* Shri. Prabhat Kumar Singh replaced Shri. Atul Arora in the committee w.e.f. 11/12/2025.

ii. Terms of Reference:

The Committee shall *inter alia* be responsible for:

- i. Take critical decisions as required to be taken from time to time in respect of the disinvestment of the wholly owned subsidiary, NESL Asset Data Limited and the potential stake sale to SHCIL through strategic investment.
- ii. To take critical decisions in respect of valuation, scrutiny of proposals, negotiations with investors, drafting & vetting of various agreements, fixation of share price for issue of shares by private placement etc. taken from time to time.
- iii. To recommend the final proposal in respect of both the matters to the Board for its approval.

iii. Meetings of the Special Committee:

The Committee met four times during the financial year 2025-26:

Sl. No.	Date of Meeting	No of Directors eligible to attend	No. of Directors attended	No. of Directors not attended
1.	25/09/2025	4	3	1
2.	09/12/2025	3	3	-
3.	29/01/2026	4	4	-
4.	10/02/2026	4	4	-

iv. Attendance of Directors:

Details of attendance of Directors at the Special Committee Meeting held during the reporting period, are provided below:

Sl. No.	Name of Director	No. of Meetings attended
1.	Shri. Nurani Subramanian Vishwanathan	4
2.	Smt. Sudha Krishnan	4
3.	Shri. Ashok Kumar Sharma	4
4.	Shri. Prabhat Kumar Singh	2
5.	Shri. Atul Arora	-

* Shri. Prabhat Kumar Singh replaced Shri. Atul Arora in the committee w.e.f. 11/12/2025.

e. Sub-Committees of the Board**i. Investment Committee:****a. Composition of the Sub-Committee:**

The Investment Sub-Committee of the company consists of the following members:

Sl. No.	Name of the Director	Designation
1.	Shri. Ashok Kumar Sharma	Chairman (Nominee Director-SBI)
2.	Shri. Jagat Singh Tolia	Member (Nominee Director-LIC)
3.	Shri. Debajyoti Ray Chaudhuri	Member (MD & CEO)
4.	Shri. Pradeep Shripad	Member (CFO)

b. Terms of Reference:

The Committee shall *inter alia* be responsible for:

- i. To review the investments of the company.
- ii. To advise on the investments as per the investment policy of the company.

c. Meetings of the Investment Sub-Committee:

The Committee met four times during the financial year 2025-26:

Sl. No.	Date of Meeting	No. of members eligible to attend	No. of members attended	No. of members not attended
1.	16/06/2025	4	4	-
2.	14/08/2025	4	4	-
3.	12/11/2025	4	4	-
4.	20/03/2026	4	4	-

d. Attendance of Directors:

Details of attendance of Directors at the Investment Committee Meeting held during the reporting period, are provided below:

Sl. No.	Name of Director	No. of Meetings attended
1	Shri. Ashok Kumar Sharma	4
2	Shri. Jagat Singh Tolia	4
3	Shri. Debajyoti Ray Chaudhuri	4
4	Shri. Pradeep Shripad	4

ii. Technology Committee:**a. Composition of Technology Committee:**

The Technology Committee of the company consists of the following members:

Sl. No.	Name of Members	Designation
1.	Shri. Rajesh Doshi, Independent Director	Chairman
2.	Prof. S. Sadagopan, Former Director IIT Bangalore	Member
3.	Dr. N Rajendran	Member
4.	Dr. N Sarat Chandra Babu, Former ED, SETS	Member
5.	Dr. N Subramanian, ED, SETS	Member

b. Terms of reference:

- The Committee shall meet quarterly. Additional meetings may be convened by the MD & CEO in consultation with the Chair of the Technology Committee. (Quarterly)
- Review system performance and progress reports on ongoing developments. (Quarterly)
- Review the implementation of the Board-approved Cyber Security and Cyber Resilience Policy and its framework. Ensure the existence of an advanced cyber security and resilience framework within the IU. (Compliance report from CISO) (Quarterly)
- Monitor whether the technology used by the IU remains current and capable of meeting evolving market demands. (Capacity update/review from CTO) (Quarterly)

- v. Oversee the adequacy of the Business Continuity Plan (BCP) and Disaster Recovery (DR) plans. (Inputs from CISO/CTO)
(Six monthly)
- vi. Review the process for identifying and classifying critical assets based on their sensitivity and importance to business operations, services, and data management. (Inputs from CISO/CTO)
(Annually)
- vii. Approve the Root Cause Analysis (RCA) of any IU system outage and report findings to the Governing Board. (Inputs from CISO/CTO)
(Quarterly)
- viii. Review the regular testing of IT systems, including volume, resilience, and performance testing. (Report from CTO)
(six monthly)
- ix. Review the adequacy of in-house IT/IS staffing to ensure effective management of IT/IS systems
(Annually)
- x. Ensure that the scope of system audits, cyber audits, and VAPT (Vulnerability Assessment and Penetration Testing) is comprehensive and covers all critical areas of the IU.
(Compliance report from CISO)
- xi. Monitor the outcomes of periodic (quarterly/half-yearly) cyber security and DR drills.
(Compliance report from CISO/CTO)
- xii. Address any other matters referred by the MD&CEO.

c. Meetings of Technology Committee:

The Committee met six times during the financial year 2025-26:

Sl. No.	Date of Meeting	No. of members eligible to attend	No. of members attended	No. of members not attended
1.	30/05/2025	5	4	1
2.	26/06/2025	5	5	-
3.	11/09/2025	5	5	-
4.	28/10/2025	5	5	-
5.	18/11/2025	5	4	1
6.	06/02/2026	5	5	-

d. Attendance of Members:

Details of attendance of Directors at the Technology Committee Meetings held during the reporting period, are provided below:

Sl. No.	Name of Members	No. of Meetings attended
1.	Shri. Rajesh Doshi	6
2.	Prof. S. Sadagopan	4
3.	Dr. N Rajendran	6
4.	Dr. N Sarat Chandra Babu	6
5.	Dr. N Subramanian	6

III. ACKNOWLEDGEMENTS

The Directors thank the Government of India, Governments in various States and Union Territories in India, Comptroller and Auditor General of India, Concerned Government Departments, Insolvency and Bankruptcy Board of India, Reserve Bank of India, The Indian Banks' Association and for their support and co-operation.

The Directors also thank the dedicated company employees, client Banks and financial institutions, Vendors, Investors and Professional Associates.

	For and on behalf of the Board of National E-Governance Services Limited	
	Sd/-	Sd/-
Date: 24 th June 2026	Debajyoti Ray Chaudhuri	Nurani Subramanian Vishwanathan
Place: Bengaluru	DIN: 09242571	DIN: 09568559

ANNEXURE-I

Form No. AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries

Part "A": Subsidiaries

(Rs. in lakhs.)

Sl. No.	Particulars	NADL	NEIL
1	Name of the subsidiary	NESL Asset Data Limited	NESL E-Infrastructure Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01-04-2025 To 31-03-2026	01-04-2025 To 31-03-2026
3	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	NA	NA
4	Share capital	2,200.00	100.00
5	Reserves & surplus	(1,695.39)	68.94
6	Total assets	720.54	187.27
7	Total Liabilities	215.93	18.33
8	Investments	42.55	-
9	Turnover	229.71	13.22
10	Profit before taxation	(394.22)	16.17
11	Provision for taxation	(310.69)	(4.36)
12	Profit after taxation	(704.91)	11.81
13	Proposed Dividend	-	-
14	% of shareholding	100 %	100 %

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations - NA
- Names of subsidiaries which have been liquidated or sold during the year - NA

Part "B": Associates and Joint Ventures – NA

	For and on behalf of the Board of National E-Governance Services Limited	
	Sd/-	Sd/-
Date: 24 th June 2026	Debajyoti Ray Chaudhuri	Nurani Subramanian Vishwanathan
Place: Bengaluru	DIN: 09242571	DIN: 09568559

ANNEXURE-II

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at Arm's length basis.

Sl. No.	Particulars	Details
a.	Name (s) of the related party & nature of relationship	NIL
b.	Nature of contracts / arrangements / transaction	NIL
c.	Duration of the contracts/ arrangements/ transaction	NIL
d.	Salient terms of the contracts or arrangements or transaction including the value, if any	NIL
e.	Justification for entering into such contracts or arrangements or transactions'	NIL
f.	Date of approval by the Board	NIL
g.	Amount paid as advances, if any	NIL
h.	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NIL

2. Details of contracts or arrangements or transactions at Arm's length basis.

Sl. No.	Particulars	NADL Details	NEIL Details
a.	Name (s) of the related party & nature of relationship	NESL Asset Data Limited; Wholly Owned Subsidiary	NESL E-Infrastructure Limited; Wholly Owned Subsidiary
b.	Nature of contracts/arrangements/transaction	Providing support services	Providing support services
c.	Duration of the contracts/ arrangements/ transaction	1 st April 2025 to 31 st March 2026	1 st April 2025 to 31 st March 2026
d.	Salient terms of the contracts or arrangements or transaction including the value, if any	Billed annually by NeSL: Rs. 45 Lakhs	Billed annually by NeSL: Rs. 6 Lakhs Billed annually by NEIL Rs. 100 Lakhs
e.	Date of approval by the Board	11 th July, 2025	11 th July, 2025
f.	Amount paid as advances, if any	-	-

	For and on behalf of the Board of National E-Governance Services Limited	
	Sd/-	Sd/-
Date: 24 th June 2026	Debajyoti Ray Chaudhuri	Nurani Subramanian Vishwanathan
Place: Bengaluru	DIN: 09242571	DIN: 09568559

ANNEXURE – III

NATIONAL E-GOVERNANCE SERVICES LIMITED

CIN: U72900MH2016GOI282855

Regd. Office, 4th Floor, Gresham Assurance House, Sir PM Road, Fort, Mumbai 400001. Administrative Office: Fifth Floor, #121 "The Estate", Dickenson Road, Bangalore 560042

The Annual Report on CSR Activities forming part of the Board's Report for the FY 2025-26

1. Brief outline on CSR Policy of the Company: The CSR Policy of the company as approved by the Board of Directors mention that, the amount determined for CSR spending shall be spent for the following health projects:
 1. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;
 2. Ensuring environmental sustainability, ecological balance, protection of flora & Fauna, animal welfare, agroforestry, conservation of natural resources, & maintaining quality of soil, air & water (including contribution to Clean Ganga Fund set up by the Central Government for rejuvenation of river Ganga)
 3. In addition to the above listed items the company shall have the omnibus item for contributing to PMCARES fund or PM Relief Fund as an option.
2. Composition of CSR Committee: The Committee is comprising of following members:

Sl. No.	Name of Director	Designation / Nature of Directorship
1.	Shri. N S Vishwanathan	Chairman & Independent Director
2.	Shri. Prasad Parameswaran Pillai Naga	Member & Independent Director
3.	Smt. Sudha Krishnan	Member & Independent Director
4.	Shri. Ashok Kumar Sharma	Member & Nominee Director (SBI)

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: www.nesl.co.in
4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): Executive Summary of Impact Assessment report by M/s Sattva Consultancy Private Limited annexed as **Annexure-A**
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1.	-	-	-
	Total	-	-

6. Average net profit of the company as per section 135(5) – Rs. 63,69,23,665/-

7. (a) Two percent of average net profit of the company as per section 135(5)- Rs. 1,27,38,473/-
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.
 - NIL
 (c) Amount required to be set off for the financial year, if any- NIL
 (d) Total CSR obligation for the financial year (7a+7b-7c)- Rs. 1,27,38,473/-

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount	Date of transfer
1,27,63,837.00	NIL	-	-	NIL	-

- (b) Details of CSR amount spent against ongoing projects for the financial year: NA

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project. (State , District)	Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
							Name.	CSR registration number.
1.	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation	Sub Clause (i) of Schedule VII	Yes	Karnataka, Bangalore	10,44,712/-	Yes	Canara Bank Relief & Welfare Society - Sevakshetra Hospital	CSR00006960
2.	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water	Sub Clause (iv) of Schedule VII	Yes	Karnataka, Bangalore	31,02,288/-	Yes	Canara Bank Relief & Welfare Society - Sevakshetra Hospital	CSR00006960
3.	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation	Sub Clause (i) of Schedule VII	Yes	Karnataka, Bangalore	38,00,000/-	Yes	Sri Shankara Cancer Foundation, Bangalore	CSR00004616
4.	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water	Sub Clause (iv) of Schedule VII	Yes	Karnataka, Bangalore	28,16,837/-	Yes	Indian Institute of Management, Bangalore	CSR00003458
5.	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;	Sub Clause (ii) of Schedule VII	No	Chennai, Tamil Nadu	20,00,000/-	Yes	Madras Dyslexia Association	CSR00000202
Total					1,27,63,837/-			

(d) Amount spent in Administrative Overheads - NIL

(e) Amount spent on Impact Assessment, if applicable - NIL

(f) Total amount spent for the Financial Year (8b+8c+8d+8e)- **Rs. 1,27,63,137/-**

(g) Excess amount for set off, if any - **Rs. 25,364/-**

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	1,27,38,473
(ii)	Total amount spent for the Financial Year	1,27,63,837
(iii)	Excess amount spent for the financial year [(ii)-(i)]	25,364
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	25,364

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs.).	Date of transfer	
1	-	-	-	-	-	-	-
	Total						

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs.).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing.
1	-	-	-	-	-	-	-	-
	Total							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year – **NIL**

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) – **NA**

	For and on behalf of the Board of National E-Governance Services Limited	
	Sd/-	Sd/-
Date: 24 th June 2026	Debajyoti Ray Chaudhuri	Nurani Subramanian Vishwanathan
Place: Bengaluru	DIN: 09242571	DIN: 09568559

ANNEXURE-A

EXECUTIVE SUMMARY OF CSR IMPACT ASSESSMENT CONDUCTED BY M/s. SATTVA CONSULTING PRIVATE LIMITED FOR THE FY 2024-25

[Pursuant to Section 135 and Rule 8(3)(b) of Companies (Corporate Social Responsibility) Rules, 2014]



NeSL Impact Assessment

Impact Assessment Report

August 2025

www.sattva.co.in



Executive Summary



Strategic Investments in Healthcare & Sustainability Drive Measurable Impact

NeSL's CSR initiatives are built on two core pillars, delivering significant returns to the community and the environment through strong, credible partnerships.

- **Healthcare Excellence:**

- **Investment:** Over **₹1.50 Crores** in Shri Shankara Cancer Foundation and Canara Bank Relief & Welfare Society (Sevakshetra Hospital) Hospital.
- **Impact:** Transformed patient care by funding critical, high-tech medical equipment. This has doubled blood component preparation capacity at Shri Shankara Cancer Foundation, enhanced diagnostic precision, and modernized essential services for thousands of patients at Canara Bank Relief & Welfare Society (Sevakshetra Hospital).

- **Sustainable Futures:**

- **Investment:** **₹65.36 Lakhs** in green infrastructure at IIM Bangalore.
- **Impact:** The 60kWp rooftop solar plant has generated over **9,33,694 kWh** of clean energy, significantly reducing the campus's carbon footprint. The on-campus EV charging station has been a key catalyst in encouraging the adoption of electric vehicles.

Core Strength: All projects are highly relevant to community needs, effectively implemented, and demonstrate clear alignment with the Companies Act (Schedule VII) and global Sustainable Development Goals (SDGs).

Executive Summary



From Advanced Cancer Care to Green Campuses: Our Projects Deliver

The impact assessment confirms that NeSL's investments have addressed critical gaps and created lasting value for our partners and their beneficiaries.

- **Shri Shankara Cancer Foundation: Transformative Clinical Impact**
 - The new **Refrigerated Blood Bank Centrifuge** doubled the hospital's blood component preparation capacity, from ~7,000 to **15,000 units annually**.
 - The **Audiometry Equipment** enabled a **494% year-on-year increase (34 to 202)** in patients receiving crucial hearing assessments to monitor and prevent treatment side-effects.
- **IIM Bangalore (IIMB): Catalyzing Sustainability**
 - The **Rooftop Solar Plant** consistently generates an average of **39,000 units of clean energy per month**, reducing operational costs and environmental impact.
 - The **EV Charging Station** is a proven success, with users citing its availability as a primary factor in their decision to switch to an electric vehicle.
- **Canara Bank Relief & Welfare Society (Sevakshetra Hospital) Hospital: Strengthening Community Health**
 - NeSL's comprehensive support funded over **20 types of essential equipment**, upgrading foundational capacity across the entire hospital—from the Labour OT to dialysis and general diagnostics—enhancing the quality and safety of care for its **~80,000 annual patients**.

Executive Summary



Building on a Foundation of Success to Amplify Future Impact

To maximize the long-term value of our CSR portfolio, we recommend the following strategic shifts:

1. **Formalize CSR Strategy:** Evolve from funding individual, opportunistic projects to building long-term, flagship programs under the two successful pillars: "**Healthcare Excellence**" and "**Sustainable Futures**." This will build deeper expertise and brand association.
2. **Evolve from Funder to Strategic Partner:** Shift from one-time equipment grants to multi-year partnerships that build capacity beyond infrastructure.
 - *Example: Launch a "NeSL Fellowship for Oncology Technicians" at Shri Shankara Cancer Foundation to support the advanced equipment we funded.*
3. **Standardize Impact Measurement:** Implement a unified Monitoring & Evaluation (M&E) framework for all partners to capture a consistent set of metrics (e.g., CO2 emissions offset, patient quality-of-life improvements, cost savings).
4. **Amplify Impact through Strategic Storytelling:** Create a dedicated CSR section on the corporate website and in the annual report. Use infographics, videos, and testimonials to bring the powerful data and human stories to life, reinforcing NeSL's brand as a leader in corporate citizenship.



Form No. MR – 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2026

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

National E Governance Services Limited

CIN: U72900MH2016GOI282855

Reg Off: Gresham Assurance House,

4th Floor, Sir PM Road, Fort Mumbai,

Mumbai City – 400 001

We have conducted Secretarial Audit of compliance with applicable statutory provisions and adherence to good corporate practices by **National E Governance Services Limited** (hereinafter called 'the Company') for the Financial Year ended **31st March 2026** ('the audit period'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating corporate conducts / statutory compliances and expressing our opinion thereon.

It is further to be noted that all the records of the Company are maintained at the **Corporate Office** of the Company, situated at 5th Floor, The Estate Building, 121 Dickenson Road, Bengaluru 560 042, and the requisite filings towards the same have been complied.

Based on our verification of the Company's books and papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended 31st March, 2026 complied with statutory provisions listed hereunder and also, that the Company has proper board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined books and papers, minutes books, forms and returns filed and other records maintained by the Company for the Financial Year ended 31st March, 2026 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and rules made thereunder – **Not applicable as there was no reportable event during the audit period.**
- (iii) The Foreign Exchange Management Act, 1999 and rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings – **Not applicable as there was no reportable event during the audit period.**
- (iv) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- (v) Goods and Services Act 2017 – **to the extent of filing of returns.**



- (vi) Income Tax Act 1962 - to the extent of filing of returns
- (vii) Insolvency and Bankruptcy Board of India (Information Utilities) Regulations, 2017
- (viii) The Information Technology Act, 2000

We have also reviewed the systems and mechanisms established by the Company for ensuring compliances under other Applicable Acts, Laws, Rules, Regulations, Guidelines, applicable to the Company and categorized under the following:

1. Air (Prevention and Control of Pollution) Act, 1961
2. Water (Prevention and Control of Pollution) Act, 1974
3. The Water (Prevention and Control of Pollution) Cess Act, 1977
4. Environment (Protection) Act 1986
5. Consumer Protection Act, 1986
6. Maternity Benefit Act
7. Payment of Bonus Act, 1956
8. Payment of Wages Act, 1936

We have also examined compliance with applicable clauses of the following:

- (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.
- (ii) Listing Agreements entered into by the Company with Stock Exchange(s) – **Not applicable as securities of the Company are not listed on any stock exchange.**

During the period under review, the Company has, *other than as provided in annexure to this report*, complied with provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

We further report that:

- Board of Directors of the Company is constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Woman Director.
- The Company has constituted following committees:
 - Audit Committee
 - CSR (Corporate Social Responsibility) Committee
 - Nomination and Remuneration Committee
- Changes in the composition of Board of Directors (and as Consequence to the Committees) that took place during the audit period were carried out in compliance with provisions of the Act.
- All decisions of the Board and Committee thereof were carried with requisite majority.
- The minutes of all the meeting(s) are properly maintained.
- Owing to organization structure; adequate notice has been served for the Board Meetings, and requisite Agenda papers are circulated in advance.



A & Z Associates

Firm of Practicing Company Secretaries

We further report that:

Based on review of compliance mechanism established by the Company, there are adequate systems and processes in place in the Company which commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that:

During the audit period there were no events/ actions having a major bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards, etc.

Date: 24.06.2026

Place: Bengaluru



Zeeshan Yusuf
Zeeshan Yusuf

Mem No: 55573

C.P. No: 20626

UDIN: A055573H000705189

Firm Reg. No. P2023KRO98200

Peer Review No.: 5298/2023



Annexure A

To,
The Members,
National E Governance Services Limited
CIN: U72900MH2016GOI282855
Reg Off: Gresham Assurance House,
4th Floor, Sir PM Road, Fort Mumbai,
Mumbai City – 400 001

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes that were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the secretarial records. We believe that the process and practices we followed provide a reasonable basis for my opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company, Income Tax Returns and GST Returns.
4. Wherever required, we have obtained the management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance with the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on a test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Date: 24.06.2026

Place: Bengaluru



Zeeshan Yusuf

Zeeshan Yusuf

Mem No: 55573

C.P. No: 20626

UDIN: A055573H000705189

Firm Reg. No. P2023KRO98200

Peer Review No.: 5298/2023

INDEPENDENT AUDITORS' REPORT

To the Members of M/s. National E-Governance Services Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying financial statements of **M/s. National E-Governance Services Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting standards) Rules 2015, as amended, ("Ind AS") and other accounting principles generally, accepted in India, of the state of affairs of the Company as at March 31, 2026, and its profit (including other comprehensive loss), Changes in Equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2026. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

- We have determined that there are no Key audit matters to comment in our Report.



Information Other than the Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report (including Annexures to the Board's Report), but does not include the standalone financial statements and our auditors' report thereon. The Boards' Report is expected to be made available to us after the date of this auditors' report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015), as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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



As part of an audit in accordance with Standards on Auditing (SAs), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

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

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

Report on Other Legal and Regulatory Requirements

1) In our opinion, the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "**Annexure A**" statement of matters specified in paragraphs 3 and 4 of the order, to the extent applicable.

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

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

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



(c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and Statement of Cash Flows dealt with by this report are in agreement with the books of accounts.

(d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards Rules, 2015), as amended.

(e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

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

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

- i. The Company does not have pending litigations, which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. The management has represented that, to the best of its knowledge and belief:
 - a. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - b. No funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security, or the like on behalf of the Ultimate Beneficiaries, and
 - c. Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.



- v. The Final Dividend proposed in the previous year has been paid by the Company during the current year in compliance with section 123 of the Companies Act, 2013.
- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2026, which has feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all the transactions recorded in the software and we did not come across any instance of the audit trail feature being tampered with, during the course of our audit.

As the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 became applicable with effect from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditor) Rules, 2014 related to the use and preservation of audit trail as per statutory record retention requirements is applicable for the financial year ended March 31, 2026.

Based on our and the information and the explanations provided to us, we confirm that the Company has complied with the aforesaid requirement, the audit trail has been preserved in accordance with applicable legal and regulatory requirements.

3) On the basis of such checks of the books and records of the Company, as we considered appropriate and according to the information and explanations given to us, we are enclosing our report in terms of section 143(5) of the Act, on the directions and sub directions issued by the Comptroller and Auditor General of India in "Annexure C".



for K N Prabhaskar & Co.,
Chartered Accountants
Firm Reg. No. 004982S


A. Umesh Patwardhan
Partner

M. No. 222945
UDIN: 26222945BBYZJB6331

Place: Bengaluru
Date: June 24, 2026

“ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 1 under ‘Report on other Legal and Regulatory Requirements’ section of our report to the Members of National E-Governance Services Limited (‘the Company’) of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i)
 - a) i) The Company has maintained proper records showing full particulars, including details and situation of property. Plant and Equipment and relevant details of right-of-use assets.
 - ii) The Company has maintained proper records showing full particulars of intangible assets.
 - b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were noticed on such physical verification. In our opinion, the frequency of verification of the Property, Plant and Equipment is reasonable having regard to the size of the Company and the nature of its assets.
 - c) The Company does not hold any immovable property. Accordingly reporting under Clause 3(i)(c) of the Order is not applicable.
 - d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
 - e) There are no Proceedings initiated during the year or pending against the Company as at March 31, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules thereunder.
- ii)
 - a) The nature of activity carried upon by the Company does not entail to hold any inventory. Accordingly reporting under clause 3(ii)(a) of the Order is not applicable.
 - b) The Company has not been sanctioned any working capital limits in excess of Rs. Five crores in aggregate from banks or financial institutions on the basis of security of current assets at any point of time during the year, Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable.
- iii) Based on our examination of records and according to the information and explanations given to us, the Company has made investment in One Subsidiary Company during the year. Further, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or any Other Parties during the year. –
 - a) As the Company has not provided any loans or advances in the nature of loans, stood guarantee or provided security to any other entity, reporting on this clause is not applicable.
 - b) The Company has made investment in One Subsidiary Company during the year and it is not prejudicial to the Company’s interest. Further, the Company has not provided any guarantee or given any security or granted loans and advances during the year. Hence, commenting on whether they are prejudicial to the Company’s interest is not applicable.
 - c) As the Company has not granted any loans or advances in the nature of loans, commenting on the repayment terms of principal and interest and its regularity is not applicable.
 - d) As the Company has not granted any loans or advances in the nature of loans, commenting on whether the amounts are overdue or not is not applicable.
 - e) As the Company has not granted any loans or advances in the nature of loans, commenting under this clause is not applicable.



- f) As the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms and repayment period, commenting under this clause is not applicable.
- iv) In our opinion and according to the information and explanations given to us, the Company has not given any loan or given any guarantee or security in respect of which provisions of sections 185 and 186 of the Act are applicable. In respect of the investment made in the subsidiary, the Company has complied with the provisions of Section 185 and 186 of the Act.
- v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the reporting under clause 3(v) of the Order are not applicable.
- vi) In our opinion and according to the information and explanations given to us, the maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of the Section 148 of the Act, in respect of the activities carried on by the Company.
- vii)
- a) According to the information and explanations given to us and verified by us, the Company is regular in depositing the undisputed statutory dues payable including Goods and Services Tax, Provident fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, Duty of Customs, Duty of Excise, Value added tax, Cess and any other statutory dues applicable to it with the appropriate authorities.
- According to the information and explanations given to us and verified by us, there were no undisputed amounts payable in respect of Goods and Services Tax, Provident fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, Duty of Customs, Duty of Excise, Value added tax, Cess and any other statutory dues applicable to it as at March 31, 2026 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us and verified by us, there are no disputed amounts in respect of such statutory dues referred to in sub-clause (a) above as at March 31, 2026.
- viii) According to the information and explanations given to us and verified by us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix)
- a) The Company has not taken any loans or other borrowings from any lender. Hence, reporting under Clause 3(ix)(a) of the Order is not applicable.
- b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- d) Based on our examination of records of the Company and according to the information and explanations given to us, the Company did not raise any funds during the year. Accordingly, reporting under clause 3(ix)(d) of the Order is not applicable.



- e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
 - f) The Company has not raised any loans during the year from its subsidiaries, associates or joint ventures and hence reporting 3(ix)(f) of the Order is not applicable.
- x)
- a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments). Hence, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
 - b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi) According to the information and explanations given to us and verified by us,
- a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
 - b) No report under Sub -section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
 - c) There are no whistle blower complaints received by the Company during the year.
- xii) In our opinion, the Company is not a Nidhi Company. Hence, reporting under clause 3(xii) of the Order is not applicable.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and details of all transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv)
- a) In our opinion the Company has an adequate Internal Audit system commensurate with the size and nature of its business.
 - b) We have considered the Internal Audit reports issued to the Company for the year under audit in determining the nature, timing and extent of our audit procedures.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Hence, reporting under clause 3(xv) of the Order is not applicable.
- xvi)
- a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
 - b) The Company has not conducted any Non-Banking Financial or Housing Finance activities, hence, reporting under clause (xvi)(b) of the Order is not applicable to the Company.



- c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii) The Company has not incurred cash losses during the current financial year covered by our audit and has also not incurred cash losses during the immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditors of the Company during the year.
- xix) On the basis of the financial ratios disclosed in note 37 to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing as on the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx) a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 36 to the standalone financial statements.
- b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 36 to the standalone financial statements.
- xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of the said clause.



for K N Prabhashankar & Co.,
Chartered Accountants
Firm Reg. No. 004982S

ATL
A.Umesh Patwardhan
Partner

M. No.222945
UDIN: 26222945BBYZJB6331

Place: Bengaluru
Date: June 24, 2026

“ANNEXURE B” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 2(f) under ‘Report on Other Legal Regulatory Requirements’ section of our report to the Members of National E-Governance Services Limited (‘the Company’) of even date)

Report on the Internal Financial Controls under Clause (i) of the Sub-section 3 of Section 143 of the Companies Act, 2013 (‘the Act’)

We have audited the internal financial controls over financial reporting of **National E- Governance Services Limited** (‘the Company’) as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (Guidance Note) issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company’s business, including adherence to the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

Our Responsibility is to express an opinion on the Company’s internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (‘the Guidance Note’) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and is such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal financial Controls over financial reporting and their operating effectiveness. Our audit of Internal financial controls over financial reporting included obtaining an understanding of Internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of risks of material misstatement of the statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s Internal financial controls over financial reporting.



Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

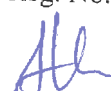
Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material aspects, adequate internal financial controls over financial reporting and such controls were operating effectively as at March 31, 2026, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Bengaluru
Date: June 24, 2026



for K N Prabhashankar & Co.,
Chartered Accountants
Firm Reg. No. 004982S


A. Umesh Patwardhan
Partner

M. No. 222945
UDIN: 26222945BBYZJB6331

“ANNEXURE C” TO THE INDEPENDENT AUDITORS’ REPORT

Report under section 143(5) of the Companies Act 2013 relating to the directions issued by the Comptroller and Auditor General of India

Sl. No.	Directions	Compliance
1.	Assess the fair valuation of all the investments, both quoted and unquoted, made directly by the Company or through Trusts, for Post retirement benefits of the employees. This includes verifying valuation methodologies, ensuring consistency with Ind AS and reviewing supporting documentation. The auditor shall provide a brief note on the valuation approach, its reasonability, and compliance with applicable regulations, reporting any material deviations or misstatements.	As provided in Note 29, the Company provides for gratuity which is a defined benefit post-retirement plan. The Company gets an actuarial valuation done for its gratuity liability using projected unit credit method as per the requirement of IndAS 19. The Company has formed a Trust, and the contributions made to the trust are invested in a scheme with the Life Insurance Corporation of India. The fair value of the investment is taken on the basis of closing fund balance given by the Life Insurance Corporation of India. This is in compliance with the applicable regulations and there are no material deviations or misstatements. Apart from the above, there are no other investments made by the Company or through Trusts for any post-retirement benefits.
2.	Whether the Company has a system in place to process all the accounting transactions through IT system? If yes, whether review of this system and controls that are significant to the Companies' financial reporting process as well as cyber security has been done by Information Security Auditing Organisations empanelled by Cert-In at a minimum frequency of once in a year and material discrepancies found, if any, have been suitably reported? The implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications may also be reported.	The Company is using the BDO India LLP e-invoicing tool and Webtel e-invoicing tool along with other computer programmes to process all the accounting transactions electronically. Transactions from the above software then posted manually in the accounting software used by the Company. However, there are no financial implications of processing of accounting transactions outside IT System. The Company periodically reviews the systems and controls that are significant to its financial reporting process. Further, a IT framework audit was conducted by a CERT-In empanelled agency during the year, and no material observations or deficiencies were reported in the audit report.
3.	Whether funds (grants/ subsidy etc.) received/ receivable for specific schemes from Central/State Government or its agencies were properly accounted for as per the applicable accounting standards or norms and whether the	No funds (grants/subsidy etc.) were received for specific schemes received from Central/State Government or its Agencies by the Company.



	received funds were utilised as per its terms and conditions? Whether accounting of interest earned on grants received has been done as per terms and conditions of the Grant. List the cases of deviation.	
4.	Whether the Company has identified the key Risk areas? If yes, whether the Company has formulated any Risk Management Policy to mitigate these risks? If yes, (a) whether the Risk Management Policy has been formulated considering global best practices? (b) whether the Company has identified its data assets and whether it has been valued appropriately?	The Company has identified key Risk areas and has a risk management policy duly approved by the Board. The Risk management Policy has been formulated considering global best practices with reference to ISO 31000:2018. Information Security Management System (ISMS) of NeSL is certified by M/s Intertek Certification Limited, a UKAS accredited body under schedule of accreditation no. 014. for conforming to the requirements of ISO/IEC 27001:2022 standards. The Information Security risk is managed through Information Security Management System (ISMS) as per ISO 27001:2022 standard. Data asset valuation, data classification and handling are done through ISMS policies and procedures. NeSL being an Information Utility (IU) shall hold the information as a custodian (as per IU Reg 28(2)). An IU is not the owner of data held by it. The data is not forming an asset of the IU and hence not insurable as an asset of IU. Accordingly, the Data submitted to the IU is not valued. However, the NeSL as IU has taken sufficient insurance to indemnify the data owners for any loss or inconvenience caused to them, for impairment of the data submitted by them to IU.
5.	Whether the Company is complying with the Securities and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015, and other applicable rules and regulations of SEBI, Department of Investment and Public Asset Management, Ministry of Corporate Affairs, Department of Public Enterprises, Reserve Bank of India, Telecom Regulatory Authority of India, CERT-IN, Ministry of Electronics and Information Technology and National	The Company is an unlisted entity and the Securities and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015, and other applicable rules and regulations of SEBI, Department of Investment and Public Asset Management, Department of Public Enterprises, Reserve Bank of India, Telecom Regulatory Authority of India and National Payments Corporation of India are not applicable to the Company. The Company has



	Payments Corporation of India wherever applicable? If not, the cases of deviation may be highlighted.	complied with the regulations of Ministry of Corporate Affairs, CERT-IN, Ministry of Electronics and Information Technology.
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Place: Bengaluru
Date: June 24, 2026



for K N Prabhaskar & Co.,
Chartered Accountants
Firm Reg. No. 004982S


A. Umesh Patwardhan
Partner

M. No. 222945
UDIN: 26222945BBYZJB6331

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL
STATEMENTS OF NATIONAL E-GOVERNANCE SERVICES LIMITED FOR THE
YEAR ENDED 31 MARCH 2026**

The preparation of financial statements of National E-Governance Services Limited for the year ended 31 March 2026 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 24.06.2026.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the Financial Statements of National E-Governance Services Limited for the year ended 31 March 2026 under section 143(6)(a) of the Act.

For and on behalf of the
Comptroller and Auditor General of India

V.N. Kothari

(Vijay N Kothari)

Director General of Audit (Financial Services), Mumbai

Place: Mumbai

Date: 24.07.2026

National E-Governance Services Limited

CIN: U72900MH2016GOI282855

Standalone Balance Sheet as at March 31, 2026

(All amounts are in INR lakhs, unless as otherwise stated)

Particulars	Note	As at March 31, 2026	As at March 31, 2025
Assets			
Non-current assets			
Property, Plant and Equipment	4	146	85
Right-of-use assets	7	2,285	430
Other intangible assets	5	30	39
Intangible assets under development	8	-	-
Financial assets			
Investments	9	11,885	10,535
Other financial assets	11	9,907	5,923
Deferred tax assets (net)	22	279	206
Other non-current assets	14	12	16
Total non-current assets		24,544	17,234
Current assets			
Financial assets			
Investments	9	6,174	1,710
Trade receivables	10	7,292	7,042
Cash and cash equivalents	12	2,469	3,416
Bank balances other than cash and cash equivalents	13	6,408	9,359
Other financial assets	11	76	78
Current tax assets (net)	22	610	634
Other current assets	14	238	129
Sub-total		23,267	22,368
Assets held for sale	38	2,200	-
Total current assets		25,467	22,368
Total assets		50,011	39,602
Equity and liabilities			
Equity			
Equity share capital	16	7,500	7,500
Other equity	17	24,561	18,752
Total equity		32,061	26,252
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities	7	1,518	341
Provisions	20	208	214
Other non-current liabilities	21	5,082	3,966
Total non-current liabilities		6,808	4,521
Current liabilities			
Financial liabilities			
Lease liabilities	7	1,007	153
Trade payables			
a) Total outstanding dues of micro and small enterprises	19	27	87
b) Total outstanding dues of creditors other than micro and small enterprises	19	699	748
Other financial liabilities	18	702	487
Other current liabilities	21	8,067	6,883
Provisions	20	640	471
Total current liabilities		11,142	8,829
Total liabilities		17,950	13,350
Total equity and liabilities		50,011	39,602

The above Balance Sheet should be read in conjunction with the accompanying notes.

This is the Balance Sheet referred to in our report of even date.

For K N Prabhaskar & Co.

Chartered accountants

Firm registration number: 004982S

For and on behalf of the Board of Directors of

National E-Governance Services Limited

Sd/-

A.Umesh Patwardhan
Partner
Membership No: 222945
Date: 24 June, 2026
Place: Bengaluru

Sd/-

N. S. Vishwanathan
Chairperson
DIN: 09568559

Sd/-

Debajyoti Ray Chaudhuri
Managing Director & CEO
DIN: 09242571

Sd/-

Nivedita E. P.
Executive Director & CRO

Sd/-

Pradeep Shripad
Chief Financial Officer
Date: 24 June, 2026
Place: Bengaluru

Sd/-

Padmavathy S.
Company Secretary
M.No: A37997

National E-Governance Services Limited

CIN: U72900MH2016GOI282855

Standalone statement of Profit and Loss for the year ended March 31, 2026

(All amounts are in INR lakhs, unless as otherwise stated)

Particulars	Note	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from operations	23	15,206	12,874
Other income	24	2,098	1,699
Total income		17,304	14,573
Expenses			
Cost of services	25	4,464	2,933
Employee benefit expenses	29	3,494	3,051
Finance costs	26	111	43
Depreciation and amortization expense	27	496	194
Other expenses	28	1,022	1,027
Total Expenses		9,587	7,248
Profit before exceptional item and tax		7,717	7,325
Exceptional item			
Interest income under MSMED Act	39	959	-
Profit before tax		8,676	7,325
Tax expense			
Current tax	22	(2,182)	(1,929)
Deferred tax	22	72	54
Total tax expense		(2,110)	(1,875)
Profit for the year		6,566	5,450
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss in subsequent periods			
Re-measurements of defined benefit plan actuarial gains/ (losses)	29	(8)	(20)
Income tax relating to these items	22	1	8
Total other comprehensive loss, net of tax		(7)	(12)
Total comprehensive income for the year		6,559	5,438
Earning per equity share of face value of Rs.10 each			
Basic (amount in ₹ per share)	30	8.75	7.27
Diluted (amount in ₹ per share)	30	8.75	7.27

The above Statement of Profit and Loss should be read in conjunction with the accompanying notes.

This is the Statement of Profit and Loss referred to in our report of even date.

For K N Prabhashankar & Co.

Chartered accountants

Firm registration number: 004982S

For and on behalf of the Board of Directors of

National E-Governance Services Limited

Sd/-

A.Umesh Patwardhan
Partner
Membership No: 222945
Date: 24 June, 2026
Place: Bengaluru

Sd/-

N. S. Vishwanathan
Chairperson
DIN: 09568559

Sd/-

Debajyoti Ray Chaudhuri
Managing Director & CEO
DIN: 09242571

Sd/-

Nivedita E. P.
Executive Director & CRO

Sd/-

Pradeep Shripad
Chief Financial Officer
Date: 24 June, 2026
Place: Bengaluru

Sd/-

Padmavathy S.
Company Secretary
M.No: A37997

National E-Governance Services Limited

CIN: U72900MH2016GOI282855

Standalone Statement of Changes in Equity for the year ended March 31, 2026

(All amounts are in INR lakhs, unless as otherwise stated)

a) Equity share capital

Particulars	As at March 31, 2026		As at March 31, 2025	
	Nos. in Lakhs	Amount	Nos. in Lakhs	Amount
At the beginning of the year	750	7,500	750	7,500
Changes in equity share capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the year	750	7,500	750	7,500
Changes in equity share capital during the year	-	-	-	-
At the end of the year	750	7,500	750	7,500

Refer note 16, for equity shareholders holding of 5% or more and promotor shareholding

b) Other equity

Particulars	Retained earnings	Dividend reserve	Total
Balance as at April 1, 2024	14,064	-	14,064
Changes in accounting policy or prior period errors	-	-	-
Restated balance at the April 1, 2024	14,064	-	14,064
Profit for the year	5,450	-	5,450
Other comprehensive income/(loss)	(12)	-	(12)
Final dividend paid (2023-24 @ Rs 1 per share)	(750)	-	(750)
Balance as at the year ended March 31, 2025	18,752	-	18,752
Balance as at April 1, 2025	18,752	-	18,752
Changes in accounting policy or prior period errors	-	-	-
Restated balance at the April 1, 2025	18,752	-	18,752
Profit for the year	6,566	-	6,566
Other comprehensive income/(loss)	(7)	-	(7)
Final dividend paid (2024-25 @ Rs 1 per share)	(750)	-	(750)
Transfer to Dividend reserve	(657)	657	-
Balance as at the year ended March 31, 2026	23,904	657	24,561

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

This is the Statement of Changes in Equity referred to in our report of even date.

For K N Prabhashankar & Co.

Chartered accountants

Firm registration number: 004982S

For and on behalf of the Board of Directors of

National E-Governance Services Limited

Sd/-

A.Umesh Patwardhan
Partner
Membership No: 222945
Date: 24 June, 2026
Place: Bengaluru

Sd/-

N. S. Vishwanathan
Chairperson
DIN: 09568559

Sd/-

Debajyoti Ray Chaudhuri
Managing Director & CEO
DIN: 09242571

Sd/-

Nivedita E. P.
Executive Director & CRO

Sd/-

Pradeep Shripad
Chief Financial Officer
Date: 24 June, 2026
Place: Bengaluru

Sd/-

Padmavathy S.
Company Secretary
M.No: A37997

National E-Governance Services Limited

CIN: U72900MH2016GOI282855

Standalone Statement of Cash Flows for the year ended March 31, 2026

(All amounts are in INR lakhs, unless as otherwise stated)

Accounting policy:

Cash flows are reported using the indirect method as set out in Ind AS 7, 'Statement of Cash Flows', whereby profit/(loss) for the year before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be classified as cash equivalents.

Particulars	Note	Year ended March 31, 2026	Year ended March 31, 2025
Cash flow from operating activities			
Profit for the year		8,676	7,325
Adjustments for:			
Depreciation and amortization expense		496	194
Profit from sale of mutual funds		(263)	-
Gain on fair value restatement of mutual funds		57	(125)
Interest income from fixed deposits		(1,241)	(1,079)
Interest income from government securities		(641)	(477)
Finance costs		111	43
Loss on sale of assets		-	.*
<i>Change in operating assets & liabilities</i>			
(Increase)/decrease in trade receivables		(250)	(1,527)
(Increase)/decrease in other financial assets		(1)	(81)
(Increase)/decrease in other assets		(105)	17
Increase/(decrease) in trade payables		(109)	384
Increase/(decrease) in other financial liabilities		215	(36)
Increase/(decrease) in other liabilities		2,300	1,660
Increase/(decrease) in provisions		155	350
Cash generated from operations		9,400	6,648
Income taxes paid		(2,158)	(2,078)
Net cash from operating activities		7,242	4,570
Cash flow from investing activities			
Purchase of property plant and equipment		(105)	(41)
Payment for intangible assets and intangible assets under progress		(7)	(8)
Proceeds from sale of property plant and equipment		1	1
Investment in fixed deposits		(38,828)	(9,045)
Redemption/maturity of fixed deposits		38,519	9,350
Interest received on fixed deposits		519	978
Investment in mutual funds		(8,007)	(808)
Redemption of mutual funds		3,750	-
Investment in government securities		(3,132)	(3,499)
Interest received on government securities		623	410
Investment in subsidiaries		(400)	(300)
Net cash used in investing activities		(7,067)	(2,962)
Cash flow from financing activities			
Payment of principal element of lease liabilities		(300)	(137)
Payment of interest on lease liabilities		(72)	(43)
Payment of interim dividend		(750)	(750)
Net cash used in financing activities		(1,122)	(930)
Net increase in cash and cash equivalents		(947)	678
Cash and cash equivalent at the beginning of the year		3,416	2,738
Cash and cash equivalent at the end of the year		2,469	3,416
Components of cash and cash equivalents			
Balances with banks			
Current accounts	12	2,069	543
In deposit account with original maturity within 3 months from the date of deposit	12	400	2,871
Income accrued but not due on deposits with original maturity within 3 months from the date of deposit	12	-	2
Total cash and cash equivalents		2,469	3,416

.*represents value less than 0.5 lakhs.

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

This is the Statement of Cash Flows referred to in our report of even date.

For K N Prabhaskar & Co.

Chartered accountants

Firm registration number: 004982S

For and on behalf of the Board of Directors of

National E-Governance Services Limited

Sd/-

A.Umesh Patwardhan

Partner

Membership No: 222945

Date: 24 June, 2026

Place: Bengaluru

Sd/-

N. S. Vishwanathan

Chairperson

DIN: 09568559

Sd/-

Debajyoti Ray Chaudhuri

Managing Director & CEO

DIN: 09242571

Sd/-

Nivedita E. P.

Executive Director & CRO

Sd/-

Pradeep Shripad

Chief Financial Officer

Date: 24 June, 2026

Place: Bengaluru

Sd/-

Padmavathy S.

Company Secretary

M.No: A37997

National E-Governance Services Limited

CIN: U72900MH2016GOI282855

Notes to the standalone Ind AS financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs, unless as otherwise stated)

Overview and basis of preparation**1 Company overview**

National E-Governance Services Limited ('Company') was incorporated on 24th June, 2016. The Company has its registered office in Mumbai and its administrative office in Bengaluru. The main object of the Company is to perform the role of Information Utility under the Insolvency and Bankruptcy Code, 2016. During the financial year 2017-18, the Company incorporated two subsidiaries:

Name	Date of incorporation	Reference
NESL Asset Data Limited	08-09-2017	Refer note 9
NESL E-Infrastructure Limited	18-12-2017	Refer note 9

The standalone financial statements for the year ended March 31, 2026 were approved by the Board of Directors and authorized for issue on June 24, 2026.

Statement of Compliance

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies Act 2013 ('Act'). The Ind AS is prescribed under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) amendment Rules, 2016 as amended subsequently by applicable amendment rules as amended from time to time until March 31, 2026.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The material accounting policy information used in preparation of the standalone financial statements have been discussed in the respective notes.

2 Basis of preparation of financial statements

The financial statements have been prepared on the historical cost convention except for:

- Certain financial instruments that are measured at fair values at the end of each reporting period under IndAS as suitably described in the accounting policies.
- Defined benefit plans - plan assets measured at fair value

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

National E-Governance Services Limited

CIN: U72900MH2016GOI282855

Notes to the standalone Ind AS financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs, unless as otherwise stated)

The Company 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 standalone Ind AS 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 (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above. This note summarizes accounting policy for fair value and the other fair value related disclosures are given in the relevant notes.

Assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified 12 months as its operating cycle.

Previous year's (PY) figures, where necessary have been regrouped, recast and reclassified suitably to correspond with those of current year's figures. All amounts stated in the financial statements and notes to accounts have been rounded off to the nearest lakhs during the current year as per the requirement of Schedule III Division 2, unless otherwise stated, accordingly the previous year comparative are also rounded off to nearest lakhs, unless otherwise stated.

3 Critical accounting assumptions, estimates and judgments

In the application of the Company's accounting policies, which are described in this note, the Company is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period:

- Estimated useful life of intangible assets (refer note 5)
- Estimated useful life and residual value of property, plant and equipment (refer note 4)
- Assessment of Performance obligation in revenue recognition including timing of satisfaction of performance obligation, allocation of transaction price, presence of material right to purchase additional services, presence of significant financing component and amounts allocated to performance obligations. (refer note 23)
- Estimation of defined benefit obligation (refer note 29)
- Estimation of provisions (refer note 20)
- Recognition of deferred taxes (refer note 22)
- Impairment of trade receivables (refer note 10)
- Estimated useful life and implicit interest rate/incremental borrowing rate used for recognizing Right of Use assets and lease liabilities respectively (refer note 7)

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Notes to the standalone Ind AS financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs, unless as otherwise stated)

Notes to the Standalone Financial Statements**4 Property Plant and Equipment****Accounting policy:**

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises of 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.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss. An individual item of property, plant and equipment with value less than Rs 5,000/- is not recognised for capitalization and is written off in the Statement of Profit and Loss.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.

Depreciation is calculated on a straight-line basis over the useful lives of the assets, as specified in Schedule II to the Companies Act, 2013, except vehicles, as follows:

Category	Useful life (years)	Life as per Schedule II
Furniture and fixtures	10	10
Computers and accessories	3	3
Server	6	6
Office equipment	5	5
Vehicles	6	8

Vehicles consisting of company car, is depreciated over useful life of 6 years, instead of 8 years prescribed under Companies Act, 2013. Due to faster technology obsolescence, constantly evolving emission standards and maintenance costs, it is considered prudent by the management to replace cars earlier than the prescribed 8 years under Schedule II, Companies Act, 2013.

Leasehold improvements are amortized on a straight-line basis over the unexpired period of lease or five years whichever is less.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. The value of the residual value is limited to 5% of the original cost of Property, Plant and Equipment as per the requirement of Schedule II to the Companies Act, 2013.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The changes in the carrying amount of property, plant and equipment for the year ended March 31, 2026 are as follows:

Particulars	Vehicles	Computers	Servers and networks	Furniture and fittings	Leasehold premises improvements	Office Equipment's	Total
Cost:							
Gross carrying amount as at April 1, 2025	35	136	40	2	26	46	285
Additions	-	49	3	5	42	6	105
Disposal/adjustment	-	(24)	-	-	-	(6)	(30)
Gross carrying amount as at March 31, 2026	35	161	43	7	68	46	360
Accumulated depreciation and impairment:							
Balance as at April 1, 2025	19	103	22	1	23	32	200
Depreciation	6	20	3	1	8	5	43
Accumulated depreciation on disposal/adjustment	-	(23)	-	-	-	(6)	(29)
Impairment	-	-	-	-	-	-	-
Balance as at March 31, 2026	25	100	25	2	31	31	214
Net carrying amount as at March 31, 2026	10	61	18	5	37	15	146

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Notes to the standalone Ind AS financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs, unless as otherwise stated)

The changes in the carrying amount of property, plant and equipment for the year ended March 31, 2025 are as follows:

Particulars	Vehicles	Computers	Servers and networks	Furniture and fittings	Leasehold premises improvements	Office Equipment's	Total
Cost:							
Gross carrying amount as at April 1, 2024	35	130	24	2	26	42	259
Additions	-	21	16	-	-	4	41
Disposal/adjustment	-	(15)	-	-	-	-	(15)
Gross carrying amount as at March 31, 2025	35	136	40	2	26	46	285
Accumulated depreciation and impairment:							
Balance as at April 1, 2024	13	101	20	1	23	28	186
Depreciation	6	16	2	-	-	4	28
Accumulated depreciation on disposal/adjustment	-	(14)	-	-	-	-	(14)
Impairment	-	-	-	-	-	-	-
Balance as at March 31, 2025	19	103	22	1	23	32	200
Net carrying amount as at March 31, 2025	16	33	18	1	3	14	85

5 Intangible assets
Accounting policy:

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. The amortization expense on intangible assets is recognised in the Statement of Profit and Loss.

Gains or losses arising from de-recognition 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 and Loss when the asset is derecognised.

The cost of Information utility software is capitalized and amortized on a straight-line basis over the useful life of five years, as estimated by the management. Additional software development costs of modules are amortised over balance future useful life of Information utility software. Information utility software is an in-house software being developed, over various modules, by the Company.

The registration/license fee, paid to the Insolvency and Bankruptcy Board of India, is amortised over the term of validity of registration (5 years).

The cost of software is capitalized and amortized on a straight-line basis over the useful life of five years, as estimated by the management.

The changes in the carrying amount of intangible assets for the year ended March 31, 2026 are as follows:

Particulars	IU License fees	Other software	Total
Cost:			
Gross carrying amount as at April 1, 2025	50	60	110
Additions	-	7	7
Disposal/adjustment	-	-	-
Gross carrying amount as at March 31, 2026	50	67	117
Accumulated amortisation:			
Balance as at April 1, 2025	25	46	71
Amortisation	10	6	16
Accumulated amortisation on disposal/adjustment	-	-	-
Balance as at March 31, 2026	35	52	87
Net carrying amount as at March 31, 2026	15	15	30

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(All amounts are in INR lakhs, unless as otherwise stated)

The changes in the carrying amount of intangible assets for the year ended March 31, 2025 are as follows:

Particulars	IU License fees	Other software	Total
Cost:			
Gross carrying amount as at April 1, 2024	50	52	102
Additions	-	8	8
Disposal/adjustment	-	-	-
Gross carrying amount as at March 31, 2025	50	60	110
Accumulated amortisation:			
Balance as at April 1, 2024	15	38	53
Amortisation	10	8	18
Accumulated amortisation on disposal/adjustment	-	-	-
Balance as at March 31, 2025	25	46	71
Net carrying amount as at March 31, 2025	25	14	39

6 Impairment of non-financial assets**Accounting policy:**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in Statement of Profit and Loss.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. Such reversal is recognised in the Statement of Profit and Loss.

The Company reviews its Property, Plant and Equipment and Intangible Assets annually, or more frequently when there is an indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

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Notes to the standalone Ind AS financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs, unless as otherwise stated)

7 Leases**Accounting policy:**

The arrangements, including contracts, are evaluated if they are a lease or have a lease component. This determination is made at the inception of the contract. In case of arrangement having lease and non-lease components, these are separately accounted. Leases identified are accounted individually as separate leases.

Arrangements whose fulfilment depend on a specific asset which is identified under the arrangement to fulfil obligations, either expressly or in substance and the Company has substantive right to use such specific asset over a period of time under arrangement, and to obtain substantially all economic benefits over such period of time constitute leases. Lease term includes non-cancellable period under arrangement and period during which the company is reasonably certain to use such identified assets. Such Lease arrangements identified are recorded as 'Right of Use (RoU)' assets along with a lease liability by discounting the future cash flows under the lease arrangement, using implicit rate or incremental borrowing rate applicable for the lease term. 'Right of Use' assets are depreciated over the lease term and interest expense on lease liability is recorded under other finance costs.

Lease modification(s) are evaluated to ascertain, whether the modification is a separate lease. The amount of the re-measurement of lease liability due to modification is recognised as an adjustment to the 'Right of Use' assets and Statement of Profit and Loss, depending on the nature of modification.

Arrangements which contain low value leases with monthly outflow of less than Rs 10,000 or arrangements which contain lease with original term of upto 12 months are not accounted as lease arrangements under Ind AS 116.

Right of Use assets

The changes in the carrying amount of Right of Use assets for the year ended March 31, 2026 are as follows :

Particulars	Category of RoU assets		Total
	Servers/ virtual machines	Building	
Gross carrying amount as at April 1, 2025	-	847	847
Additions	2,292	-	2,292
Disposal/adjustment	-	-	-
Gross carrying amount as at March 31, 2026	2,292	847	3,139
Accumulated depreciation:			
Balance as at April 1, 2025	-	417	417
Depreciation	288	149	437
Accumulated depreciation on disposal/adjustment	-	-	-
Balance as at March 31, 2026	288	566	854
Net carrying amount as at March 31, 2026	2,004	281	2,285

The changes in the carrying amount of Right of Use assets for the year ended March 31, 2025 are as follows :

Particulars	Category of RoU assets		Total
	Servers/ virtual machines	Building	
Gross carrying amount as at April 1, 2024	-	847	847
Additions	-	-	-
Disposal/adjustment	-	-	-
Gross carrying amount as at March 31, 2025	-	847	847
Accumulated depreciation:			
Balance as at April 1, 2024	-	269	269
Depreciation	-	148	148
Accumulated depreciation on disposal/adjustment	-	-	-
Balance as at March 31, 2025	-	417	417
Net carrying amount as at March 31, 2025	-	430	430

The aggregate depreciation expense on RoU assets is included under depreciation and amortization expense in the Standalone Statement of Profit and Loss.

Lease liabilities

The break-up of current and non-current lease liabilities as at March 31, 2026 and March 31, 2025 is as follows :

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current lease liabilities	1,518	341
Current lease liabilities	1,007	153
Total lease liabilities	2,525	494

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Notes to the standalone Ind AS financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs, unless as otherwise stated)

The movement in lease liabilities during the year ended March 31, 2026 and year ended March 31, 2025 is as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning	494	631
Additions	2,292	-
Finance cost accrued during the period	111	43
Payment of lease liabilities	(372)	(180)
Balance at the end	2,525	494

Maturity analysis of lease liability as at March 31, 2026 and March 31, 2025 is as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Future lease payments (undiscounted)		
2025-26	-	185
2026-27	1,178	193
2027-28	854	157
2028-29	624	17
2029-30	140	-
Total future lease payments (undiscounted)	2,796	552
Total future finance costs	(271)	(58)
Lease liability	2,525	494
Current lease liabilities	1,007	153
Non-current lease liabilities	1,518	341

Expenses relating to short term leases or low value leases for the year ended March 31, 2026 and year ended March 31, 2025 is as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Expenses relating to short term leases	469	585
Expenses relating to leases of low-value	1	1
Total	470	586

Net debt reconciliation of the Company as at March 31, 2026 and March 31, 2025 is as below:

Particulars	As at March 31, 2026	As at March 31, 2025
Cash and cash equivalents	2,469	3,416
Liquid investments+	6,174	1,710
Lease liabilities	(2,525)	(494)
Net debt	6,118	4,632

+ Liquid investments comprise current investments that are traded in an active market, being the Company's financial asset held at fair value through profit and loss.

Particulars	Other assets		Liabilities from financing activities	Total
	Cash and cash equivalents	Liquid investments	Lease liabilities	
Net debt as at April 1, 2025	3,416	1,710	(494)	4,632
Cash flows	(947)	4,258	300	3,611
Additions to lease liability	-	-	(2,292)	(2,292)
Interest expense	-	-	(111)	(111)
Interest paid	-	-	72	72
Gain on redemption and fair value adjustment	-	206	-	206
Net debt as at March 31, 2026	2,469	6,174	(2,525)	6,118
Net debt as at April 1, 2024	2,738	777	(631)	2,884
Cash flows	678	808	137	1,623
Interest expense	-	-	(43)	(43)
Interest paid	-	-	43	43
Gain on redemption and fair value adjustment	-	125	-	125
Net debt as at March 31, 2025	3,416	1,710	(494)	4,632

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Notes to the standalone Ind AS financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs, unless as otherwise stated)

8 Intangible assets under development

Intangible assets under development as at March 31, 2026 and March 31, 2025 is as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Trademarks under progress	-*	-*
Total intangible assets under development	-	-

Note: During the year ended March 31, 2023, the Company has applied for registration of trademark of logos related to Electronic Bank Guarantee and DDE, which is under progress with the trademark authority as on March 31, 2026.

The intangible assets under development ageing schedule for the the year ended March 31, 2026 is as follows:

Intangible assets under development	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	-	-	-	-	-

The intangible assets under development ageing schedule for the the year ended March 31, 2025 is as follows:

Intangible assets under development	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	-	-	-	-	-

*represents value less than 0.5 lakhs, Rs. 0.31 lakhs and Rs. 0.31 lakhs for year ended March 31, 2026 and year ended March 31, 2025.

9 Investments

Particulars	As at March 31, 2026	As at March 31, 2025
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Non current investments:**Investments in subsidiaries****Subsidiaries - wholly owned (Unquoted)**

NESL Asset Data Limited - Nil shares (PY: 1,80,00,000 shares) of Rs. 10/- each fully paid up*

- 1,800

NESL E-infrastructure Limited - 10,00,000 shares (PY: 10,00,000 shares) of Rs. 10/- each fully paid up

100 100

Total investments in subsidiaries**100 1,900****Other investments:****Investments in government securities at amortised cost (quoted) ⁽¹⁾**

Investment in IN1920200434 6.50% Karnataka SDL 2030

59 59

Investment in IN1920200459 6.53% Karnataka SDL 2030

192 192

Investment in IN3120200222 6.33% Tamil Nadu SDL 2030

236 236

Investment in IN3120200347 6.57% Tamil Nadu SDL 2031

65 64

Investment in IN3120200362 6.95% Tamil Nadu SDL 2030

200 200

Investment in IN1520220030 7.82% Gujarat SDL 2032

210 210

Investment in IN1520220055 7.80% Gujarat SDL 2032

196 196

Investment in IN1520220063 7.77% Gujarat SDL 2032

175 175

Investment in IN3120220105 7.64% Tamil Nadu SDL 2032

203 203

Investment in IN1520220253 7.71% Gujarat SGS 2033

755 755

Investment in IN1920220028 7.67% Karnataka SGS 2032

309 309

Investment in IN2220220189 7.74% Maharashtra SGS 2033

252 252

Investment in IN3120230096 7.39% Tamilnadu SGS 2033

511 511

Investment in IN3120230138 7.44% Tamilnadu SGS 2033

509 509

Investment in IN2220230113 7.46% Maharashtra SGS 2033

734 733

Investment in IN1920230027 7.69% Karnataka SGS 2033

465 465

Investment in IN1620240045 7.43% Haryana SGS 2034

1,024 1,024

Investment in IN1620240250 7.15% Haryana SGS 2038

509 509

Investment in IN1920240224 7.11% Karnataka SGS 2035

505 506

Investment in IN3320240044 7.08% Uttar Pradesh SGS 2038

1,020 1,017

Investment in IN3320240051 7.16% Uttar Pradesh SGS 2039

510 510

Investment in IN1620250366 7.67% Haryana SGS 2041

552 -

Investment in IN1620250390 7.69% Haryana SGS 2044

311 -

Investment in IN1620250465 7.99% Haryana SGS 2044

402 -

Investment in IN3120250888 7.76% Haryana SGS 7.76%

266 -

Investment in IN3320250225 7.71% Uttar Pradesh SGS 2046

1,311 -

Investment in IN3320250282 8.09% Uttar Pradesh SGS 2051

304 -

Total investments in government securities**11,785 8,635****Total non-current investments****11,885 10,535****Current investments:****Other investments:****Investments in mutual funds (quoted) measured at fair value through Profit and Loss ⁽²⁾**

Investment in LD72SG SBI Liquid Fund Direct Growth 26,137,529 units (PY: 22,682,910 units) at market price (NAV).

1,126 920

Investment in LD481G SBI Short Term Debt Fund-Direct Plan Growth (PY: 23,70,181.3680 units) at market price (NAV)

- 790

Investment in LD114G SBI Arbitrage Opportunities Fund-Direct Plan Growth 57,94,639.885 units (PY: 0 units) at market price (NAV)

2,185 -

Investment in 8153 ICICI Income Plus Arbitrage Omni FOF-Direct Plan Growth 40,98,022.376 units (PY:0 units) at market price (NAV)

2,863 -

Total current investments**6,174 1,710****Total investments****18,059 12,245**

Aggregate amount of quoted investment

17,959 10,345

Aggregate market value of quoted investment

17,596 10,446

Aggregate amount of unquoted investments

100 1,900

Aggregate amount of impairment in value of investments.

- -

* The investment in NESL Asset Data Limited has been reclassified as "Assets held for sale" as at 31st March 2026 (refer note 38).

Note:

1. Government securities are classified as held to maturity investments and carried at amortised cost.

2. Mutual funds are carried at fair value base on the quoted market price (NAV) of the funds as on balance sheet date.

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Notes to the standalone Ind AS financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs, unless as otherwise stated)

10 Trade receivables

Particulars	As at March 31, 2026	As at March 31, 2025
Trade Receivables considered good - Secured		-
Trade Receivables considered good - Unsecured		
Receivable from related parties	47	29
Receivable from others	7,383	7,291
Trade Receivables - credit impaired		
Receivable from others	107	67
Sub-total	7,537	7,387
Impairment Allowance (Allowance for bad and doubtful debts)		
Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - Unsecured		
Receivable from others	138	278
Trade Receivables - credit impaired		
Receivable from others	107	67
Sub-total	245	345
Total Trade receivables	7,292	7,042

Ageing of Trade receivables outstanding as at March 31, 2026

Particulars	Outstanding for following periods from due date of payment							Total
	Unbilled	Not due	Less than 6 months	6 months - 1 year	1-2years	2-3years	More than 3 years	
Undisputed Trade receivables - considered good	13	3,207	2,818	1,313	79	-	-	7,430
Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
Disputed Trade Receivables - considered good	-	-	-	-	-	-	-	-
Disputed Trade Receivables - credit impaired	-	-	-	-	107	-	-	107
Total trade receivables due	13	3,207	2,818	1,313	186	-	-	7,537
Undisputed Trade receivables - considered good	-	9	69	32	28	-	-	138
Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
Disputed Trade Receivables - considered good	-	-	-	-	-	-	-	-
Disputed Trade Receivables - credit impaired	-	-	-	-	107	-	-	107
Total allowance for credit loss	-	9	69	32	135	-	-	245
Total trade receivables	13	3,198	2,749	1,281	51	-	-	7,292

Ageing of Trade receivables outstanding as at March 31, 2025

Particulars	Outstanding for following periods from due date of payment							Total
	Unbilled	Not due	Less than 6 months	6 months - 1 year	1-2years	2-3years	More than 3 years	
Undisputed Trade receivables - considered good	-	3,078	3,364	594	255	29	-	7,320
Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
Disputed Trade Receivables - considered good	-	-	-	-	-	-	-	-
Disputed Trade Receivables - credit impaired	-	-	-	1	61	5	-	67
Total trade receivables due	-	3,078	3,364	595	316	34	-	7,387
Undisputed Trade receivables - considered good	-	12	108	22	107	29	-	278
Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
Disputed Trade Receivables - considered good	-	-	-	-	-	-	-	-
Disputed Trade Receivables - credit impaired	-	-	-	1	61	5	-	67
Total allowance for credit loss	-	12	108	23	168	34	-	345
Total trade receivables	-	3,066	3,256	572	148	-	-	7,042

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Notes to the standalone Ind AS financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs, unless as otherwise stated)

11 Other financial assets:

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current other financial assets		
Security deposits	66	62
Bank deposits with maturity more than 12 months from balance sheet date	9,253	5,592
Income accrued but not due on deposits with maturity more than 12 months from balance sheet date	588	269
Total non-current other financial assets	9,907	5,923
Current other financial assets		
Recoverable from related parties:		
Recoverable from NESL Asset Data Ltd.	1	2
Security deposits	75	75
Income accrued but not due on Government securities	-	1
Total current other financial assets	76	78
Total other financial assets:	9,983	6,001

Note:

Security deposits received are initially recognised at fair value under effective interest rate method using discount rate prevalent for FDs of similar term at the time of origination of such deposits and subsequently at amortized cost.

12 Cash and cash equivalents
Accounting policy:

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

The position of cash and cash equivalents are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Balance with banks (of the nature of cash and cash equivalents)		
In current account	2,069	543
In deposit account with original maturity within 3 months from the date of deposit	400	2,871
Income accrued but not due on deposits with original maturity within 3 months from the date of deposit	-	2
Total Cash and cash equivalents	2,469	3,416

13 Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
In deposit account with maturity within 12 months of balance sheet date*	5,789	9,143
Income accrued but not due on deposits with maturity within 12 months of balance sheet date	619	216
Total Bank balances other than cash & cash equivalents	6,408	9,359

Note:

Fixed deposits with original maturity period of less than 3 months are classified as "Cash and cash equivalents" and fixed deposit with original maturity period of more than 3 months but maturing within 12 months from the balance sheet date are classified as "Other bank balances".

14 Other assets

Particulars	As at March 31, 2026	As at March 31, 2025
Other non-current assets		
Prepaid expenses	12	16
Total other non-current assets	12	16
Other current assets		
GST input credit/TDS	66	20
Prepaid expenses	151	93
Other advances	21	16
Total other current assets	238	129
Total other assets	250	145

15 Financial instruments

Accounting policy:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets, other than financial assets fair valued through Statement of Profit and Loss, are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset. Transaction costs that are attributable to the acquisition of the financial asset fair valued through Statement of Profit and Loss are expensed as incurred. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in below categories:

- Financial asset at amortized cost
- Financial asset at fair value through other comprehensive income (FVTOCI)
- Financial asset at fair value through Statement of Profit and Loss (FVTPL)

A financial asset is measured at the amortized cost, if both the following conditions are met:

- (i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- (ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate method. This category generally applies to trade and other receivables.

A financial asset is classified as FVTOCI, if both of the following criteria are met:

- (i) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and
- (ii) The asset's contractual cash flows represent SPPI.

Financial asset included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in OCI.

FVTPL is a residual category for financial asset. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Financial asset included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Investment in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment loss, if any. In the event of any indication of impairment, the carrying amount of investment is assessed for and impairment provision is recognised if considered necessary immediately to state the value of net investment to its recoverable value. Recoverable value is higher of the value in use and value in sale for net investment in subsidiary.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the balance sheet) when:

- The rights to receive cash flows from the asset have expired; or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in Statement of Profit and Loss if such gain or loss would have otherwise been recognised in Statement of Profit and Loss on disposal of that financial asset.

Impairment of financial assets

The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets and credit risk exposure. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables and contract assets. The application of simplified approach does not require the Company to track changes in credit risk; rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

The Company uses a provision matrix based on age to determine impairment loss allowance on portfolio of its trade receivables and contract assets. ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss.

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Notes to the standalone Ind AS financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs, unless as otherwise stated)

Financial liabilities*Initial recognition and measurement*

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include lease liabilities, trade and other payables.

Subsequent measurement

The measurement of financial liabilities depends on their classification. Financial liabilities at fair value through Statement of Profit and Loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as fair value through Statement of Profit and Loss. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

After initial recognition, interest-bearing borrowings are subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The amortization is included as finance costs in the Statement of Profit and Loss.

De-recognition

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

Equity Instrument

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

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 either to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

a) Fair value measurements

The carrying value and fair value of financial instruments by categories as at the year ended March 31, 2026 and year ended March 31, 2025 are as follows.

Particulars	Note	Carrying value	Fair value	Carrying value	Fair value
		As at March 31, 2026	As at March 31, 2026	As at March 31, 2025	As at March 31, 2025
Financial assets					
Amortised cost					
Investments in government securities	9	11,785	11,422	8,635	8,736
Trade receivables	10	7,292	7,292	7,042	7,042
Cash and cash equivalents	12	2,469	2,469	3,416	3,416
Bank balances other than cash and cash equivalents	13	6,408	6,408	9,359	9,359
Other financial assets	11	9,983	9,983	6,001	6,001
Fair value through profit and loss (FVTPL)					
Investments in mutual funds (quoted)	9	6,174	6,174	1,710	1,710
Total financial assets		44,111	43,748	36,163	36,264
Financial liabilities					
Amortised cost					
Lease liability	7	2,525	2,525	494	494
Trade payables	19	726	726	835	835
Other financial liabilities	18	702	702	487	487
Total financial liabilities		3,953	3,953	1,816	1,816

Note: The carrying amount of trade receivable, trade payables, cash & cash equivalents, other financial assets and liabilities are considered to be same as their fair values due to their short term nature.

b) Fair value hierarchy

This explains the judgments and estimates made in determining the fair values of the financial instruments that are

(a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair values the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

All assets and liabilities for which fair value is measured or disclosed in the standalone Ind AS 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 (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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Notes to the standalone Ind AS financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs, unless as otherwise stated)

Financial assets and liability measured at fair value - recurring fair value measurement as at the year ended March 31, 2026

Particulars	Fair value measurement using			
	Total	Level 1	Level 2	Level 3
Assets measured at fair value:				
Investments in mutual funds (quoted)	6,174	6,174	-	-
Liabilities measured at fair value:				
-None-	-	-	-	-

Financial assets and liability measured at fair value - recurring fair value measurement as at the year ended March 31, 2025

Particulars	Fair value measurement using			
	Total	Level 1	Level 2	Level 3
Assets measured at fair value:				
Investments in mutual funds (quoted)	1,710	1,710	-	-
Liabilities measured at fair value:				
-None-	-	-	-	-

Note: specific valuation techniques used to value the above financial instruments include the use of quoted market prices.

c) Financial Risk Management:
Financial Risk Factors

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the risks in financial markets and seek to minimize potential adverse effects on its financial performance. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company has only domestic operations and has no foreign currency exposure. Accordingly no market risk is perceived.

Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to Rs. 7,537 lakhs and Rs. 7,387 lakhs as at March 31, 2026 and March 31, 2025 respectively. Trade receivables are generally unsecured and derived from customers who are major public and private sector banks and large NBFC's. Since, the major customers are large institutions with very good credit ratings the credit risk to the company is negligible. The Company uses the expected credit loss model to assess any required allowances; and uses a provision matrix to compute the expected credit loss allowance for trade receivables.

The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers.

The Company has evaluated its government securities for impairment under Ind AS 109 and concluded that the expected credit loss is nil due to the sovereign nature of the counterparty.

The details in respect of billing from top five customers and top ten customers are as follows:

Particulars	Billing		% of total billing	
	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2026	Year ended March 31, 2025
Billing from top five customers	7,810	6,235	45%	43%
Billing from top ten customers	10,322	8,000	60%	55%

The allowance for lifetime expected credit loss on customer balances recognised for the year ended March 31, 2026 and March 31, 2025 is Rs. 243 lakhs and Rs. 345 lakhs, respectively.

The movement in credit loss allowance on customer balance is as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning	345	193
Impairment loss recognised	-	159
Impairment loss written back	(85)	-
Amounts written off	(15)	(7)
Balance at the end	245	345

Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time. The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company has no borrowings. The Company believes that the working capital is sufficient to meet its current requirements.

As at March 31, 2026, the Company has a working capital of Rs. 14,325 lakhs, cash and cash equivalents and current bank deposit of Rs. 8,877 lakhs and current investments of Rs. 6,174 lakhs. As at March 31, 2025, the Company has a working capital of Rs. 13,539 lakhs, cash and cash equivalents and current bank deposit of Rs. 12,775 lakhs and current investments of Rs. 1,710 lakhs. Accordingly no liquidity risk is perceived.

The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2026:

Particulars	Less than 1 year	1 to 2 year	More than 2 year	Total
Trade payables	726	-	-	726
Other financial liabilities	702	-	-	702
Lease liabilities on an undiscounted basis (refer note 7)	1,178	854	764	2,796

The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2025:

Particulars	Less than 1 year	1 to 2 year	More than 2 year	Total
Trade payables	835	-	-	835
Other financial liabilities	487	-	-	487
Lease liabilities on an undiscounted basis (refer note 7)	185	193	174	552

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Notes to the standalone Ind AS financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs, unless as otherwise stated)

16 Equity share capital

Particulars	As at March 31, 2026	As at March 31, 2025
Authorised share capital		
10,00,00,000 (previous year: 10,00,00,000) equity shares of Rs. 10/- each.	10,000	10,000
	10,000	10,000
Issued, subscribed and fully paid-up share capital		
7,50,00,000 (previous year: 7,50,00,000) equity shares of Rs 10/- each.	7,500	7,500
	7,500	7,500

Reconciliation of shares outstanding at the beginning and at the end of the reporting period:

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares in lakhs	Amount	Number of shares in lakhs	Amount
Number of shares at the beginning of the year	750	7,500	750	7,500
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	750	7,500	750	7,500

Note:

(i) The Company has only one class of equity shares having a par value of Rs 10/- per share. All the equity shares rank pari passu with the existing shares. Each holder of equity share is entitled to one vote per share.

(ii) In the event of liquidation of the Company the holders of the equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Particulars of equity shareholders holding more than 5 percent of equity shares:

Name of the shareholder	As at March 31, 2026		As at March 31, 2025	
	Number of shares in lakhs	Percentage holding	Number of shares in lakhs	Percentage holding
Life Insurance Corporation	45	6.00%	45	6.00%
State Bank of India	75	10.00%	75	10.00%
Canara Bank	75	10.00%	75	10.00%
Bank of Baroda (Merged entity)	105	14.00%	105	14.00%
ICICI Bank	74	9.90%	74	9.90%
Axis Bank Ltd.	71	9.50%	71	9.50%
Karnataka Bank Ltd.	45	6.00%	45	6.00%

Particulars of shares held by the promoters:

Name of the shareholder	As at March 31, 2026		As at March 31, 2025	
	Number of shares in lakhs	Percentage holding	Number of shares in lakhs	Percentage holding
Life Insurance Corporation	45	6.00%	45	6.00%
State Bank of India	75	10.00%	75	10.00%
Canara Bank	75	10.00%	75	10.00%
Bank of Baroda (Merged entity)	105	14.00%	105	14.00%
New India Assurance Co. Ltd	38	5.00%	38	5.00%
Union Bank of India	38	5.00%	38	5.00%
Central Depository Services (India) Ltd	30	4.00%	30	4.00%
ICICI Bank	74	9.90%	74	9.90%

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

The Company has not bought back any shares during the period from the date of inception to March 31, 2026 Further, the Company has not issued any bonus shares or issued shares for consideration other than cash during the year and period from the date of inception to March 31, 2026.

Dividend:

The final dividend on shares is recorded as a liability on the date of approval by the shareholders. Interim dividends are recorded as a liability on the date of declaration by the Company's Board. The Company declares and pays dividends in Indian Rupees. Companies are required to pay / distribute dividend after deducting applicable taxes.

The amount of per share dividend recognised (in INR rupees) as distribution to equity shareholders in accordance with Companies Act, 2013 and the cash outflow is as follows:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Final dividend per share for year ended March 31, 2025 and March 31, 2024 (INR rupees)	1	1
Cash outflow (INR lakhs)	750	750

Proposed dividend on equity shares not recognised as liability:

The Board of Directors of the Company have recommended final dividend of Rs.1 per share of Rs. 10 each for the year ended March 31, 2026. For the proposed dividend the Company expects a cash outflow of Rs.750 lakhs. The proposed final dividend is subject to shareholders approval at the Annual General Meeting and has not been recognised as a liability in these financial statements.

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17 Other equity

Particulars	As at March 31, 2026	As at March 31, 2025
Retained earnings:		
Opening balance	18,752	14,064
Add: Profit/(Loss) for the year	6,566	5,450
Add: Other comprehensive income not reclassifiable to profit and loss		
Re-measurements of defined benefit plan actuarial gains/ (losses), net of tax	(7)	(12)
Final dividend paid (for 2024-25 @ Rs. 1 per share and 2023-24 @ Rs 1 per share)	(750)	(750)
Transfer to Dividend reserve	(657)	-
Closing retained earnings	23,904	18,752
Dividend reserve:		
Opening balance	-	-
Transfer from retained earnings	657	-
Closing dividend reserve	657	-
Total other equity	24,561	18,752

Note:

- Retained earnings represents the amount of accumulated undistributed earnings of the Company as at balance sheet date.
- Dividend reserve represents a specific allocation of the Company's retained earnings that are set aside for future dividend payments, to strategically manage its cash flows, especially during periods of financial uncertainty as per the dividend policy of the Company

18 Other financial liabilities:

Particulars	As at March 31, 2026	As at March 31, 2025
Current other financial liabilities		
Advances returnable	619	458
Auditor's remuneration payable	5	5
Reimbursements payable	14	8
Security deposits received	64	16
Total current other financial liabilities	702	487
Total other financial liabilities	702	487

19 Trade payables

Particulars	As at March 31, 2026	As at March 31, 2025
Total outstanding dues of micro and small enterprises	27	87
Total outstanding dues of creditors other than micro and small enterprises		
Related Parties	-	54
Others		
Creditors for supplies & services	699	694
Total Trade payables	726	835

The information as required to be disclosed pursuant under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) has been determined to the extent such parties have been identified based on the information available with the Company.

Particulars	As at March 31, 2026	As at March 31, 2025
Amount remaining unpaid		
Principal amount due to micro and small enterprises	27	87
Interest due on above	-	-
Total amount remaining unpaid	27	87
Interest paid by the Company under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day	-	-
Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006;	-	-
Interest accrued and remaining unpaid at the end of the year	-	-
Interest remaining due and payable (pertaining to prior years), until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED Act 2006	-	-

Trade payables outstanding ageing as at March 31, 2026

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1-2years	2-3years	More than 3 years	
<i>Undisputed</i>							
(i) MSME	20	7	-	-	-	-	27
(ii) Others	257	420	22	-	-	-	699
<i>Disputed</i>							
(iii) MSME	-	-	-	-	-	-	-
(iv) Others	-	-	-	-	-	-	-
Total trade payables	277	427	22	-	-	-	726

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(All amounts are in INR lakhs, unless as otherwise stated)

Trade payables outstanding ageing as at March 31, 2025

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1-2years	2-3years	More than 3 years	
<i>Undisputed</i>							
(i) MSME	12	75	-	-	-	-	87
(ii) Others	355	129	251	4	9	-	748
<i>Disputed</i>							
(iii) MSME	-	-	-	-	-	-	-
(iv) Others	-	-	-	-	-	-	-
Total trade payables	367	204	251	4	9	-	835

20 Provisions
Accounting policy:

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Onerous contracts are accounted as per IndAS 37. Such contract entail a provision of present value of obligations net of any economic benefits under such contract. Obligations under such contract is lower of penalties/compensation under contract for exit or incremental cost of fulfilling such contracts, Onerous contract are assessed at the contract level. Any asset supporting such onerous contract is impaired based on assessment of cash flow. The provision for onerous contract is assessed each for reversals, re-adjust the provisions for any change in circumstances and passage of time. The interest expense relating to unwinding of discount with passage of time on such provision is disclosed as finance costs. Any reversal which represents other than ordinary use/application of the provision, like closure of the onerous contract, is recognised separately in the Statement of Profit and Loss at gross and not netted off against the ordinary expenses under such onerous contract.

Provision for employee benefit obligations is as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current provisions		
Employee benefit obligations:		
Provision for gratuity	116	108
Provision for deferred income plan	92	106
Total non-current provisions	208	214
Current provisions		
Employee benefit obligations:		
Provision for leave encashment and compensated absence	264	205
Provision for deferred income plan	96	61
Provision for variable pay	128	93
Provision for bonus	152	112
Total current provisions	640	471
Total provisions	848	685

Note:

- The entire amount of Rs. 264 lakhs (PY: Rs. 205 lakhs) has been presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligation. However, based on past experience, the Company does not expect all employees to avail the full amount of accrued leave or require payment for such leave within the next 12 months. The leave obligation not expected to be settled withing next 12 months are Rs. 239 lakhs as at year ended March 31, 2026 and Rs. 184 lakhs as at year ended March 31, 2025.
- Provision for leave encashment and compensated absences amounting to Rs. 184 lakhs, previously disclosed under non-current provisions, has been reclassified to current provisions.
- For details on Provision for gratuity and Provision for leave encashment and compensated absence refer note 29.

Movement of provision as at for the year ended March 31, 2026

Particulars	Balance as at March 31, 2025	Additions	Allowance for financial effect	Applications/ Reversals	Balance as at March 31, 2026
Provision for bonus	112	152	-	(112)	152
Provision for deferred income plan	167	188	-	(167)	188
Provision for variable pay	93	128	-	(93)	128
Total provisions	372	468	-	(372)	468

Movement of provision as at for the year ended March 31, 2025

Particulars	Balance as at March 31, 2024	Additions	Allowance for financial effect	Applications/ Reversals	Balance as at March 31, 2025
Provision for bonus	86	112	-	(86)	112
Provision for deferred income plan	-	167	-	-	167
Provision for variable pay	-	93	-	-	93
Total provisions	86	372	-	(86)	372

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Notes to the standalone Ind AS financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs, unless as otherwise stated)

21 Other liabilities:

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current other liabilities		
Deferred revenue ⁺	5,082	3,966
Total non-current other liabilities	5,082	3,966
Other current liabilities		
Statutory liabilities	709	541
Deferred revenue ⁺	7,349	6,333
Employee benefits payable	9	9
Total current other liabilities	8,067	6,883
Total other liabilities	13,149	10,849

+ Deferred revenue are contract liabilities arising from contracts with customers, invoicing in excess of revenue recognised is classified as deferred revenue.

The revenue recognition pattern of contract liabilities - deferred revenue as at March 31, 2026 is as below:

Particulars	Within 1 year	1 year to 2 year	2 years and above	Total
Deferred revenue - current	7,349	-	-	7,349
Deferred revenue - non current	-	2,072	3,010	5,082
Total deferred revenue	7,349	2,072	3,010	12,431

The revenue recognition pattern of contract liabilities - deferred revenue as at March 31, 2025 is as below:

Particulars	Within 1 year	1 year to 2 year	2 years and above	Total
Deferred revenue - current	6,333	-	-	6,333
Deferred revenue - non current	-	1,605	2,361	3,966
Total deferred revenue	6,333	1,605	2,361	10,299

22 Income taxes
Accounting policy:
Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax related to items recognised outside Statement of Profit and Loss is recognised either in OCI or in equity in correlation to the underlying transaction. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions, where appropriate.

Deferred tax

Deferred tax is provided using the liability method 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 and assets are recognised for all taxable temporary differences and deductible temporary differences, except:

- when the deferred tax liability or asset arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences and deductible temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. The carrying amount of deferred 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 utilized.

Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside Statement of Profit and Loss is recognised outside the Statement of Profit and Loss (either in OCI or in equity in correlation to the underlying transaction).

Income tax expense in the Statement of Profit and Loss is as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Current taxes	2,182	1,929
Deferred tax expense/(income)	(72)	(54)
Income tax expense	2,110	1,875

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A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Profit before income taxes	7,717	7,325
Enacted tax rates in India	25.168%	25.168%
Computed expected tax expense	1,942	1,844
Effect of non-deductible expenses	168	31
Income tax expense	2,110	1,875

The details of income tax assets and income tax liabilities as at March 31, 2026 and March 31, 2025 are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Current income tax assets (net)	610	634
Net current income tax assets / (liabilities) at the end	610	634

The gross movement in the current income tax assets / (liabilities) for the year ended March 31, 2026 year ended March 31, 2025 is as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Net current income tax assets / (liabilities) at the beginning	634	485
Income tax paid	2,158	2,078
Current income tax expense	(2,182)	(1,929)
Net current income tax assets / (liabilities) at the end	610	634

The movement in gross deferred income tax assets and liabilities for the year ended March 31, 2026:

Particulars	Carrying value as at March 31, 2025	Recognised/ (reversed) during the year in Statement of Profit and Loss	Recognised/ (reversed) during the year in OCI	Recognised/ (reversed) during the year in Equity	Carrying value as at March 31, 2026
Deferred income tax assets / (liabilities):					
Property, plant and equipment	23	(6)	-	-	17
Provision for gratuity	27	-	1	-	28
Provision for leave encashment and compensated absences	52	15	-	-	67
Provision for Deferred Income Plan-Employee benefit	42	5	-	-	47
Right of use assets	(109)	(476)	-	-	(585)
Lease liabilities	124	520	-	-	644
Trade receivables - loss allowance	87	-	-	-	87
Mutual funds - fair value adjustments under Ind AS	(40)	14	-	-	(26)
Total deferred income tax assets / (liabilities)	206	72	1	-	279

The movement in gross deferred income tax assets and liabilities for the year ended March 31, 2025:

Particulars	Carrying value as at March 31, 2024	Recognised/ (reversed) during the year in Statement of Profit and Loss	Recognised/ (reversed) during the year in OCI	Recognised/ (reversed) during the year in Equity	Carrying value as at March 31, 2025
Deferred income tax assets / (liabilities):					
Property, plant and equipment	34	(11)	-	-	23
Provision for gratuity	24	(5)	8	-	27
Provision for leave encashment and compensated absences	34	18	-	-	52
Provision for Deferred Income Plan-Employee benefit	-	42	-	-	42
Right of use assets	(146)	37	-	-	(109)
Lease liabilities	158	(34)	-	-	124
Trade receivables - loss allowance	49	38	-	-	87
Mutual funds - fair value adjustments under Ind AS	(9)	(31)	-	-	(40)
Total deferred income tax assets / (liabilities)	144	54	8	-	206

23 Revenue from operations

Accounting policy:

Revenue recognition

Under IndAS 115, the Company applies a five step approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognise revenues based on the fulfilment of performance obligation.

Contract with customer would mean (1) signed contract if available or price based on- arrangement, business practice and standard operating procedures. The price could be specific negotiated price (like for PDA services, storage, bidding services) and (2) the tariff schedule as applicable for each financial year. These are interpreted collectively to ascertain scope including performance obligation and pricing for each financial year.

The Company based on evidence evaluates, at the start of each financial year, as to whether a service is perceived as a distinct benefit by the customer and is a separate performance obligation, or the service is perceived to be bundled along with other service as a bundle of performance obligation, or a service is mere perfunctory or incidental in nature not constituting a performance obligation. While assessing whether a service is a separate performance obligation, the company for each review period assesses whether service, in a bundled offering, is highly dependent, highly interrelated with other service in the bundle including if the customer has an option to not purchase the service without significantly affecting the other promised goods. Such an assessment would include whether one of such services in the bundle is independently priced in the tariff, as published and available in the Company website, leading to an indicator that the service could be a performance obligation in itself as per Ind AS115. Such an assessment is carried out periodically starting with the beginning of each financial year.

The Company has tiered pricing structure for certain IU services. Based on its assessment, the Company has assessed there is no identifiable significant material rights in its pricing structure which can be separately valued and accounted, as the services are in the nature of utility services which are by nature universal, uniform in terms of its pricing and offering to the customer ecosystem. The Company is an information utility regulated by the IBBI (Insolvency and Bankruptcy Board of India). The Company charges fees based on a publicly declared tariff which is uniformly applicable to all the market participants of such category in the ecosystem. The information is submitted to the IU by the credit institutions, other customers in order to aid compliance in the ecosystem and the fees charged is a passthrough for the credit institutions to be recovered from their end customers.

Revenue is measured at transaction price which is the consideration, received or receivable net of discounts, taking into account contractually defined terms and excluding taxes, duties collected on behalf of the government. Revenue is recognised as and when the control of promised product or services are transferred to the customer. If there is uncertainty as to collectability, then revenue recognition is postponed until such uncertainty is resolved.

The Company charges the fees in advance for more than one year period for the following category of services, (1) IU services - individual category and (2) PDA – storage services. This requires the Company to assess whether any significant financing component is included in the consideration charged. The company charges the fees over multiple terms for these services for administrative convenience. Due to the regulatory nature of the services the fees charged are nominal and are intended to improve compliance in the ecosystem. The Company, based on the facts and the intent of pricing and its product offering, has assessed that there is no significant financing component in the consideration charged for the aforesaid services.

The transaction price is determined for each performance obligation identified excluding amounts collected on behalf of third parties net of discounts. The Company is a utility in the nature of IU which charges transaction price at the published tariff rate from time to time. The Company allocates the transaction price for services under the contract to each separately identifiable performance obligations/ bundle of performance obligation based on standalone selling price using the three approaches, as applicable, under IndAS 115. Standalone selling prices are determined based on transaction prices for the components when it is regularly sold separately, in cases where the Company is unable to determine the standalone selling price the Company uses third-party prices for similar deliverables. Under IndAS 115, the Company may use (1) adjusted market assessment approach, (2) expected cost plus a margin approach, (3) residual method or a combination of these methods to arrive at allocable transaction price for each performance obligation or bundle of performance obligations identified. Discount provided to one of the distinct performance obligation in the service offering is allocated or averaged across all the performance obligations in the contract/ arrangement unless such a discount is offered at a standalone price of a performance obligation.

The Company exercises judgement in determining whether the performance obligation, evidencing the transfer of control, is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer.

For performance obligations where control is transferred over time, revenues are recognised by measuring progress towards completion of the performance obligation. Where the services under performance obligation is made available on when and if available basis for a tenure, the customer benefits accrue evenly during the contract and the revenue is recognised for such performance obligation on a straight line attribution method over such tenure. The selection of the method to measure progress towards completion requires judgment and is based on the whether the nature of the promised products or services to be provided at a point in time or is provided or made available for a specific period. Incase of bundled service obligations which are not separable, a single measurement method is adopted.

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The following specific recognition criteria must also be met before revenue is recognised:

Information Utility ("IU") income

The Company provides information utility services to its clients. The services include receiving of data/documents related to loans/advances submitted by financial creditors, operational creditors, operational debtors and other participants such as resolution professionals. Revenue from information utility services is recognised as the services are performed over time on a monthly basis, from the month of submission/ upload of information into the Information Utility system.

The financial information hosted are billed based on the published tariff rate schedule. The period for the service and hosting obligations are specified for each category of loan records. These category as per the tariff structure for IU services are as below.

- a) Financial information of Companies and Other Commercial entities are recognised over a tenure of 1 year.
- b) Financial information of individuals including Gold, Micro Finance Institutions (MFI) debts, SHG/JLG debts, Agriculture debts are recognised over a tenure of 5 years from initial submission of information and over 1 year after completion of 5 year initial period based on hosting period under anniversary billing.
- c) Revenue from information utility services for submissions from Operational Creditor, Homebuyers and other participants are recognised on submission/ upload of information into the Information Utility system.
- d) The Company provides digital document execution (IU DDE) services as a part of its IU services to its clients. The service includes execution of documents using digital signature and/or digital e-stamping, access, storage and retrieval, digital ledger and tracking service for IU DDE in addition to information utility services for data, and breakup of the tariff is specified at a component level of IU services allowing customer choice at individual service component level. The revenue from IU DDE services is recognised at a point in time when such a service is complete.
- e) Revenue from E-Sign services is recognised when E-sign counts are consumed by the customer indicating a transfer of control unless express acceptance is required as a part of the contract or arrangement.

Income from Platform for Distressed Asset (PDA), case management services and auction services

PDA services and case management services are offered to the customer on subscription basis. Revenue is recognised over the tenure of such subscription, as and when performance obligation are fulfilled over subscription period. Revenue from auction services are recognised on availment of auction services (specific event) by the customer.

If a revenue recognition event meets criteria for net basis accounting under IndAS 115, the related costs like revenue share is netted off against such revenue recognised instead of showing such related costs separately as an expense.

Income from other operational revenue

Other operational revenue consists of software development services, integration services, software maintenance service and transaction revenue from the digital balance confirmation solution. Software development revenue is recognised when the control of the software/customisation is transferred to the customer and user acceptance signoff is received from the customer. Integration services revenue is recognised when the integration is complete and user acceptance signoff is received from the customer. Software maintenance services revenue is recognised over the tenure of such services, as and when performance obligation are fulfilled. Transaction revenue is recognised at a point in time when such a service is complete.

Unbilled revenue and deferred revenue represent contract assets and contract liabilities respectively under IndAS 115. Unbilled revenue is disclosed under note 10 - Trade receivables and deferred revenue is disclosed under note 21 - Other liabilities.

Revenue from operations for the year ended March 31, 2026 and year ended March 31, 2025 is as follows:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from contract with customers:		
IU Services		
Financial creditors – IU	12,096	11,048
Financial creditors – DDE	3,054	1,667
Operational creditors	10	11
Fee from PDA services	6	16
Other operational revenue	40	132
Total revenue from operations	15,206	12,874

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(All amounts are in INR lakhs, unless as otherwise stated)

Reconciliation of contract price to revenue recognised for the year ended March 31, 2026 is as below:

Particulars	Financial creditors IU	Financial creditors - DDE	IU services others	PDA services and other operational revenue	Total
Total billing for the period	13,413	3,872	10	31	17,326
(+) Opening unearned revenue	9,359	922	-	18	10,299
(-) Closing unearned revenue	(10,676)	(1,740)	-	(15)	(12,431)
(+) Closing unbilled revenue	-	-	-	12	12
Revenue recognised for the period	12,096	3,054	10	46	15,206

For the year ended March 31, 2026 the company recognised Rs. 6,333 lakhs revenue from opening deferred revenue.

Reconciliation of contract price to revenue recognised for the year ended March 31, 2025 is as below:

Particulars	Financial creditors IU	Financial creditors - DDE	IU services others	PDA services and other operational revenue	Total
Total billing for the period	12,198	2,145	11	145	14,499
(+) Opening unearned revenue	8,209	444	-	21	8,674
(-) Closing unearned revenue	(9,359)	(922)	-	(18)	(10,299)
Revenue recognised for the period	11,048	1,667	11	148	12,874

For the year ended March 31, 2025 the company recognised Rs. 5,548 lakhs revenue from opening deferred revenue.

24 Other income
Accounting policy:

Other income consists of interest income, gain/loss on investments, gain/loss on sale of assets and other miscellaneous income. Interest income is recognised using the effective interest rate method.

Other income for the year ended March 31, 2026 and year ended March 31, 2025 is as follows:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest on fixed deposits	1,241	1,079
Interest on security deposits	4	4
Interest on government securities	641	477
Gain on redemption of mutual funds	263	-
Gain/(loss) on restatement of mutual funds at fair value	(57)	125
Bad debts written off - recovered	6	3
Miscellaneous income	-	11
Total other income	2,098	1,699

Expenses
25 Cost of services

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
IU annual fee	1,287	1,052
IU technology expenses		
Technology resource expenses (contract)	411	212
IT data centre expenses*	1,106	585
Datawarehouse expenses	-	20
Other IT expenses	996	656
IU operational expenses	664	408
Total cost of services	4,464	2,933

*This consists of expenses relating to short-term lease amounting to Rs. 469 lakhs for the year ended March 31, 2026 and Rs. 585 lakhs for the year ended March 31, 2025 (refer note 7).

26 Finance costs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest expense on lease liabilities	111	43
Total finance costs	111	43

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27 Depreciation and amortization expense

Particulars	Note	Year ended March 31, 2026	Year ended March 31, 2025
Depreciation on plant, property and equipment	4	43	28
Amortisation on intangible assets	5	16	18
Depreciation on right of use assets	7	437	148
Total depreciation and amortization expense		496	194

28 Other expenses

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Rent, Repairs and maintenance +	7	10
Office premises maintenance	50	49
Rates and taxes	1	10
Professional charges	429	368
Legal fees	87	44
Communication expenses	38	29
Advertisement and business promotion	49	53
Auditors' remuneration		
- Statutory audit	5	5
- Tax audit	2	2
- Out of pocket expenses ¹	-	-
Travelling, boarding and conveyance	69	55
Insurance expenses - operational	37	24
Directors' sitting fees	91	79
Assets written off ²	-	-
Bad debts written off	62	-
Impairment loss (reversed)/recognised under expected credit loss model	(85)	159
CSR expenses*	128	104
Other miscellaneous/administrative expenses	52	36
Total other expenses	1,022	1,027

+ Rental expense for the year ended March 31, 2026 comprises printer rental of Rs.1 lakh. Rental expense for the year ended March 31, 2025 comprised laptop and printer rentals aggregating to Rs. 1 lakh. These leases qualify as low-value leases (refer Note 7).

*Refer note -36 Corporate social responsibility (CSR)

1. Represents value less than 0.5 lakhs, Rs. 0.11 lakhs for year ended March 31, 2026 and Rs. 0.14 lakhs for year ended March 31, 2025

2. Represents value less than 0.5 lakhs, Rs. Nil lakhs for year ended March 31, 2026 and Rs. 0.07 lakhs for year ended March 31, 2025

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Notes to the standalone Ind AS financial statements for the year ended March 31, 2026

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29 Employee benefit expenses**Accounting policy:***Retirement and other employee benefits*

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes changes in the net defined benefit obligation which includes service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and net interest expense or income, as an expense in the Statement of Profit and Loss.

Paid compensated absences

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. The cost incurred towards paid compensated absences, including the gain or loss on such actuarial valuation, is recognised in the Statement of Profit and Loss.

Other long term employee benefits:

The Company provides deferred income plan for its employees which are in the nature of cash bonus payable beyond twelve months and are treated as other long term employee benefits. The cost of providing the benefits are provided for based on the actuarial valuation using the projected unit credit method at the year-end. The cost incurred towards deferred income plan, including the gain or loss on such actuarial valuation, is recognised in the Statement of Profit and Loss.

Employee benefit expenses for the year ended March 31, 2026 and year ended March 31, 2025 is as below:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Salary & allowances	3,021	2,632
Contribution to provident fund & superannuation fund	163	126
Gratuity expense	72	66
Leave encashment and compensated leave benefits	103	111
Staff welfare expenses	135	116
Total Employee benefit expenses	3,494	3,051

a) Gratuity plan

The Company provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") covering eligible employees of the Company. The Gratuity Plan provides a lumpsum 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 with the Company. During the financial year ended March 31, 2024 the company has formed Nesl Group Employees Gratuity Trust ("the Trust") and the Company contributes gratuity liabilities to the Trust. Trustees administer contributions made to the Trust and contributions are invested in a scheme with the Life Insurance Corporation of India as permitted by Indian law.

The following tables sets out the status of the Gratuity Plan as required by Ind AS 19 - 'Employee benefits'.

Amount recognised in Balance Sheet at year end	Year ended March 31, 2026	Year ended March 31, 2025
Present value of unfunded defined benefit obligation	370	275
Fair value of plan assets	254	167
Net defined benefit (asset)/liability recognised in Balance Sheet	116	108

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Notes to the standalone Ind AS financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs, unless as otherwise stated)

Net defined benefit cost/(income) included in Statement of Profit and Loss for the year end	Year ended March 31, 2026	Year ended March 31, 2025
Service cost	64	58
Net interest cost	8	8
Total defined benefit cost/(income) included in Statement of Profit and Loss	72	66
Current / non-current bifurcation	Year ended March 31, 2026	Year ended March 31, 2025
Current benefit obligation	75	52
Non - current benefit obligation	295	223
(Asset)/liability recognised in the Balance Sheet	370	275
Actual return on plan assets	Year ended March 31, 2026	Year ended March 31, 2025
Interest income on plan assets	11	7
Remeasurements on Plan Assets	4	3
Actual return on plan assets	15	10
Analysis of amounts recognised in other comprehensive (income)/loss at year end	Year ended March 31, 2026	Year ended March 31, 2025
Amount recognised in OCI, beginning of year	81	61
Remeasurements due to :		
Effect of change in financial assumptions	(11)	8
Effect of experience adjustments	23	15
Return on plan assets (excluding interest)	(4)	(3)
Total remeasurements recognised in OCI	8	20
Amount recognised in OCI, end of year	89	81
Total defined benefit cost/(income) included in Profit & Loss and Other Comprehensive Income	Year ended March 31, 2026	Year ended March 31, 2025
Amount recognised in P&L, for the year	72	66
Amount recognised in OCI, for the year	8	20
Total net defined benefit cost/(income) recognised for the year	80	86
Change in defined benefit obligation during the year	Year ended March 31, 2026	Year ended March 31, 2025
Defined benefit obligation, beginning of year	275	200
Net current service cost	64	58
Interest cost on DBO	19	15
Actuarial (gains)/losses	12	23
Benefits Paid	-	(21)
Defined benefit obligation, end of year	370	275
Change in fair value of plan assets during the year	Year ended March 31, 2026	Year ended March 31, 2025
Fair value of plan assets, beginning of year	167	105
Interest income plan assets	11	7
Actual company contributions	72	73
Actuarial Gains/(Losses)	4	3
Benefits Paid	-	(21)
Fair value of plan assets, end of year	254	167

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(All amounts are in INR lakhs, unless as otherwise stated)

Reconciliation of Balance Sheet amount	Year ended March 31, 2026	Year ended March 31, 2025
Balance Sheet (asset)/liability, beginning of year	108	95
Total charge/(credit) recognised in Profit and Loss	72	66
Total remeasurements recognised in OC (Income)/Loss	8	20
Actual employer contribution	(72)	(73)
Balance Sheet (asset)/liability, end of year	116	108
Financial assumptions used to determine the defined benefit obligation	Year ended March 31, 2026	Year ended March 31, 2025
Discount rate	7.09%	6.57%
Salary escalation rate	12.00%	12.00%
Financial assumptions used to determine the Profit & Loss charge	Year ended March 31, 2026	Year ended March 31, 2025
Discount rate	7.09%	6.57%
Salary escalation rate	12.00%	12.00%
Expected return on plan assets	7.09%	6.57%
Demographic assumptions used to determine the defined benefit obligation	Year ended March 31, 2026	Year ended March 31, 2025
Withdrawal rate	10.00%	10.00%
Mortality rate	IALM (2012-14) Ult	IALM (2012-14) Ult
Retirement age	60 years	60 years
Asset category	Year ended March 31, 2026 Quoted Value	Year ended March 31, 2026 Non-Quoted Value Total
Insurer managed funds & T-bills	0.00%	100.00%
Total	0.00%	100.00%
Expected contributions for the next financial year	Year ended March 31, 2026	
Expected contributions	185	
Expected cashflows for the next ten years	Year ended March 31, 2026	
Year - 2027	78	
Year - 2028	31	
Year - 2029	32	
Year - 2030	33	
Year - 2031	45	
Year - 2032 to 2036	151	
Defined benefit obligation by participant status	Year ended March 31, 2026	
a. Actives	370	
Total defined benefit obligation	370	
Sensitivity analysis	Year ended March 31, 2026	
Defined benefit obligation - discount rate + 100 basis points	(19)	
Defined benefit obligation - discount rate - 100 basis points	21	
Defined benefit obligation - salary escalation rate + 100 basis points	9	
Defined benefit obligation - salary escalation rate - 100 basis points	(9)	

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Notes to the standalone Ind AS financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs, unless as otherwise stated)

b) Leave Encashment and Compensated absence scheme

The following tables sets out the status of Leave Encashment and Compensated absence scheme as required by Ind AS 19 - 'Employee benefits'.

Amounts in Balance Sheet at year end	Year ended March 31, 2026	Year ended March 31, 2025
Present value of unfunded defined benefit obligation	264	205
(Asset)/liability recognised in the Balance Sheet	264	205

Amounts recognised in Statement of Profit and Loss for the year	Year ended March 31, 2026	Year ended March 31, 2025
Service cost	83	72
Net interest cost	16	12
Remeasurements	4	27
Total expense/(income) included in "Employee benefit expenses"	103	111

Note : The actuarial gains & losses are recognised, immediately, through Statement of Profit and Loss.

Change in defined benefit obligation during the year	Year ended March 31, 2026	Year ended March 31, 2025
Defined benefit obligation, beginning of year	205	134
Net current service cost	83	72
Interest cost on dbo	16	12
Actuarial (gains)/losses	4	27
Benefits paid	(44)	(40)
Defined benefit obligation, end of year	264	205

30 Earning per share**Accounting policy:**

Basic earnings per share are computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Profit attributable to equity shareholders of the company	6,566	5,450
Number of shares outstanding as on the balance sheet date (units in lakhs)	750	750
Weighted average number of shares purpose of EPS basic and diluted (units in lakhs)	750	750
Earnings per share basic and diluted (in ₹ per share)	8.75	7.27

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31 Related party disclosures

Names of related parties where control exists irrespective of whether transactions have occurred or not:

Subsidiaries	: NESL Asset Data Limited NESL E-Infrastructure Limited
Key management personnel	: Mr. Debajyoti Ray Chaudhuri, MD & CEO Mrs. E.P. Nivedita, ED & CRO Mr. Pradeep Shripad, CFO Mrs. S. Padmavathy, CS
Post employment benefit plan	: Nesl Group Employees Gratuity Trust

Details of transactions entered into with related parties along with balances as at year end are as given below:**A) Transactions with subsidiaries during the year**

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Transfers under finance arrangements		
Investment in equity shares:		
NESL Asset Data Limited	400	300
Total transfers under finance arrangements	400	300
Rendering of services		
Netted off against Employee benefit expenses:		
NESL Asset Data Limited	38	9
NESL E-Infrastructure Limited	6	12
Netted off against Other expenses:		
NESL Asset Data Limited	7	6
Total rendering of services	51	27
Receiving of services		
Cost of services:		
NESL E-Infrastructure Limited	100	290
Other expenses:		
NESL Asset Data Limited	_*	_*
Total receiving of services	100	290
*represents value less than 0.5 lakhs, Rs. 0.01 lakhs for year ended March 31, 2026 and Rs. 0.01 lakhs for year ended March 31, 2025.		
Settlement of liabilities on behalf of the related party		
NESL Asset Data Limited	1	2
NESL E-Infrastructure Limited	-	7
Total	1	9
Contribution to post employment benefit plan		
Nesl Group Employees Gratuity Trust	72	73
Total	72	73

National E-Governance Services Limited

CIN: U72900MH2016GOI282855

Notes to the standalone Ind AS financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs, unless as otherwise stated)

B. Transactions with KMP's during the year

Remuneration to key management personnel for the year ended March 31, 2026

Key management personnel	Short-term employee benefits	Post-employment gratuity and medical benefits	Termination benefits	Share based payment transactions	Total compensation
Mr. Debajyoti Ray Chaudhuri	138	5	-	-	143
Mrs. E.P. Nivedita	56	7	-	-	63
Mr. Pradeep Shripad	62	1	-	-	63
Mrs. S. Padmavathy	52	1	-	-	53
Total	308	14	-	-	322

Remuneration to key management personnel for the year ended March 31, 2025

Key management personnel	Short-term employee benefits	Post-employment gratuity and medical benefits	Termination benefits	Share based payment transactions	Total compensation
Mr. Debajyoti Ray Chaudhuri	114	4	-	-	118
Mrs. E.P. Nivedita	55	7	-	-	62
Mr. Vinod Shenoy M ¹	56	11	-	-	67
Mr. Diwakar Kannan ²	2	-	-	-	2
Mr. Pradeep Shripad ³	10	-	-	-	10
Mrs. S. Padmavathy	51	4	-	-	55
Total	288	26	-	-	314

1. Mr. Vinod Shenoy M was CFO till November 14, 2024.

2. Mr. Diwakar Kannan as Interim CFO from November 15, 2024 to February 4, 2025 and the remuneration paid is for the term of his services as interim CFO.

3. Mr. Pradeep Shripad took charge as CFO from February 5, 2025.

C. Balances outstanding as at year end

Particulars	Balances outstanding	
	As at March 31, 2026	As at March 31, 2025
Investment in subsidiary		
NESL Asset Data Limited	2,200	1,800
NESL E-Infrastructure Limited	100	100
Total investment in subsidiary	2,300	1,900
Trade receivables from subsidiaries		
NESL Asset Data Limited	41	29
NESL E-Infrastructure Limited	6	-
Total trade receivables from subsidiaries	47	29
Recoverable from subsidiaries		
NESL Asset Data Limited	1	2
Total recoverable from subsidiaries	1	2
Trade payable to subsidiaries		
NESL E-Infrastructure Limited	-	54
Total trade payable to subsidiaries	-	54
Remuneration payable		
Mr. Diwakar Kannan	-	2
Total remuneration payable	-	2
Post employment benefit plan		
Nesl Group Employees Gratuity Trust	254	167
Total post employment benefit plan	254	167

National E-Governance Services Limited

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Notes to the standalone Ind AS financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs, unless as otherwise stated)

32 Functional currency

The functional currency for the Company is INR and the standalone Ind AS financial statements are presented in INR lakhs. Transactions in foreign currencies, if any, are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate, if the average approximates the actual rate at the date of the transaction.

33 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value and maintain the regulatory Net Worth requirements.

The Company manages its funds in a manner that it achieves maximum returns (net of taxes) with minimum risk to the capital and it considers the liquidity concerns for its working capital requirements.

To meet the above objectives, the Company invests its funds in bank fixed deposits receipts (FDRs), state government securities and mutual funds as per the Company's investment policy.

The company is obligated to adhere to capital maintenance as per regulatory requirements of Insolvency and Bankruptcy Code (IBC), to maintain minimum capital of Rs 5,000 Lakhs computed as Net Worth during any year. Net Worth is the total of Equity Share Capital and Other Equity as disclosed in the balance sheet. The management has assessed that the Company is currently sufficiently capitalised in terms of the Net Worth requirements during, and, as at the end of, current and previous financial year.

34 Contingent liabilities**Accounting policy:**

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. The Company does not recognize the obligation from the contingent liability but discloses its existence in the standalone Ind AS financial statements.

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Claims against the company not acknowledged as debt;	-	-
(b) Guarantees excluding financial guarantees; and	-	-
(c) Other money for which the company is contingently liable.	-	-

The company doesn't have any contingent liability for the year ended March 31, 2026 and for the year ended March 31, 2025.

35 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 for	29	39
b) Uncalled liability on shares and other investments partly paid;	-	-
c) Other commitments	-	-
Total commitments	29	39

36 Corporate social responsibility (CSR)

The Company has made a profit of more than 5 crores in the previous year. Hence, the Company is required to spend 2% of its average net profit for the immediately preceding 3 financial years on CSR activities as per Section 135 and Schedule VII of the Companies Act as well as the provisions of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

During the year the Company has incurred the following expenditure in CSR activities:

Particulars	As at March 31, 2026	As at March 31, 2025
Promoting Healthcare	49	30
Promotion of Education	20	-
Environmental causes	59	74
Total expenditure in CSR activities	128	104
a) Amount required to be spent by the Company during the year	128	104
b) Amount spent during the year:		
(i) Construction/acquisition of Asset	-	-
(ii) On purposes other than (i) above	128	104
Total amount spent/required to be spent during the year	128	104
Surplus for the year (a - b)	-	-

Note: i) There are no related party transactions entered during the year for CSR activities.

ii) There are no unspent CSR amount. Hence, provision for liability is not recognised.

National E-Governance Services Limited

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Notes to the standalone Ind AS financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs, unless as otherwise stated)

37 Ratios

The various ratios for the year ended March 31, 2026 and year ended March 31, 2025 are as below:

Particulars	Numerator	Denominator	Year ended	Year ended	Variance in %
			March 31, 2026	March 31, 2025	
Current ratio (in times)	Current assets	Current liabilities	2.09	2.53	-17.57%
Debt-Equity Ratio (in times) ^(a)	Total Debt (representing lease liabilities)	Shareholders Equity	0.08	0.02	318.52%
Debt Service Coverage ratio (in times) ^(a)	Earnings available for debt service	Debt Service (representing lease liabilities)	2.98	13.70	-78.27%
Return on equity ratio (in %)	Total comprehensive income	Average shareholders Equity	22.50%	22.75%	-0.25%
Inventory turnover ratio ⁽¹⁾	Cost of goods sold	Average inventory	NA	NA	NA
Trade receivables turnover ratio (in times)	Net credit sales	Average trade receivable	2.55	2.28	11.43%
Trade payables turnover ratio (in times) ^(b)	Net credit purchases ⁽²⁾	Average trade payables	8.92	6.76	31.84%
Net Capital turnover ratio (in times) ^(c)	Revenue	Working capital	1.25	0.95	31.89%
Net profit ratio (in %)	Net profit after taxes	Revenue	43.13%	42.24%	0.89%
Return on Capital employed (in %)	EBIT	Average capital employed	23.20%	26.63%	-3.43%
Return on investment (in %)	Income generated from investments	Time weighted average investments	4.97%	5.38%	-0.40%

1) The company has no inventory. Hence, inventory turnover ratio is not applicable.

2) Net credit purchases represent purchases made for services and other expenses

Reasons for variance above 25%

a) Debt Equity ratio and Debt Service Coverage ratio: Increase in lease liabilities due to recognition of right of use assets for data centres leading to the variance.

b) Trade payables turnover ratio: Decrease in vendor payment settlement cycle leading to the variance.

c) Net Capital turnover ratio: Increase in revenue leading to positive variance.

38 Assets classified as held for sale**Accounting policy:**

Non-current assets and disposal groups are classified under held for sale if their carrying amount is intended to be removed principally through sale rather than continuous use. The condition for classification of held for sale is met when the non-current asset or disposal group is available for immediate sale and the same is highly probable of being completed within one year from the date of classification under held for sale. Non-current assets and disposal groups held for sale are measured at lower of carrying value and fair value less cost to sell.

Pursuant to directions received from the regulatory authority, the Company has initiated the process for divestment of its investment in NESL Asset Data Limited. The Board of Directors has approved the proposed sale and management is actively pursuing the disposal in accordance with the regulatory requirements. Based on the assessment of the criteria prescribed under Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations, the investment in the subsidiary has been classified as "Assets held for sale" as at 31 March 2026. The investment has been measured at the lower of its carrying amount and fair value less costs to sell. The Company expects the disposal to be completed within twelve months from the date of classification, subject to the completion of customary regulatory and contractual requirements.

Accordingly, the Company's investment in NESL Asset Data Limited comprising 2,20,00,000 equity shares of Rs. 10 each, fully paid-up, with a carrying amount of Rs. 2,200 lakhs, has been reclassified as "Assets held for sale". The carrying amount of the investment is lower than its fair value less costs to sell and, accordingly, no impairment loss has been recognised on such reclassification.

National E-Governance Services Limited

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Notes to the standalone Ind AS financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs, unless as otherwise stated)

39 Exceptional Item - Interest Income under the MSMED Act, 2006

Pursuant to observations received from the Comptroller and Auditor General of India (CAG) during its compliance audit, the Company reassessed its entitlement to interest under Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) in respect of delayed payments by customers during the period in which the Company qualified as a Micro, Small and Medium Enterprise. Based on this assessment, the Company raised claims during the year ended March 31, 2026 for interest on delayed payments relating to invoices issued from the commencement of operations up to June 26, 2022, being the date on which the Company ceased to qualify as a small enterprise under the MSMED Act.

Accordingly, the Company recognised interest income of ₹959 lakh during the year. Considering the nature, magnitude and non-recurring nature of the item, the same has been disclosed as an exceptional item in the Statement of Profit and Loss.

40 Other notes accompanying the standalone financial statements

- a) The Company is maintaining the books of account at its administrative office in Bengaluru as authorised by the Board of Directors.
- b) The Company has only one operating segment and monitors its performance for the business as a whole, hence segment reporting is not applicable.
- c) No proceedings have been initiated on or are pending against the group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- d) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- e) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- f) The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.
- g) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- h) There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- i) The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.
- j) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
- k) There are no immovable properties in the Company other than properties taken on lease.

For K N Prabhaskar & Co.

Chartered accountants

Firm registration number: 004982S

For and on behalf of the Board of Directors of

National E-Governance Services Limited

Sd/-

A.Umesh Patwardhan
Partner
Membership No: 222945
Date: 24 June, 2026
Place: Bengaluru

Sd/-

N. S. Vishwanathan
Chairperson
DIN: 09568559

Sd/-

Debajyoti Ray Chaudhuri
Managing Director & CEO
DIN: 09242571

Sd/-

Nivedita E. P.
Executive Director & CRO

Sd/-

Pradeep Shripad
Chief Financial Officer
Date: 24 June, 2026
Place: Bengaluru

Sd/-

Padmavathy S.
Company Secretary
M.No: A37997

INDEPENDENT AUDITORS' REPORT

To the Members of M/s. National E-Governance Services Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying financial statements of **M/s. National E- Governance Services Limited** (hereafter referred to as "the Holding Company"), and its subsidiaries (holding company and its subsidiaries together referred to as "the Group"), as listed in "**Annexure A**", which comprise the Consolidated Balance Sheet as at March 31, 2026, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter 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 aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting standards) Rules 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at March 31, 2026, and its consolidated profit (including other comprehensive loss), Consolidated Changes in Equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significant in our audit of the consolidated financial statements for the financial year ended March 31, 2026. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

- We have determined that there are no Key audit matters to comment in our Report.

Emphasis of Matter

- a) We draw attention to Note 1 to the Consolidated Financial Statements, which describes that one of its Subsidiaries, NESL E Infrastructure Limited has discontinued its operations and will become a dormant entity. Accordingly, the said subsidiary Financial statements for the year ended March 31, 2026 has been prepared on a basis other than going concern, as described in the said note.

Our opinion is not modified in respect of this matter.

- b) We draw attention to Note 38 to the Consolidated Financial Statements, wherein the management has detailed the reasons and basis for reclassifying one of its subsidiaries named NESL Asset Data Limited as Assets held for sale as at March 31, 2026.

Our Opinion is not qualified in respect of this matter.

Information Other than the Financial Statements and Auditors' Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report (including Annexures to Board's Report), but does not include the consolidated financial statements and our auditors' report thereon. The Boards' Report is expected to be made available to us after the date of this auditors' report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in Equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards Rules, 2015), as amended. The respective Board of Directors of the Companies included in Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.



In preparing the consolidated financial statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to Cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group are also responsible for overseeing the Company's financial reporting process of the Group.

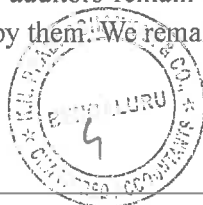
Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

As part of an audit in accordance with Standards on Auditing (SAs), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.



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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the financial year ended March 31, 2026 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements and other financial information in respect of two subsidiaries, whose financial statements reflect total assets of Rs.907.81 lakhs as at March 31, 2026, total income of Rs. 291.00 lakhs and net cash flows amounting to Rs. (63.57) lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors, whose financial statements, other financial information and auditors' reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms sub-section (3) of the Section 143 of the Act, in so far as its relates to aforesaid subsidiaries, is based solely on the reports of such other auditors.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

- 1) In our opinion, the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies, as noted in the 'Other Matters' paragraph, we give in the **"Annexure B"** a statement on the matters specified in paragraph 3(xxi) of the Order.
- 2) As required by Section 143 (3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of other auditors.



- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement on Other Comprehensive Income, the Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows dealt with by this report are in agreement with the books of accounts maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards Rules, 2015), as amended.
- e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2026 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group's Companies is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies over financial reporting and the operating effectively of such controls, refer to our separate Report in "**Annexure C**".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements of the subsidiary companies:
- i) The Group does not have pending litigations, which would impact its financial position.
 - ii) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.
 - iv) The respective management of the Holding Company and its subsidiary companies whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief:
 - (a) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary companies to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary companies ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) No funds have been received by the Holding Company or any of such subsidiary companies from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary companies shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate



Beneficiaries") or provide any guarantee, security, or the like on behalf of the Ultimate Beneficiaries, and

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditors of the subsidiary companies whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditor's to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.

v) The Final Dividend proposed in the previous year has been paid by the Holding Company during the current year in compliance with section 123 of the Companies Act, 2013. No dividend has been declared or paid during the year by the subsidiary companies.

vi) Based on our examination, which included test checks and that performed by the respective auditors of the subsidiary companies whose financial statements have been audited under the Act, the Holding Company or its subsidiary companies has used accounting software for maintaining its books of account for the financial year ended March 31, 2026, which has feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all the transactions recorded in the software and we did not come across any instance of the audit trail feature being tampered with, during the course of our audit.

As the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 became applicable with effect from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditor) Rules, 2014 related to the use and preservation of audit trail as per statutory record retention requirements is applicable for the financial year ended March 31, 2026.

Based on our and the information and the explanations provided to us, we confirm that the Holding Company and its subsidiary companies have complied with the aforesaid requirement, the audit trail has been preserved in accordance with applicable legal and regulatory requirements.

3) On the basis of such checks of the books and records of the Holding Company or its subsidiary companies, as we considered appropriate and according to the information and explanations given to us, we are enclosing our report in terms of section 143(5) of the Act, on the directions and sub directions issued by the Comptroller and Auditor General of India in "Annexure D".



for K N Prabhashankar & Co.,
Chartered Accountants
Firm Reg. No. 004982S


A. Umesh Patwardhan
Partner

M. No. 222945
UDIN: 26222945JQOBWS5879

Place: Bengaluru
Date: June 24, 2026

“ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT

List of Entities consolidated as at March 31, 2026

SL No.	Name of the Company	Relationship with the Holding Company
1	NESL Asset Data Limited	Subsidiary
2	NESL E-Infrastructure Limited	Subsidiary

Place: Bengaluru
Date: June 24, 2026



for K N Prabhashankar & Co.,
Chartered Accountants
Firm Reg. No. 004982S


A. Umesh Patwardhan
Partner

M. No. 222945
UDIN: 26222945JQOBWS5879

"ANNEXURE B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the Members of National E-Governance Services Limited on the Consolidated Financial Statements as of and for the year ended March 31, 2026)

According to the information and explanations given to us and books of account and record as examined by us in the normal course of audit, we state that:

(xxi) Qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order, 2020 ("CARO") reports of the companies included in the consolidated financial statements are:

SL No.	Name of the Company	CIN	Holding Company/ Subsidiary Company	Date of Respective Auditor's Report	Paragraph number in the respective CARO Reports
1	National E-Governance Services Limited.	U72900MH2016GOI282855	Holding Company	June 24, 2026	NIL
2	NESL E-Infrastructure Limited.	U72200MH2017GOI302982	Subsidiary Company	June 06, 2026	NIL
3	NESL Asset Data Limited.	U72400MH2017GOI299499	Subsidiary Company	May 20, 2026	NIL

Place: Bengaluru
Date: June 24, 2026



for K N Prabhashankar & Co.,
Chartered Accountants
Firm Reg. No. 004982S


A. Umesh Patwardhan
Partner

M. No. 222945
UDIN: 26222945JQOBWS5879

ANNEXURE "C" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 (f) under 'Report on Other Legal Regulatory Requirements' section of our report to the Members of National E-Governance Services Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of the Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

In conjunction with our audit of the consolidated financial statements of **National E-Governance Services Limited** (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2026, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies (the Holding Company and its subsidiary companies together referred to as "the Group"), which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group, which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (Guidance Note) issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our Responsibility is to express an opinion on the Holding Company's internal financial controls over financial reporting with reference to the consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to reasonable assurance about whether adequate internal financial controls over financial reporting with reference to the consolidated financial statements was established and maintained and is such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to the consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to the consolidated financial statements included obtaining an understanding of internal financial controls over financial reporting with reference to the consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting reference to the consolidated financial statements.



Meaning of Internal Financial Controls over Financial Reporting with reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls over Financial Reporting with reference to Consolidated Financial Statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Group which are incorporated in India, have, in all material aspects, adequate internal financial controls over financial reporting with reference to the consolidated financial statements and such controls were operating effectively as at March 31, 2026, based on the internal controls over financial reporting criteria established by the respective companies considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to the consolidated financial statements in so far as it relates to two subsidiary companies which are companies incorporated in India, is based on the corresponding reports of the auditors of such Companies.



for K N Prabhaskar & Co.,
Chartered Accountants
Firm Reg. No. 004982S


A. Umesh Patwardhan
Partner

M. No. 222945
UDIN: 26222945JQOBWS5879

Place: Bengaluru
Date: June 24, 2026

"ANNEXURE D" TO THE INDEPENDENT AUDITORS' REPORT

Report under section 143(5) of the Companies Act 2013 relating to the directions issued by the Comptroller and Auditor General of India

Sl. No.	Directions	Compliance
1.	Assess the fair valuation of all the investments, both quoted and unquoted, made directly by the Company or through Trusts, for Post retirement benefits of the employees. This includes verifying valuation methodologies, ensuring consistency with Ind AS and reviewing supporting documentation. The auditor shall provide a brief note on the valuation approach, its reasonability, and compliance with applicable regulations, reporting any material deviations or misstatements.	As provided in Note 30, the Group provides for gratuity which is a defined benefit post-retirement plan. The Company gets an actuarial valuation done for its gratuity liability using projected unit credit method as per the requirement of Ind AS 19. The Holding Company and its subsidiary NESL Asset Data Limited has formed a Trust, and the contributions made to the trust are invested in a scheme with the Life Insurance Corporation of India. The fair value of the investment is taken as per taken on the basis of closing fund balance given by the Life Insurance Corporation of India. This is in compliance with the applicable regulations and there are no material deviations or misstatements. Apart from the above, there are no other investments made by the Holding Company or its subsidiary for any post-retirement benefits. In respect of subsidiary, NESL E-Infrastructure Limited, the Company has not made any investment for any post-retirement benefits. Hence, the reporting under this direction is not applicable.
2.	Whether the Company has a system in place to process all the accounting transactions through IT system? If yes, whether review of this system and controls that are significant to the Companies' financial reporting process as well as cyber security has been done by Information Security Auditing Organisations empanelled by Cert-In at a minimum frequency of once in a year and material discrepancies found, if any, have been suitably reported? The implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications may also be reported.	We have gone through the Standalone audit reports of the Holding and subsidiary companies: The Holding Company is using the BDO India LLP e-invoicing tool and Webtel e-invoicing tool along with other computer programmes to process all the accounting transactions electronically. Transactions from the above software then posted manually in the accounting software used by the holding Company. However, there are no financial implications of processing of accounting transactions outside IT System. The holding Company periodically reviews the systems and controls that are significant to its financial reporting process. Further, a IT framework audit was conducted by a CERT-In empanelled agency during the year, and no material observations or deficiencies were reported in the audit report.



		In respect of the subsidiary company NESL E-Infrastructure Limited (NeIL), where statutory auditor has reported that the Company uses Tally Software for its record keeping and accounting function, however the invoices are prepared manually in word format and management is having adequate system in place to process the accounting transactions related to invoicing outside IT system. There are no implications on the integrity of the accounts or financial implications. However cyber security audit not done separately. In respect of the subsidiary company NESL Asset Data Limited (NADL), where statutory auditor has reported that the Company processes all its accounting transactions through its IT System. No accounting transactions are processed outside the IT System. Accordingly, there no implications on the integrity of the accounts or financial reporting arising from manual/off-system processing of transactions. The Company has not done Information Security Audit by the Information Security Auditing Organisations empanelled by Cert-In during the audit review. However, the Company has conducted the review of its IT Systems and cybersecurity controls significant to the financial reporting process. A Vulnerability Assessment ("VA") was carried out on the Company's production infrastructure servers and a total of 166 vulnerabilities were identified and the same have been fully remediated, the Company does not anticipate any adverse implication on the integrity of its accounting records or financial statements arising from cybersecurity vulnerabilities as at the date of this report.
3.	Whether funds (grants/ subsidy etc.) received/ receivable for specific schemes from Central/State Government or its agencies were properly accounted for as per the applicable accounting standards or norms and whether the received funds were utilised as per its terms and conditions? Whether accounting of interest earned on grants received has been done as per	No funds (grants/subsidy etc.) were received for specific schemes received from Central/State Government or its Agencies by the Holding Company and its subsidiary companies.



	terms and conditions of the Grant. List the cases of deviation.	
4.	Whether the Company has identified the key Risk areas? If yes, whether the Company has formulated any Risk Management Policy to mitigate these risks? If yes, (a) whether the Risk Management Policy has been formulated considering global best practices? (b) whether the Company has identified its data assets and whether it has been valued appropriately?	The Holding Company has identified key risk areas and has a risk management policy duly approved by the Board. The Risk management Policy has been formulated considering global best practices with reference to ISO 31000:2018. Information Security Management System (ISMS) of NeSL is certified by M/s Intertek Certification Limited, a UKAS accredited body under schedule of accreditation no. 014. for conforming to the requirements of ISO/IEC 27001:2022 standards. The Information Security risk is managed through Information Security Management System (ISMS) as per ISO 27001:2022 standard. Data asset valuation, data classification and handling are done through ISMS policies and procedures. NeSL being an Information Utility (IU) shall hold the information as a custodian (as per IU Reg 28(2)). An IU is not the owner of data held by it. The data is not forming an asset of the IU and hence not insurable as an asset of IU. Accordingly, the Data submitted to the IU is not valued. However, the NeSL as IU has taken sufficient insurance to indemnify the data owners for any loss or inconvenience caused to them, for impairment of the data submitted by them to IU. In respect of subsidiary company, NESL Asset Data Limited (NADL), where statutory auditor has reported that the Company has identified its key risk areas across strategic, operational, financial, market, compliance, cybersecurity, legal, and reputational dimensions. A formal Risk Management Policy has been formulated with reference to globally recognised frameworks. With respect to data assets, the Company has identified the categories of data it holds and processes as part of its data governance and cybersecurity risk framework. However, no data assets have been separately recognised or valued in the books of account. In respect of subsidiary company, NESL E-Infrastructure Limited (NEIL), where statutory auditor has reported that the Company -



		(a) Since no key risk areas have identified and no formal Risk Management Policy has been formulated, the question of aligning such a policy with global best practices does not arise at this juncture. (b) Similarly, since the Company does not operate in a domain where data assets constitute a significant or material component of its business, no formal identification or valuation of data assets has been undertaken. The Board of Directors and Management will continue to monitor the Company's operations on an ongoing basis and shall take appropriate steps, including formulation of a Risk Management Policy, if and when the need arises in the future.
5.	Whether the Company is complying with the Securities and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015, and other applicable rules and regulations of SEBI, Department of Investment and Public Asset Management, Ministry of Corporate Affairs, Department of Public Enterprises, Reserve Bank of India, Telecom Regulatory Authority of India, CERT-IN, Ministry of Electronics and Information Technology and National Payments Corporation of India wherever applicable? If not, the cases of deviation may be highlighted.	The Holding Company is an unlisted entity and the Securities and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015, and other applicable rules and regulations of SEBI, Department of Investment and Public Asset Management, Department of Public Enterprises, Reserve Bank of India, Telecom Regulatory Authority of India and National Payments Corporation of India are not applicable to the Holding Company. The Holding Company has complied with the regulations of Ministry of Corporate Affairs, CERT-IN, Ministry of Electronics and Information Technology. In respect of subsidiary, NESL Asset Data Limited, where statutory auditor has reported that the Company The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other SEBI regulations are not applicable to the Company as it is an unlisted entity and is not registered as a market intermediary With respect to the Ministry of Corporate Affairs, the Company has complied with all applicable provisions of the Companies Act, 2013. The applicable guidelines issued by the Department of Investment and Public Asset Management (DIP AM) and the Department of Public Enterprises (DOPE), including those relating to corporate governance and performance management are not applicable to the company.

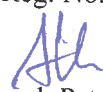


RBI regulations are applicable even though the Company is not a bank, NBFC, or payment system operator, have been complied with. TRAI regulations are not applicable as the Company is an IT services entity and not a licensed telecom service provider. With respect to CERT-In and the Ministry of Electronics and Information Technology, the Company has conducted a Vulnerability Assessment of its production infrastructure using Nessus/Tenable scanning tools across 11 production servers, identifying 166 vulnerabilities; no Critical or High severity findings were identified and all Medium and Low severity findings have been fully remediated, with the Company further representing compliance with applicable CERT-In directions and, no material instances of non-compliance with any applicable laws or regulations have been identified or reported for the financial year ended March 31, 2026.

In respect of subsidiary, NESL E-Infrastructure Limited, where statutory auditor has reported that the Company is not a listed entity and hence SEBI [LODR] Regulations, 2015 and other SEBI regulations are not applicable. The Company is not engaged in telecom, banking or digital payment activities; accordingly, regulations of TRAI, RBI, and NPCI are not applicable. DPE and DIPAM rules and regulations are not applicable for the Company. The Company has complied with the applicable provisions under MCA, CERT-In, and MeitY to the extent relevant to its operations. No cases of deviation have been observed during the year under audit.



for K N Prabhashankar & Co.,
Chartered Accountants
Firm Reg. No. 004982S


A. Umesh Patwardhan
Partner

M. No. 222945
UDIN: 26222945JQOBWS5879

Place: Bengaluru
Date: June 24, 2026

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES
ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF NATIONAL
E-GOVERNANCE SERVICES LIMITED FOR THE YEAR ENDED 31 MARCH 2026**

The preparation of Consolidated Financial Statements of National E-Governance Services Limited for the year ended 31 March 2026 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139 (5) read with section 129 (4) of the Act is responsible for expressing opinion on the financial statements under section 143 read with section 129 (4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 24.06.2026.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the Consolidated Financial Statements of National E-Governance Services Limited for the year ended 31 March 2026 under section 143 (6)(a) read with section 129(4) of the Act.

For and on behalf of the
Comptroller and Auditor General of India



(Vijay N Kothari)

Director General of Audit (Financial Services), Mumbai

Place: Mumbai

Date: 24.07.2026

National E-Governance Services Limited
CIN: U72900MH2016GOI282855
Consolidated Balance Sheet as at March 31, 2026
(All amounts are in INR lakhs, unless as otherwise stated)

Particulars	Note	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-current assets			
Property, Plant and Equipment	5	146	93
Right-of-use assets	8	2,285	430
Other intangible assets	6	30	130
Intangible assets under development	9	-	10
Financial assets			
Investments	10	11,785	8,635
Other financial assets	12	9,959	5,926
Deferred tax assets (net)	23	281	528
Other non-current assets	15	12	16
Total non-current assets		24,498	15,768
Current assets			
Financial assets			
Investments	10	6,174	1,750
Trade receivables	11	7,245	7,067
Cash and cash equivalents	13	2,480	3,519
Bank balances other than cash and cash equivalents	14	6,524	9,697
Other financial assets	12	75	77
Current tax assets (net)	23	617	674
Other current assets	15	238	261
Sub-total		23,353	23,045
Assets held for sale	38	720	-
Total current assets		24,073	23,045
Total assets		48,571	38,813
Equity And Liabilities			
Equity			
Equity share capital	17	7,500	7,500
Other equity	18	22,936	17,820
Total equity		30,436	25,320
Liabilities			
Non current liabilities			
Financial liabilities			
Lease liabilities	8	1,518	341
Provisions	19	208	227
Other non-current liabilities	22	5,082	3,966
Total non-current liabilities		6,808	4,534
Current liabilities			
Financial liabilities			
Lease liabilities	8	1,007	153
Trade payables			
a) Total outstanding dues of micro and small enterprises	20	27	87
b) Total outstanding dues of creditors other than micro and small enterprises	20	699	832
Other financial liabilities	21	713	501
Other current liabilities	22	8,068	6,896
Provisions	19	639	490
Sub-total		11,153	8,959
Liabilities directly associated with assets held for sale	38	174	-
Total current liabilities		11,327	8,959
Total liabilities		18,135	13,493
Total equity and liabilities		48,571	38,813

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

This is the consolidated Balance Sheet referred to in our report of even date.

For K N Prabhaskankar & Co.
Chartered accountants
Firm registration number: 004982S

For and on behalf of the Board of Directors of
National E-Governance Services Limited

Sd/-
A.Umesh Patwardhan
Partner
Membership No: 222945
Date: 24 June, 2026
Place: Bengaluru

Sd/-
N. S. Vishwanathan
Chairperson
DIN: 09568559

Sd/-
Debajyoti Ray Chaudhuri
Managing Director & CEO
DIN: 09242571

Sd/-
Nivedita E. P.
Executive Director & CRO

Sd/-
Pradeep Shripad
Chief Financial Officer
Date: 24 June, 2026
Place: Bengaluru

Sd/-
Padmavathy S.
Company Secretary
M.No: A37997

National E-Governance Services Limited

CIN: U72900MH2016GOI282855

Consolidated Statement of Profit and Loss for the year ended March 31, 2026

(All amounts are in INR lakhs, unless as otherwise stated)

Particulars	Note	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from operations	24	15,437	13,000
Other income	25	2,147	1,733
Total income		17,584	14,733
Expenses			
Cost of services	26	4,662	3,118
Employee benefit expenses	30	3,844	3,301
Finance costs	27	111	43
Depreciation and amortization expense	28	562	241
Other expenses	29	1,069	1,091
Total expenses		10,248	7,794
Profit before exceptional item and tax		7,336	6,939
Exceptional item			
Interest income under MSMED Act	37	959	-
Profit before tax		8,295	6,939
Tax expense			
Current tax	23	(2,186)	(1,929)
Deferred tax	23	(237)	148
Total tax expense		(2,423)	(1,781)
Profit for the year		5,872	5,158
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss in subsequent periods			
Re-measurements of defined benefit plan actuarial losses		(7)	(18)
Income tax relating to these items		2	8
Total other comprehensive loss (net of tax)		(5)	(10)
Total comprehensive income for the year		5,867	5,148
Earnings per equity share attributable to owners of the parent			
Basic earnings per share (amount in ₹ per share)	31	7.83	6.88
Diluted earnings per share (amount in ₹ per share)	31	7.83	6.88

The above Consolidated Statement of Profit and Loss should be read in conjunction with the accompanying notes.

This is the consolidated Statement of Profit and Loss referred to in our report of even date.

For K N Prabhashankar & Co.

Chartered accountants

Firm registration number: 004982S

For and on behalf of the Board of Directors of

National E-Governance Services Limited

Sd/-

A.Umesh Patwardhan

Partner

Membership No: 222945

Date: 24 June, 2026

Place: Bengaluru

Sd/-

N. S. Vishwanathan

Chairperson

DIN: 09568559

Sd/-

Debajyoti Ray Chaudhuri

Managing Director & CEO

DIN: 09242571

Sd/-

Nivedita E. P.

Executive Director & CRO

Sd/-

Pradeep Shripad

Chief Financial Officer

Date: 24 June, 2026

Place: Bengaluru

Sd/-

Padmavathy S.

Company Secretary

M.No: A37997

National E-Governance Services Limited

CIN: U72900MH2016GOI282855

Consolidated Statement of Changes in Equity for the year ended March 31, 2026

(All amounts are in INR lakhs, unless as otherwise stated)

a) Equity share capital

Particulars	As at March 31, 2026		As at March 31, 2025	
	Nos. in Lakhs	Amount	Nos. in Lakhs	Amount
At the beginning of the year	750	7,500	750	7,500
Changes in equity share capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the year	750	7,500	750	7,500
Changes during the year	-	-	-	-
At the end of the year	750	7,500	750	7,500

Refer note 17, for equity shareholders holding of 5% or more

b) Other equity

Particulars	Retained earnings	Dividend reserve	Total
Balance as at April 1, 2024	13,428	-	13,428
Changes in accounting policy or prior period errors	-	-	-
Restated balance at the April 1, 2024	13,428	-	13,428
Profit for the year	5,158	-	5,158
Other comprehensive income not reclassifiable to profit and loss	(10)	-	(10)
Dividends:			
Final dividend (2023-24 @ Rs 1 per share)	(750)	-	(750)
Share issue expenses net of taxes	(6)	-	(6)
Balance as at March 31, 2025	17,820	-	17,820
Balance as at April 1, 2025	17,820	-	17,820
Changes in accounting policy or prior period errors	-	-	-
Restated balance at the April 1, 2024	17,820	-	17,820
Profit for the year	5,872	-	5,872
Other comprehensive income not reclassifiable to profit and loss	(5)	-	(5)
Dividends:			
Final dividend (2024-25 @ Rs 1 per share)	(750)	-	(750)
Share issue expenses net of taxes	(1)	-	(1)
Transfer to Dividend reserve	(657)	657	-
Balance as at March 31, 2026	22,279	657	22,936

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

This is the consolidated Statement of Changes in Equity referred to in our report of even date.

For K N Prabhashankar & Co.

Chartered accountants

Firm registration number: 004982S

For and on behalf of the Board of Directors of

National E-Governance Services Limited

Sd/-

A.Umesh Patwardhan
Partner
Membership No: 222945
Date: 24 June, 2026
Place: Bengaluru

Sd/-

N. S. Vishwanathan
Chairperson
DIN: 09568559

Sd/-

Debajyoti Ray Chaudhuri
Managing Director & CEO
DIN: 09242571

Sd/-

Nivedita E. P.
Executive Director & CRO

Sd/-

Pradeep Shripad
Chief Financial Officer
Date: 24 June, 2026
Place: Bengaluru

Sd/-

Padmavathy S.
Company Secretary
M.No: A37997

National E-Governance Services Limited

CIN: U72900MH2016GOI282855

Consolidated Statement of Cash Flows for the for the year ended March 31, 2026

(All amounts are in INR lakhs, unless as otherwise stated)

Accounting Policy:

Cash flows are reported using the indirect method as set out in Ind AS 7, 'Statement of Cash Flows', whereby profit/(loss) for the year before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated. The Group considers all highly liquid investments that are readily convertible to known amounts of cash to be classified as cash equivalents.

Particulars	Note	Year ended March 31, 2026	Year ended March 31, 2025
Cash Flow from Operating Activities			
Profit for the year		8,295	6,939
Adjustment for			
Depreciation and amortization expense		563	241
Gain on redemption of mutual funds		(263)	-
(Gain)/loss on remeasurement of mutual funds at fair value		54	(128)
Interest on fixed deposits		(1,273)	(1,108)
Interest on government securities		(641)	(477)
Finance costs		111	43
Increase/(decrease) in trade payables		(69)	345
Increase/(decrease) in other financial liabilities		215	(33)
Increase/(decrease) in other liabilities		2,303	1,642
Increase/(decrease) in provisions		155	359
(Increase)/decrease in trade receivables		(276)	(1,511)
(Increase)/decrease in other financial assets		(2)	(78)
(Increase)/decrease in other assets		(107)	(14)
Cash generated from operations		9,065	6,220
Income Taxes paid		(2,147)	(2,080)
Net cash from operating activities		6,918	4,140
Cash flow from investing activities			
Payments for property plant and equipment		(109)	(45)
Payment for intangible assets and intangible assets under progress		(8)	(43)
Proceeds from sale of property, plant and equipment		1	1
Investment in fixed deposits		(39,384)	(9,166)
Proceeds from redemption/maturity of fixed deposits		38,916	9,614
Interest received on fixed deposits		545	1,007
Payment to acquire liquid mutual funds		(8,007)	(808)
Proceeds from redemption of mutual funds		3,750	-
Investment in government securities		(3,132)	(3,499)
Interest received on government securities		623	410
Net cash used in investing activities		(6,805)	(2,529)
Cash flow from financing activities			
Payment of principal element of lease liabilities		(300)	(136)
Payment of interest on lease liabilities		(72)	(44)
Payment of interim dividend		(750)	(750)
Share issue expenses		(1)	(6)
Net cash used in financing activities		(1,123)	(936)
Net increase in cash or cash equivalents		(1,010)	675
Cash and cash equivalent at the beginning of the year		3,519	2,844
Cash and cash equivalent at the end of the year		2,509	3,519
Components of cash and cash equivalents			
Balances with banks			
In current account [#]	13 & 38	2,099	638
In deposit account with original maturity within 3 months from the date of deposit	13	409	2,879
Income accrued but not due on deposits with original maturity within 3 months from the date of deposit	13	1	2
Total cash and cash equivalents		2,509	3,519

*represents value less than 0.5 lakhs.

Includes amounts reclassified as held for sale amounting to Rs. 29 lakhs for the year ended 31 March, 2026.

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

This is the Consolidated Statement of Cash Flows referred to in our report of even date.

For K N Prabhaskankar & Co.

Chartered accountants

Firm registration number: 004982S

For and on behalf of the Board of Directors of

National E-Governance Services Limited

Sd/-

A.Umesh Patwardhan

Partner

Membership No: 222945

Date: 24 June, 2026

Place: Bengaluru

Sd/-

N. S. Vishwanathan

Chairperson

DIN: 09568559

Sd/-

Pradeep Shripad

Chief Financial Officer

Date: 24 June, 2026

Place: Bengaluru

Sd/-

Debajyoti Ray Chaudhuri

Managing Director & CEO

DIN: 09242571

Sd/-

Padmavathy S.

Company Secretary

M.No: A37997

Sd/-

Nivedita E. P.

Executive Director & CRO

National E-Governance Services Limited

CIN: U72900MH2016GOI282855

Notes to the consolidated Ind AS financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs, unless as otherwise stated)

Overview**1 Company overview**

National E-Governance Services Limited ('Company') was incorporated on 24th June, 2016. The Company has its registered office in Mumbai and its administrative office in Bengaluru. The main object of the Company is to perform the role of Information Utility under the Insolvency and Bankruptcy Code, 2016. During the financial year 2017-18, the Company incorporated two subsidiaries:

Name	Date of incorporation
NESL Asset Data Limited "NaDL"	08-09-2017
NESL E-Infrastructure Limited "NEiL"	18-12-2017

The Company together with its subsidiaries is collectively referred as 'Group' in these consolidated financial statements.

The Group has decided to divest its stake in NESL Asset Data Limited and the assets and liabilities of NESL Asset Data Limited has been classified as Assets held for sale as at March 31, 2026 (Refer note 38).

NESL E-Infrastructure Limited carried on business operations up to July 2025 and discontinued its business activities from August 2025 onwards. Since then, NEiL has not undertaken any revenue-generating activities and its operations have been limited to holding its assets, meeting statutory obligations and maintaining its corporate existence. Following the decision to discontinue NEiL's operations and the subsequent cessation of business activities during FY 2025-26, the financial statements of NEiL for the years ended March 31, 2026 and March 31, 2025 were prepared on a discontinued basis. NEiL intends to undertake only such activities as are necessary to comply with applicable laws and maintain its corporate status, and intends to apply for dormant status under Section 455 of the Companies Act, 2013, subject to fulfilment of prescribed conditions.

NEiL does not represent a separate major line of business or geographical area of operations of the Group. Accordingly, the discontinuation of NEiL's operations does not meet the criteria for classification and presentation as a discontinued operation in the consolidated financial statements under Ind AS 105 - Non-current Assets Held for Sale and Discontinued Operations.

The consolidated financial statements for the year ended March 31, 2026 were approved by the Board of Directors and authorized for issue on June 24, 2026.

Statement of Compliance

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies Act 2013 ('Act'). The Ind AS is prescribed under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) amendment Rules, 2016 as amended subsequently by applicable amendment rules as amended from time to time until March 31, 2026.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The material accounting policy information used in preparation of the consolidated financial statements have been discussed in the respective notes.

2 Basis of preparation

The consolidated financial statements have been prepared on the historical cost convention except for:

- certain financial instruments that are measured at fair values at the end of each reporting period under IndAS as suitably described in the accounting policies.
- Defined benefit plans - plan assets measured at fair value

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

National E-Governance Services Limited

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Notes to the consolidated Ind AS financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs, unless as otherwise stated)

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 standalone Ind AS 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 (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above. This note summarizes accounting policy for fair value and the other fair value related disclosures are given in the relevant notes.

3 Basis of consolidation

The consolidated financials include financial statements of National E-Governance Services Limited and its two subsidiaries (Refer Note 1). The consolidated financial statements of the Group incorporate the assets, liabilities, equity, income, expenses and cash flows of the Company and its two subsidiaries which are wholly owned. The Company has control of the subsidiaries as it has the rights to variable returns from its involvement and has the ability to affect those returns through its power over the subsidiaries.

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. The consolidation procedures principally followed are: (a) Like items of assets, liabilities, equity, income, expenses and cash flows of the Company and those of its subsidiaries are combined on a line by line basis; (b) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary are eliminated; and (c) intra group assets and liabilities, equity, income, expenses, and cash flows relating to transactions between entities of the Group are eliminated in full.

4 Critical accounting assumptions, estimates and judgments

In the application of the Group's accounting policies, which are described in this note, the Group is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period:

- Estimated useful life of intangible assets (refer note 6)
- Estimated useful life and residual value of property, plant and equipment (refer note 5)
- Assessment of Performance obligation in revenue recognition including timing of satisfaction of performance obligation, allocation of transaction price, presence of material right to purchase additional services, presence of significant financing component and amounts allocated to performance obligations (refer note 24)
- Estimation of defined benefit obligation (refer note 30)
- Estimation of provisions (refer note 19)
- Recognition of deferred taxes (refer note 23)
- Impairment of trade receivables (refer note 11)
- Estimated useful life and implicit interest rate/incremental borrowing rate used for recognizing Right of Use assets and lease liabilities respectively (refer note 8)

National E-Governance Services Limited

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Notes to the consolidated Ind AS financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs, unless as otherwise stated)

Notes to the Consolidated Financial Statements**5 Property Plant and Equipment****Accounting policy:**

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment 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.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss. An individual item of property, plant and equipment with value less than Rs 5,000/- is not recognised for capitalization and is written off in the Statement of Profit and Loss.

When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.

Depreciation is calculated on a straight-line basis over the useful lives of the assets, as specified in Schedule II to the Companies Act, 2013, except vehicles, as follows:

Category	Useful life (years)	Life as per Schedule II
Furniture and fixtures	10	10
Computers and accessories	3	3
Server	6	6
Office equipment	5	5
Vehicles	6	8

Vehicles consisting of company car, is depreciated over useful life of 6 years, instead of 8 years prescribed under Companies Act, 2013. Due to faster technology obsolescence, constantly evolving emission standards and maintenance costs, it is considered prudent by the management to replace cars earlier than the prescribed 8 years under Schedule II, Companies Act, 2013.

Leasehold improvements are amortized on a straight-line basis over the unexpired period of lease or five years whichever is less.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. The value of the residual value is limited to 5% of the original cost of Property, Plant and Equipment as per the requirement of Schedule II to the Companies Act, 2013.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The changes in the carrying amount of property, plant and equipment for the year ended March 31, 2026 are as follows:

Particulars	Vehicles	Computers	Servers and networks	Furniture and fittings	Leasehold premises improvements	Office Equipment's	Total
Cost:							
Gross carrying amount as at April 1, 2025	35	154	41	2	26	47	305
Additions	-	52	3	5	42	7	109
Disposal/adjustment	-	(24)	-	-	-	(6)	(30)
Reclass to Assets held for sale	-	(20)	(2)	-	-	(3)	(25)
Gross carrying amount as at March 31, 2026	35	162	42	7	68	45	359
Accumulated depreciation:							
Balance as at April 1, 2025	19	115	22	1	23	32	212
Depreciation	6	23	4	1	8	5	47
Accumulated depreciation on disposal/adjustment	-	(23)	-	-	-	(6)	(29)
Reclass to Assets held for sale	-	(14)	(1)	-	-	(2)	(17)
Balance as at March 31, 2026	25	101	25	2	31	29	213
Carrying amount as at March 31, 2026	10	61	17	5	37	16	146

The changes in the carrying amount of property, plant and equipment for the year ended March 31, 2025 are as follows:

Particulars	Vehicles	Computers	Servers and networks	Furniture and fittings	Leasehold premises improvements	Office Equipment's	Total
Cost:							
Gross carrying amount as at April 1, 2024	35	145	25	2	26	43	276
Additions	-	25	16	-	-	4	45
Disposal/adjustment	-	(16)	-	-	-	-	(16)
Gross carrying amount as at March 31, 2025	35	154	41	2	26	47	305
Accumulated depreciation:							
Balance as at April 1, 2024	13	112	20	1	23	28	197
Depreciation	6	18	2	-	-	4	30
Accumulated depreciation on disposal/adjustment	-	(15)	-	-	-	-	(15)
Balance as at March 31, 2025	19	115	22	1	23	32	212
Carrying amount as at March 31, 2025	16	39	19	1	3	15	93

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Notes to the consolidated Ind AS financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs, unless as otherwise stated)

6 Intangible assets**Accounting policy:**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. The amortization expense on intangible assets is recognised in the Statement of Profit and Loss.

Gains or losses arising from de-recognition 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 and Loss when the asset is derecognised.

The cost of Information utility software is capitalized and amortized on a straight-line basis over the useful life of five years, as estimated by the management. Additional software development costs of modules are amortised over balance future useful life of Information utility software. Information utility software is an in-house software being developed, over various modules, by the Company.

The cost of Account Aggregator software is capitalized and amortized on a straight-line basis over the useful life of five years, as estimated by the management. Additional software development costs of modules are amortised over balance future useful life of Account Aggregator software. Account Aggregator software is an in-house software being developed, over various modules, by the Group.

The registration/license fee, paid to the Insolvency and Bankruptcy Board of India, is amortised over the term of validity of registration (5 years). The cost of software is capitalized and amortized on a straight-line basis over the useful life of five years, as estimated by the management.

The cost of computer software is capitalized and amortized on a straight-line basis over the useful life of five years, as estimated by the management.

The changes in the carrying amount of intangible assets for the year ended March 31, 2026 are as follows:

Particulars	IU License fees	AA software	Other software	Total
Cost:				
Gross carrying amount as at April 1, 2025	50	231	62	343
Additions	-	10	8	18
Disposal/adjustment				-
Reclass to Assets held for sale		(241)	(2)	(243)
Gross carrying amount as at March 31, 2026	50	-	68	118
Accumulated amortisation:				
Balance as at April 1, 2025	25	141	47	213
Amortisation	10	60	8	78
Accumulated amortisation on disposal/adjustment				-
Reclass to Assets held for sale		(201)	(2)	(203)
Balance as at March 31, 2026	35	-	53	88
Carrying amount as at March 31, 2026	15	-	15	30

The changes in the carrying amount of intangible assets for the year ended March 31, 2025 are as follows:

Particulars	IU License fees	AA software	Other software	Total
Cost:				
Gross carrying amount as at April 1, 2024	50	201	54	305
Additions	-	30	8	38
Disposal/adjustment	-	-	-	-
Gross carrying amount as at March 31, 2025	50	231	62	343
Accumulated amortisation:				
Balance as at April 1, 2024	15	96	39	150
Amortisation	10	45	8	63
Accumulated amortisation on disposal/adjustment	-	-	-	-
Balance as at March 31, 2025	25	141	47	213
Carrying amount as at March 31, 2025	25	90	15	130

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Notes to the consolidated Ind AS financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs, unless as otherwise stated)

7 Impairment of non-financial assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in Statement of Profit and Loss.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. Such reversal is recognised in the Statement of Profit and Loss.

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Notes to the consolidated Ind AS financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs, unless as otherwise stated)

8 Leases

Accounting policy:

The arrangements, including contracts, are evaluated if they are a lease or have a lease component. This determination is made at the inception of the contract. In case of arrangement having lease and non-lease components, these are separately accounted. Leases identified are accounted individually as separate leases.

Arrangements whose fulfilment depend on a specific asset which is identified under the arrangement to fulfil obligations, either expressly or in substance and the Group has substantive right to use such specific asset over a period of time under arrangement, and to obtain substantially all economic benefits over such period of time constitute leases. Lease term includes non-cancellable period under arrangement and period during which the company is reasonably certain to use such identified assets. Such Lease arrangements identified are recorded as 'Right of Use (RoU)' assets along with a lease liability by discounting the future cash flows under the lease arrangement, using implicit rate or incremental borrowing rate applicable for the lease term. 'Right of Use' assets are depreciated over the lease term and interest expense on lease liability is recorded under other finance costs.

Lease modification(s) are evaluated to ascertain, whether the modification is a separate lease. The amount of the re-measurement of lease liability due to modification is recognised as an adjustment to the 'Right of Use' asset and Statement of Profit and Loss, depending on the nature of modification.

Arrangements which contain low value leases with monthly outflow of less than Rs 10,000 or arrangements which contain lease with original term of upto 12 months are not accounted as lease arrangements under Ind AS 116.

Right-of-use assets

The changes in the carrying value of Right-of-Use assets for the year ended March 31, 2026 are as follows :

Particulars	Category of RoU assets		Total
	Servers/ virtual machines	Building	
Gross carrying amount as at April 1, 2025	-	847	847
Additions	2,292	-	2,292
Disposal/adjustment	-	-	-
Gross carrying amount as at March 31, 2026	2,292	847	3,139
Accumulated depreciation and impairment:			
Balance as at April 1, 2025	-	417	417
Depreciation	288	149	437
Accumulated depreciation on disposal/adjustment	-	-	-
Balance as at March 31, 2026	288	566	854
Net carrying amount as at March 31, 2026	2,004	281	2,285

The changes in the carrying value of Right-of-Use assets for the year ended March 31, 2025 are as follows :

Particulars	Category of RoU assets		Total
	Servers/ virtual machines	Building	
Gross carrying amount as at April 1, 2024	-	847	847
Additions	-	-	-
Disposal/adjustment	-	-	-
Gross carrying amount as at March 31, 2025	-	847	847
Accumulated depreciation and impairment:			
Balance as at April 1, 2024	-	269	269
Depreciation	-	148	148
Accumulated depreciation on disposal/adjustment	-	-	-
Balance as at March 31, 2025	-	417	417
Net carrying amount as at March 31, 2025	-	430	430

The aggregate depreciation expense on RoU assets is included under depreciation and amortization expense in the Consolidated Statement of Profit and Loss.

Lease liabilities

The break-up of current and non-current lease liabilities as at March 31, 2026 and March 31, 2025 is as follows :

Particulars	As at March 31, 2026	As at March 31, 2025
Lease liability - non current	1,518	341
Lease liability - current	1,007	153
Total lease liabilities	2,525	494

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Notes to the consolidated Ind AS financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs, unless as otherwise stated)

The movement in lease liabilities during the years ended March 31, 2026 and March 31, 2025 is as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning	494	631
Additions	2,292	-
Finance cost accrued during the period	111	43
Payment of lease liabilities	(372)	(180)
Balance at the end	2,525	494

Maturity analysis of lease liability as at March 31, 2025 and March 31, 2024 is as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Future lease payments (undiscounted)		
2025-26	-	185
2026-27	1,178	193
2027-28	854	157
2028-29	624	17
2029-30	140	-
Total future lease payments (undiscounted)	2,796	552
Total future finance costs	(271)	(58)
Lease liability	2,525	494
Current lease liabilities	1,007	153
Non-current lease liabilities	1,518	341

Expenses relating to short term leases or low value leases as at March 31, 2026 and March 31, 2025 is as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Expenses relating to short term leases	469	585
Expenses relating to leases of low-value	1	1
Total	470	586

Net debt reconciliation of the Company as at March 31, 2026 and March 31, 2025 is as below:

Particulars	As at March 31, 2026	As at March 31, 2025
Cash and cash equivalents	2,509	3,519
Liquid investments+	6,174	1,750
Lease liabilities	(2,525)	(494)
Net debt	6,158	4,775

+ Liquid investments comprise current investments that are traded in an active market, being the Company's financial asset held at fair value through profit and loss.

Particulars	Other assets		Liabilities from financing activities	Total
	Cash and cash equivalents	Liquid investments	Lease liabilities	
Net debt as at April 1, 2025	3,519	1,750	(494)	4,775
Cash flows	(1,010)	4,215	300	3,505
Additions to lease liability	-	-	(2,292)	(2,292)
Interest expense	-	-	(111)	(111)
Interest paid	-	-	72	72
Gain on redemption and fair value adjustment	-	209	-	209
Net debt as at March 31, 2026	2,509	6,174	(2,525)	6,158
Net debt as at April 1, 2024	2,844	814	(631)	3,027
Cash flows	675	808	136	1,619
Additions to lease liability	-	-	-	-
Interest expense	-	-	(43)	(43)
Interest paid	-	-	44	44
Gain on redemption and fair value adjustment	-	128	-	128
Net debt as at March 31, 2025	3,519	1,750	(494)	4,775

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Notes to the consolidated Ind AS financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs, unless as otherwise stated)

9 Intangible assets under development

Intangible assets under development as at March 31 2026 and March 31, 2025 is as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Trademarks under progress*	-*	-*
AA software under progress	-	10
Total intangible assets under development	-	10

* During the year ended March 31, 2023, the Company has applied for registration of trademark of logos related to Electronic Bank Guarantee and DDE, which is under progress with the trademark authority as on March 31, 2026.

The intangible assets under development ageing schedule for the year ended March 31, 2025 is as follows:

Intangible assets under development	Intangible assets under development				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-*	-

*represents value less than 0.5 lakhs, Rs. 0.31 lakhs and Rs. 0.31 lakhs for year ended March 31, 2025 and March 31, 2024 respectively

The intangible assets under development ageing schedule for the year ended March 31, 2025 is as follows:

Intangible assets under development	Intangible assets under development				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	10	-	-*	-	10

*represents value less than 0.5 lakhs, Rs. 0.31 lakhs and Rs. 0.31 lakhs for year ended March 31, 2025 and March 31, 2024 respectively

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning	10	5
Additions	-	35
Capitalisation during the year	(10)	(30)
Balance at the end	-	10

10 Investments

Particulars	As at March 31, 2026	As at March 31, 2025
Non current investments:		
Investments in government securities at amortised cost		
Investment in IN1520220030 7.82% Gujarat SDL 2032	210	210
Investment in IN1520220055 7.80% Gujarat SDL 2032	196	196
Investment in IN1520220063 7.77% Gujarat SDL 2032	175	175
Investment in IN1520220253 7.71% Gujarat SGS 2033	755	755
Investment in IN1920200434 6.50% Karnataka SDL 2030	59	59
Investment in IN1920200459 6.53% Karnataka SDL 2030	192	192
Investment in IN1920220028 7.67% Karnataka SGS 2032	309	309
Investment in IN1920230027 7.69% Karnataka SGS 2033	465	465
Investment in IN2220220189 7.74% Maharashtra SGS 2033	252	252
Investment in IN2220230113 7.46% Maharashtra SGS 2033	734	733
Investment in IN3120200222 6.33% Tamil Nadu SDL 2030	236	236
Investment in IN3120200347 6.57% Tamil Nadu SDL 2031	65	64
Investment in IN3120200362 6.95% Tamil Nadu SDL 2030	200	200
Investment in IN3120220105 7.64% Tamil Nadu SDL 2032	203	203
Investment in IN3120230096 7.39% Tamilnadu SGS 2033	511	511
Investment in IN3120230138 7.44% Tamilnadu SGS 2033	509	509
Investment in IN1620240045 7.43% Haryana SGS 2034	1,024	1,024
Investment in IN1620240250 7.15% Haryana SGS 2038	509	509
Investment in IN1920240224 7.11% Karnataka SGS 2035	505	506
Investment in IN3320240044 7.08% Uttar Pradesh SGS 2038	1,020	1,017
Investment in IN3320240051 7.16% Uttar Pradesh SGS 2039	510	510
Investment in IN1620250366 7.67% Haryana SGS 2041	552	-
Investment in IN1620250390 7.69% Haryana SGS 2044	311	-
Investment in IN1620250465 7.99% Haryana SGS 2044	402	-
Investment in IN3120250888 7.76% Haryana SGS 7.76%	266	-
Investment in IN3320250225 7.71% Uttar Pradesh SGS 2046	1,311	-
Investment in IN3320250282 8.09% Uttar Pradesh SGS 2051	304	-
Total investments in government securities	11,785	8,635
Total non-current investments	11,785	8,635
Current investments:		
Investments in mutual funds (quoted) measured at fair value through Profit and Loss (1)		
Investment in LD72SG SBI Liquid Fund Direct Growth 26,137,529 units (PY: 2,311,299 units) at market price (NAV).	1,126	960
Investment in LD48IG SBI Short Term Debt Fund-Direct Plan Growth 23,70,181.3680 units (PY: 23,70,181.3680) at market price (NAV)	-	790
Investment in LD114G SBI Arbitrage Opportunities Fund-Direct Plan Growth 57,94,639.885 units (PY: 0 units) at market price (NAV)	2,185	-
Investment in 8153 ICICI Income Plus Arbitrage Omni FOF-Direct Plan Growth 40,98,022.376 units (PY: 0 units) at market price (NAV)	2,863	-
Total current investments	6,174	1,750
Total investments	17,959	10,385
Aggregate amount of quoted investment	17,959	10,385
Market value of quoted investment	17,596	10,486
Aggregate amount of unquoted investments	-	-
Aggregate amount of impairment in value of investments.	-	-

Note:

1. Mutual funds are carried at fair value based on the quoted market price (NAV) of the funds as on balance sheet date.

2. Government securities are classified as held to maturity investments and carried at amortised cost.

11 Trade receivables

Particulars	As at March 31, 2026	As at March 31, 2025
Trade Receivables considered good - Secured;	-	-
Trade Receivables considered good - Unsecured;		
Receivable from others	7,383	7,346
Trade Receivables - credit impaired		
Receivable from others	107	71
Sub-total	7,490	7,417
Impairment Allowance (Allowance for bad and doubtful debts)		
Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - Unsecured		
Receivable from others	138	279
Trade Receivables - credit impaired		
Receivable from others	107	71
Total	245	350
Total trade receivables	7,245	7,067

Ageing of Trade receivables outstanding as at March 31, 2026

Particulars	Outstanding for following periods from due date of payment							Total
	Unbilled	Not due	Less than 6 months	6 months - 1 year	1-2years	2-3years	More than 3 years	
(i) Undisputed Trade receivables - considered good	13	3,160	2,818	1,313	79	-	-	7,383
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	107	-	-	107
Total trade receivables due	13	3,160	2,818	1,313	186	-	-	7,490
Undisputed Trade receivables - considered good	-	9	69	32	28	-	-	138
Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
Disputed Trade Receivables - considered good	-	-	-	-	-	-	-	-
Disputed Trade Receivables - credit impaired	-	-	-	-	107	-	-	107
Total allowance for credit loss	-	9	69	32	135	-	-	245
Total trade receivables	13	3,151	2,749	1,281	51	-	-	7,245

Ageing of Trade receivables outstanding as at March 31, 2025

Particulars	Outstanding for following periods from due date of payment							Total
	Unbilled	Not due	Less than 6 months	6 months - 1 year	1-2years	2-3years	More than 3 years	
(i) Undisputed Trade receivables - considered good	5	3,065	3,392	595	260	29	-	7,346
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	1	65	5	-	71
Total trade receivables due	5	3,065	3,392	596	325	34	-	7,417
Undisputed Trade receivables - considered good	-	13	108	22	107	29	-	279
Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
Disputed Trade Receivables - considered good	-	-	-	-	-	-	-	-
Disputed Trade Receivables - credit impaired	-	-	-	1	65	5	-	71
Total allowance for credit loss	-	13	108	23	172	34	-	350
Total trade receivables	5	3,052	3,284	573	153	-	-	7,067

12 Other financial assets:

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current other financial assets		
Security deposit	66	62
Bank deposits with maturity more than 12 months from balance sheet date	9,305	5,594
Income accrued but not due on deposits with maturity more than 12 months from balance sheet date	588	270
Total non-current other financial assets	9,959	5,926
Current other financial assets		
Security deposits	75	76
Income accrued but not due on Government securities	-	1
Total current other financial assets	75	77
Total other financial assets:	10,034	6,003

Note:

1. Security deposits received are initially recognised at fair value under effective interest rate method using discount rate prevalent for FDs of similar term at the time of origination of such deposits and subsequently at amortized cost.

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13 Cash and cash equivalents**Accounting policy:**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

The position of cash and cash equivalents are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Balance with banks		
In current account	2,070	638
In deposit account with original maturity within 3 months from the date of deposit	409	2,879
Income accrued but not due on deposits with original maturity within 3 months from the date of deposit	1	2
Total cash and cash equivalents	2,480	3,519

14 Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
In deposit account with maturity within 12 months of balance sheet date*	5,903	9,476
Income accrued but not due on deposits with maturity within 12 months of balance sheet date	621	221
Total Bank balances other than cash & cash equivalents	6,524	9,697

15 Other assets**Other non-current assets**

Particulars	As at March 31, 2026	As at March 31, 2025
Prepaid expenses	12	16
Total other non-current assets	12	16

Other current assets

Particulars	As at March 31, 2026	As at March 31, 2025
GST input credit/TDS	66	143
Prepaid expenses	151	101
Other advances	21	17
Total other current assets	238	261
Total other assets	250	277

16 Financial instruments**Accounting policy:**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets*Initial recognition and measurement*

All financial assets, other than financial assets fair valued through Statement of Profit and Loss, are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset. Transaction costs that are attributable to the acquisition of the financial asset fair valued through Statement of Profit and Loss are expensed as incurred. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in below categories:

- Financial asset at amortized cost
- Financial asset at fair value through other comprehensive income (FVTOCI)
- Financial asset at fair value through Statement of Profit and Loss (FVTPL)

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A financial asset is measured at the amortized cost, if both the following conditions are met:

- (i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- (ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate method. This category generally applies to trade and other receivables.

A financial asset is classified as FVTOCI, if both of the following criteria are met:

- (i) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and
- (ii) The asset's contractual cash flows represent SPPI.

Financial asset included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in OCI.

FVTPL is a residual category for financial asset. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Financial asset included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Investment in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment loss, if any. In the event of any indication of impairment, the carrying amount of investment is assessed for and impairment provision is recognised if considered necessary immediately to state the value of net investment to its recoverable value. Recoverable value is higher of the value in use and value in sale for net investment in subsidiary.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the balance sheet) when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in Statement of Profit and Loss if such gain or loss would have otherwise been recognised in Statement of Profit and Loss on disposal of that financial asset.

Impairment of financial assets

The Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets and credit risk exposure. The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract work-in-progress. The application of simplified approach does not require the Group to track changes in credit risk; rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

The Group uses a provision matrix based on age to determine impairment loss allowance on portfolio of its trade receivables. ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss.

Financial liabilities*Initial recognition and measurement*

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include lease liabilities, trade and other payables.

Subsequent measurement

The measurement of financial liabilities depends on their classification. Financial liabilities at fair value through Statement of Profit and Loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as fair value through Statement of Profit and Loss. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

After initial recognition, interest-bearing borrowings are subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The amortization is included as finance costs in the Statement of Profit and Loss.

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De-recognition

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

Equity Instrument

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

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 either to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

a) Fair value measurements

The carrying value and fair value of financial instruments by categories as at the year ended March 31, 2026 and March 31, 2025 are as follows.

Particulars	Note	Carrying value	Fair value	Carrying value	Fair value
		As at March 31, 2026	As at March 31, 2026	As at March 31, 2025	As at March 31, 2025
Financial assets					
Amortised cost					
Investments in government securities	10	11,785	11,422	8,635	8,736
Trade receivables	11	7,245	7,245	7,067	7,067
Cash and cash equivalents	13	2,480	2,480	3,519	3,519
Bank balances other than cash & cash equivalents	14	6,524	6,524	9,697	9,697
Other financial assets	12	10,034	10,034	6,003	6,003
Fair value through profit and loss (FVTPL)					
Investments in mutual funds (quoted)	10	6,174	6,174	1,750	1,750
Total financial assets		44,242	43,879	36,671	36,772
Financial liabilities					
Amortised cost					
Lease liability	8	2,525	2,525	494	494
Trade payables	20	726	726	919	919
Other financial liabilities	21	713	713	501	501
Total financial liabilities		3,964	3,964	1,914	1,914

Note: The carrying amount of trade receivable, trade payables, cash & cash equivalents, other financial assets and liabilities are considered to be same as their fair values due to their short term nature.

b) Fair value hierarchy

This explains the judgments and estimates made in determining the fair values of the financial instruments that are

(a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair values the Group has classified its financial instruments into the three levels prescribed under the accounting standard.

All assets and liabilities for which fair value is measured or disclosed in the consolidated Ind AS 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 (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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Notes to the consolidated Ind AS financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs, unless as otherwise stated)

Financial assets and liability measured at fair value - recurring fair value measurement as at the year ended March 31, 2026

Particulars	Fair value measurement using			
	Total	Level 1	Level 2	Level 3
Assets measured at fair value:				
Investments in mutual funds (quoted)	6,174	6,174	-	-
Liabilities measured at fair value:				
-None-	-	-	-	-

Financial assets and liability measured at fair value - recurring fair value measurement as at the year ended March 31, 2025

Particulars	Fair value measurement using			
	Total	Level 1	Level 2	Level 3
Assets measured at fair value:				
Investments in mutual funds (quoted)	1,750	1,750	-	-
Liabilities measured at fair value:				
-None-	-	-	-	-

Note: Specific valuation techniques used to value the above financial instruments include the use of quoted market prices

c) Financial risk management:

Financial risk

The Group's activities expose it to a variety of financial risks: Market risk, credit risk and liquidity risk. The Group's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Group's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Group's has only domestic operations and has no foreign currency exposure. Accordingly no market risk is perceived.

Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to Rs. 7,490 lakhs and Rs. 7,417 lakhs as at March 31, 2026 and March 31, 2025, respectively. Trade receivables are generally unsecured and derived from customers who are major public and private sector banks and large NBFC's. Since, the major customers are large institutions with very good credit ratings the credit risk to the company is negligible. The Group uses the expected credit loss model to assess any required allowances; and uses a provision matrix to compute the expected credit loss allowance for trade receivables.

The Group's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers.

The Company has evaluated its government securities for impairment under Ind AS 109 and concluded that the expected credit loss is nil due to the sovereign nature of the counterparty.

The details in respect of revenues generated from top five customers and top ten customers are as follows:

Particulars	Billing in Rs. Lakhs		% of total billing	
	As at March 31, 2026	As at March 31, 2026	As at March 31, 2025	As at March 31, 2025
Billing from top five customers	7,810	45%	6,235	43%
Billing from top ten customers	10,322	59%	8,000	55%

The allowance for lifetime expected credit loss on customer balances recognised as at the years ended March 31, 2026 and March 31, 2025 is Rs. 245 lakhs and Rs. 350 lakhs, respectively.

The movement in credit loss allowance on customer balance is as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning	350	196
Impairment loss recognised	-	163
Impairment loss written back	(85)	-
Amounts written off	(18)	(9)
Reclassified to Assets held for sale	(2)	-
Balance at the end	245	350

Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time. The Group's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Group has no borrowings. The Group believes that the working capital is sufficient to meet its current requirements.

As at March 31, 2026, the Company had a working capital of Rs. 12,746 lakhs including cash and cash equivalents and current bank deposit of Rs. 9,004 lakhs and current investments of Rs. 6,174 lakhs. As at March 31, 2025, the Group had a working capital of Rs 14,086 lakhs including cash and cash equivalents and current bank deposits of Rs.13,216 lakhs and current investments of Rs. 1,750 lakhs. Accordingly no liquidity risk is perceived.

The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2026:

Particulars	Less than 1 year	1 to 2 year	More than 2 year	Total
Trade payables	726	-	-	726
Other financial liabilities	713	-	-	713
Lease liabilities on an undiscounted basis (refer note 8)	1,178	854	764	2,796

The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2025:

Particulars	Less than 1 year	1 to 2 year	More than 2 year	Total
Trade payables	919	-	-	919
Other financial liabilities	501	-	-	501
Lease liabilities on an undiscounted basis (refer note 8)	185	157	17	359

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17 Equity Share capital

Particulars	As at March 31, 2026	As at March 31, 2025
Authorised share capital		
10,00,00,000 (previous year: 10,00,00,000) number of equity shares of Rs. 10/- each.	10,000	10,000
	10,000	10,000
Issued, subscribed and fully paid-up share capital		
7,50,00,000 (previous year: 7,50,00,000) number of equity shares of Rs 10/- each	7,500	7,500
	7,500	7,500

Reconciliation of equity shares outstanding and the amount of share capital is set out below:

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares in Lakhs	Amount	Number of shares in Lakhs	Amount
Number of shares at the beginning of the year	750	7,500	750	7,500
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	750	7,500	750	7,500

Note:

(i) The Group has only one class of equity shares having a par value of Rs 10/- per share. All the equity shares rank pari passu with the existing shares. Each holder of equity share is entitled to one vote per share.

(ii) In the event of liquidation of the Group the holders of the equity shares will be entitled to receive the remaining assets of the Group, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity shares held by the shareholders.

Particulars of equity shareholders holding more than 5 percent of equity shares:

Name of the shareholder	As at March 31, 2026		As at March 31, 2025	
	Number of shares in Lakhs	Percentage holding	Number of shares in Lakhs	Percentage holding
Life Insurance Corporation	45	6.00%	45	6.00%
State Bank of India	75	10.00%	75	10.00%
Canara Bank	75	10.00%	75	10.00%
Bank of Baroda (Merged entity)	105	14.00%	105	14.00%
ICICI Bank	74	9.90%	74	9.90%
Axis Bank Ltd.	71	9.50%	71	9.50%
Karnataka Bank Ltd.	45	6.00%	45	6.00%

Particulars of shares held by the promoter group:

Name of the shareholder	As at March 31, 2026		As at March 31, 2025	
	Number of shares in Lakhs	Percentage holding	Number of shares in Lakhs	Percentage holding
Life Insurance Corporation	45	6.00%	45	6.00%
State Bank of India	75	10.00%	75	10.00%
Canara Bank	75	10.00%	75	10.00%
Bank of Baroda (Merged entity)	105	14.00%	105	14.00%
New India Assurance Co. Ltd	38	5.00%	38	5.00%
Union Bank of India	38	5.00%	38	5.00%
Central Depository Services (India) Ltd	30	4.00%	30	4.00%
ICICI Bank	74	9.90%	74	9.90%

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

The Group has not bought back any shares during the period from the date of inception to March 31, 2026. Further, the Group has not issued any bonus shares or issued shares for consideration other than cash during the year and period from the date of inception to March 31, 2026.

Dividend:

The final dividend on shares is recorded as a liability on the date of approval by the shareholders. Interim dividends are recorded as a liability on the date of declaration by the Group's Board. The Group declares and pays dividends in Indian Rupees. Group are required to pay / distribute dividend after deducting applicable taxes.

The amount of per share dividend recognised (in INR rupees) as distribution to equity shareholders in accordance with Companies Act, 2013 is as follows:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Final dividend per share for year ended March 31, 2025 and March 31, 2024 (INR rupees)	1	1
Cash outflow (INR lakhs)	750	750

Proposed dividend on equity shares not recognised as liability:

The Board of Directors of the Company have recommended final dividend of Rs.1 per share of Rs. 10 each for the year ended March 31, 2026. For the proposed dividend the Company expects a cash outflow of Rs.750 lakhs. The proposed final dividend is subject to shareholders approval at the Annual General Meeting and has not been recognised as a liability in these financial statements.

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Notes to the consolidated Ind AS financial statements for the year ended March 31, 2026

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18 Other equity

Particulars	As at March 31, 2026	As at March 31, 2025
Retained earnings:		
Opening balance	17,820	13,428
Share issue expenses net of taxes	(1)	(6)
Add: Profit/(Loss) for the year	5,872	5,158
Add: Other comprehensive income not reclassifiable to profit and loss		
Re-measurements of defined benefit plan actuarial gains/ (losses), net of tax	(5)	(10)
Final dividend paid (2024-25 @ Rs 1 per share)	(750)	(750)
Transfer to Dividend reserve	(657)	-
Closing retained earnings	22,279	17,820
Dividend reserve:		
Opening balance	-	-
Transfer from retained earnings	657	-
Closing dividend reserve	657	-
Total other equity	22,936	17,820

Note:

1. Retained earnings represents the accumulated undistributed earnings of the Group as at balance sheet date.
2. Dividend reserve represents a specific allocation of the Company's retained earnings that are set aside for future dividend payments, to strategically manage its cash flows, especially during periods of financial uncertainty as per the dividend policy of the Company

19 Provisions
Accounting policy:

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Onerous contracts are accounted as per IndAS 37. Such contract entail a provision of present value of obligations net of any economic benefits under such contract. Obligations under such contract is lower of penalties/compensation under contract for exit or incremental cost of fulfilling such contracts, Onerous contract are assessed at the contract level. Any asset supporting such onerous contract is impaired based on assessment of cash flow. The provision for onerous contract is assessed each for reversals, re-adjust the provisions for any change in circumstances and passage of time. The interest expense relating to unwinding of discount with passage of time on such provision is disclosed as finance costs. Any reversal which represents other than ordinary use/application of the provision, like closure of the onerous contract, is recognised separately in the Statement of Profit and Loss at gross and not netted off against the ordinary expenses under such onerous contract.

Provision for employee benefit obligations and expenses is as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current provisions		
Employee benefit obligations:		
Provision for gratuity	116	121
Provision for deferred income plan	92	106
Total non-current provisions	208	227
Current provisions		
Employee benefit obligations:		
Provision for leave encashment	264	224
Provision for bonus	151	112
Provision for deferred income plan	96	61
Provision for variable pay	128	93
Total current provisions	639	490
Total provisions	847	717

Note:

1. The entire amount of Rs. 264 lakhs (PY: Rs. 224 lakhs) has been presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligation. However, based on past experience, the Company does not expect all employees to avail the full amount of accrued leave or require payment for such leave within the next 12 months. The leave obligation not expected to be settled withing next 12 months are Rs. 239 lakhs as at year ended March 31, 2026 and Rs. 200 lakhs as at year ended March 31, 2025.
2. Provision for leave encashment and compensated absences amounting to Rs. 200 lakhs, previously disclosed under non-current provisions, has been reclassified to current provisions.
3. For details on Provision for gratuity and Provision for leave encashment and compensated absence refer note 30.

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Notes to the consolidated Ind AS financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs, unless as otherwise stated)

Movement of provision as at March 31, 2026

Particulars	Balance as at March 31, 2025	Additions	Allowance for financial effect	Applications/ Reversals	Balance as at March 31, 2026
Provision for bonus	112	151	-	(112)	151
Provision for deferred Income Plan	167	188	-	(167)	188
Provision for variable pay	93	128	-	(93)	128
Total provisions	372	467	-	(372)	467

Movement of provision as at March 31, 2025

Particulars	Balance as at March 31, 2024	Additions	Allowance for financial effect	Applications/ Reversals	Balance as at March 31, 2025
Provision for bonus	85	112	-	(85)	112
Provision for deferred Income Plan	-	167	-	-	167
Provision for variable pay	-	93	-	-	93
Total provisions	85	372	-	(85)	372

20 Trade payables

Particulars	As at March 31, 2026	As at March 31, 2025
Total outstanding dues of micro enterprises and small enterprises	27	87
Total outstanding dues of creditors other than Micro and small enterprises		
Others		
Creditors for supplies & services	699	832
Total Trade payables	726	919

The information as required to be disclosed pursuant under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) has been determined to the extent such parties have been identified based on the information available with the Company.

Particulars	As at March 31, 2026	As at March 31, 2025
Amount remaining unpaid		
Principal amount due to micro and small enterprises	27	87
Interest due on above	-	-
Total amount remaining unpaid	27	87
Interest paid by the Company under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day	-	-
Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006;	-	-
Interest accrued and remaining unpaid at the end of the year	-	-

Interest remaining due and payable (pertaining to prior years), until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED Act 2006

- -

Trade payables outstanding ageing as at March 31, 2026

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<i>Undisputed</i>							
(i) MSME	20	7	-	-	-	-	27
(ii) Others	257	420	22	-	-	-	699
<i>Disputed</i>							
(iii) MSME	-	-	-	-	-	-	-
(iv) Others	-	-	-	-	-	-	-
Total Trade payables	277	427	22	-	-	-	726

Trade payables outstanding ageing as at March 31, 2025

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<i>Undisputed</i>							
(i) MSME	12	75	-	-	-	-	87
(ii) Others	408	153	255	7	9	-	832
<i>Disputed</i>							
(iii) MSME	-	-	-	-	-	-	-
(iv) Others	-	-	-	-	-	-	-
Total Trade payables	420	228	255	7	9	-	919

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(All amounts are in INR lakhs, unless as otherwise stated)

21 Other financial liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Current other financial liabilities		
Security deposits received	74	25
Auditor's remuneration payable	6	7
Reimbursements payable	14	11
Advances returnable	619	458
Total current other financial liabilities	713	501
Total other financial liabilities	713	501

22 Other liabilities:

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current other liabilities		
Deferred revenue ⁺	5,082	3,966
Total non-current other liabilities	5,082	3,966
Other current liabilities		
Statutory Liabilities	710	550
Deferred revenue ⁺	7,349	6,337
Employee benefits payable	9	9
Total current other liabilities	8,068	6,896
Total other liabilities	13,150	10,862

+ Deferred revenue are contract liabilities arising from contracts with customers, invoicing in excess of revenue recognised is classified as deferred revenue.

The revenue recognition pattern of contract liabilities - deferred revenue as on March 31, 2026 is as below:

Particulars	Within 1 years	1 year to 2 year	2 years and above	Total
Deferred revenue - current	7,349	-	-	7,349
Deferred revenue - non current	-	2,072	3,010	5,082
Total deferred revenue	7,349	2,072	3,010	12,431

The revenue recognition pattern of contract liabilities - deferred revenue as on March 31, 2025 is as below:

Particulars	Within 1 years	1 year to 2 year	2 years and above	Total
Deferred revenue - current	6,337	-	-	6,337
Deferred revenue - non current	-	1,605	2,361	3,966
Total deferred revenue	6,337	1,605	2,361	10,303

23 Income taxes**Accounting policy:***Current income tax*

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax related to items recognised outside Statement of Profit and Loss is recognised either in OCI or in equity in correlation to the underlying transaction. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions, where appropriate.

Deferred tax

Deferred tax is provided using the liability method 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 and assets are recognised for all taxable temporary differences and deductible temporary differences, except:

- when the deferred tax liability or asset arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences and deductible temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. The carrying amount of deferred 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 utilized. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside Statement of Profit and Loss is recognised outside the Statement of Profit and Loss (either in OCI or in equity in correlation to the underlying transaction).

Income tax expense in the Statement of Profit and Loss is as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Current taxes	(2,186)	(1,929)
Deferred taxes	(237)	148
Income tax expense	(2,423)	(1,781)

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Profit before income taxes	8,295	6,939
Enacted tax rates in India	25.168%	25.168%
Computed expected tax expense	2,088	1,746
Impact of adoption of different income tax rate in the group	(10)	(3)
Effect of non-deductible expenses	23	41
Deferred taxes reversed/(recognised) on c/f losses	322	(3)
Income tax expense	2,423	1,781

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The details of income tax assets and income tax liabilities as at March 31, 2026 and March 31, 2025 are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Current income tax assets (net)	617	674
Current income tax liabilities (net)	-	-
Net current income tax assets / (liabilities) at the end	617	674

The gross movement in the current income tax assets / (liabilities) for the years ended March 31, 2026 and March 31, 2025 is as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Net current income tax assets / (liabilities) at the beginning	674	523
Income tax paid	2,147	2,080
Current income tax expense	(2,186)	(1,929)
Reclass to Assets held for sale	(18)	-
Net current income tax assets / (liabilities) at the end	617	674

The movement in gross deferred income tax assets and liabilities for the year ended March 31, 2026 is as follows:

Particulars	Carrying value as at March 31, 2025	Recognised/ (reversed) during the year in Statement of Profit and Loss	Recognised/ (reversed) during the year in OCI	Recognised/ (reversed) during the year in Equity	Reclassified to Assets held for sale/liabilities associated with assets held for sale	Carrying value as at March 31, 2026
Deferred income tax assets / (liabilities):						
Property, plant and equipment	14	3	-	-	(2)	15
Provision for gratuity	31	2	2	-	(6)	29
Provision for leave encashment and	56	17	-	-	(6)	67
Provision for Deferred Income Plan-	42	5	-	-	-	47
Right of use assets	(109)	(476)	-	-	-	(585)
Lease liabilities	124	520	-	-	-	644
Mutual funds - fair value adjustments under Ind AS	(40)	14	-	-	2	(24)
Trade receivables - loss allowance	88	-	-	-	-	88
Deferred tax asset for carried forward tax loss*	322	(322)	-	-	-	-
Total deferred income tax assets	528	(237)	2	-	(12)	281

*Pursuant to the proposed divestment of NESL Asset Data Limited, the Group reassessed the recoverability of deferred tax assets recognised in respect of the subsidiary. Based on the assessment of the availability of future taxable profits, deferred tax assets amounting to Rs. 322 lakhs relating to carried forward losses were written down during the year and recognised in the Statement of Profit and Loss.

Note: Deferred tax assets attributable to NESL Asset Data Limited have been included within the disposal group classified as held for sale. Prior to classification, the Group reassessed the recoverability of deferred tax assets recognised in respect of the subsidiary. Based on such assessment, deferred tax assets amounting to Rs. 12 lakhs continue to be considered recoverable and have been included within assets held for sale as at 31st March 2026.

The movement in gross deferred income tax assets and liabilities for the year ended March 31, 2025 is as follows:

Particulars	Carrying value as at March 31, 2024	Recognised/ (reversed) during the year in	Recognised/ (reversed) during the year in OCI	Recognised/ (reversed) during the year in Equity	Carrying value as at March 31, 2025
Deferred income tax assets / (liabilities):					
Property, plant and equipment	22	(8)	-	-	14
Provision for gratuity	27	(4)	8	-	31
Provision for leave encashment and	37	19	-	-	56
Provision for Deferred Income Plan-	-	42	-	-	42
Right of use assets	(146)	37	-	-	(109)
Lease liabilities	158	(34)	-	-	124
Mutual funds - fair value adjustments under Ind AS	(8)	(32)	-	-	(40)
Trade receivables - loss allowance	50	38	-	-	88
Deferred tax asset for carried forward tax loss	232	90	-	-	322
Total deferred income tax assets	372	148	8	-	528

24 Revenue from operations

Accounting policy:

Under IndAS 115, the Group applies a five step approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognise revenues based on the fulfilment of performance obligation.

Contract with customer would mean (1) signed contract if available or price based on- arrangement, business practice and standard operating procedures. The price could be specific negotiated price (like for PDA services, storage, bidding services, AA services, KYC services) and (2) the tariff schedule as applicable for each financial year. These are interpreted collectively to ascertain scope including performance obligation and pricing for each financial year.

The Group based on evidence evaluates, at the start of each financial year, as to whether a service is perceived as a distinct benefit by the customer and is a separate performance obligation, or the service is perceived to be bundled along with other service as a bundle of performance obligation, or a service is mere perfunctory or incidental in nature not constituting a performance obligation. While assessing whether a service is a separate performance obligation, the Group for each review period assesses whether service, in a bundled offering, is highly dependent, highly interrelated with other service in the bundle including if the customer has an option to not purchase the service without significantly affecting the other promised goods. Such an assessment would include whether one of such services in the bundle is independently priced in the tariff, as published and available in the Group website, leading to an indicator that the service could be a performance obligation in itself as per Ind AS115. Such an assessment is carried out periodically starting with the beginning of each financial year.

The Group has tiered pricing structure for certain services. Based on its assessment, the Group has assessed there is no identifiable significant material rights in its pricing structure which can be separately valued and accounted as a liability or asset.

Revenue is measured at transaction price which is the consideration, received or receivable net of discounts, taking into account contractually defined terms and excluding taxes, duties collected on behalf of the government. Revenue is recognised as and when the control of promised product or services are transferred to the customer. If there is uncertainty as to collectability, then revenue recognition is postponed until such uncertainty is resolved.

The group charges the fees in advance for more than one year period for the following category of services, (1) IU services - individual category and (2) PDA – storage services. This requires the Group to assess whether any significant financing component is included in the consideration charged. The Group charges the fees over multiple terms for these services for administrative convenience. Due to the regulatory nature of the services the fees charged are nominal and are intended to improve compliance in the ecosystem. The Group, based on the facts and the intent of pricing and its product offering, has assessed that there is no significant financing component in the consideration charged for the aforesaid services.

The transaction price is determined for each performance obligation identified excluding amounts collected on behalf of third parties net of discounts. The Group allocates the transaction price for services under the contract to each separately identifiable performance obligations/ bundle of performance obligation based on standalone selling price using the three approaches, as applicable, under IndAS 115. Standalone selling prices are determined based on transaction prices for the components when it is regularly sold separately, in cases where the Group is unable to determine the standalone selling price the Group uses third-party prices for similar deliverables. Under IndAS 115, the Group may use (1) adjusted market assessment approach, (2) expected cost plus a margin approach, (3) residual method or a combination of these methods to arrive at allocable transaction price for each performance obligation or bundle of performance obligations identified. Discount provided to one of the distinct performance obligation in the service offering is allocated or averaged across all the performance obligations in the contract/ arrangement unless such a discount is offered at a standalone price of a performance obligation.

The Group exercises judgement in determining whether the performance obligation, evidencing the transfer of control, is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer.

For performance obligations where control is transferred over time, revenues are recognised by measuring progress towards completion of the performance obligation. Where the services under performance obligation is made available on when and if available basis for a tenure, the customer benefits accrue evenly during the contract and the revenue is recognised for such performance obligation on a straight line attribution method over such tenure. The selection of the method to measure progress towards completion requires judgment and is based on the whether the nature of the promised products or services to be provided at a point in time or is provided or made available for a specific period. Incase of bundled service obligations which are not separable, a single measurement method is adopted.

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The following specific recognition criteria must also be met before revenue is recognised:

Information Utility ("IU") income

The Group provides information utility services to its clients. The services include receiving of data/documents related to loans/advances submitted by financial creditors, operational creditors, operational debtors and other participants such as resolution professionals. Revenue from information utility services is recognised as the services are performed over time on a monthly basis, from the month of submission/ upload of information into the Information Utility system.

The financial information hosted are billed based on the published tariff rate schedule. The period for the service and hosting obligations are specified for each category of loan records. These category as per the tariff structure for IU services are as below.

a) Financial information of Group and Other Commercial entities are recognised over a tenure of 1 year.

b) Financial information of individuals including Gold, Micro Finance Institutions (MFI) debts, SHG/JLG debts, Agriculture debts are recognised over a tenure of 5 years from initial submission of information and over 1 year after completion of 5 year initial period based on hosting period under anniversary billing.

c) Revenue from information utility services for submissions from Operational Creditor, Homebuyers and other participants are recognised on submission/ upload of information into the Information Utility system.

d) The Group provides digital document execution (IU DDE) services as a part of its IU services to its clients. The service includes execution of documents using digital signature and/or digital e-stamping, access, storage and retrieval, digital ledger and tracking service for IU DDE in addition to information utility services for data, and breakup of the tariff is specified at a component level of IU services allowing customer choice at individual service component level. The revenue from IU DDE services is recognised at a point in time when such a service is complete.

e) Revenue from E-Sign services is recognised when E-sign counts are consumed by the customer indicating a transfer of control unless express acceptance is required as a part of the contract or arrangement.

Income from Platform for Distressed Asset (PDA), case management services and auction services

PDA services and case management services are offered to the customer on subscription basis. Revenue is recognised over the tenure of such subscription, as and when performance obligation are fulfilled over subscription period. Revenue from auction services are recognised on avilment of auction services (specific event) by the customer.

Income from other operational revenue

Other operational revenue consists of software development services, integration services, software maintenance service and transaction revenue from the digital balance confirmation solution. Software development revenue is recognised when the control of the software/customisation is transferred to the customer and user acceptance signoff is received from the customer. Integration services revenue is recognised when the integration is complete and user acceptance signoff is received from the customer. Software maintaince services revenue is recognised over the tenure of such services, as and when performance obligation are fulfilled. Transaction revenue is recognised at a point in time when such a service is complete.

KYC services

NEiL provides KYC services. For OKYC services, revenue on installation (of the software), as outlined in the customer contract or order or arrangement, is recognised on completion of installation platform at the customer's end.

For CKYC and OKYC services, revenue is recognised when the provision of service is accepted and the certificate/confirmation for completion of service is issued by the customer which is a significant event to recognize revenue.

Account aggregator service income

NaDL provides Account Aggregator (AA) service to its customers. The account aggregator service includes, onboarding of customers, consent registrations, data requests, revocation of consents and other such activities. Revenue from account aggregator service is recognised:

- for annual subscription for AA services and AMC (annual maintenance contract) offered in bulk (and not on per transaction basis or on completion of specific event), over time for which services are contracted to be provided as the AA or AMC services are made available on when if basis during such tenure.
- for others, as and when the services are provided.

If a revenue recognition event meets criteria for net basis accounting under IndAS 115, the related costs like revenue share is netted off against such revenue recognised instead of showing such related costs separately as an expense.

Revenue from operations for the year ended March 31, 2026 and March 31, 2025 is as follows:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from contract with customers:		
IU Services		
Financial creditors - IU	12,096	11,048
Financial creditors - DDE	3,053	1,667
Operational creditors	10	11
Other operational revenue	40	132
Fee from PDA services	6	16
Central Know Your Customer Services income (CKYC)	1	18
Offline Know Your Customer services income (OKYC):		
One Time Installation Setup Fee	1	15
OKYC services	-	1
Revenue from AA operations	230	92
Total revenue from operations	15,437	13,000

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Reconciliation of contract price to revenue recognised for year ended March 31, 2026 is as below:

Particulars	Financial creditors IU	Financial creditors - DDE	IU services others	PDA services and other operational revenue	CKYC and OKYC	AA Operations	Total
Total billing for the year	13,413	3,872	10	31	2	200	17,528
(+) Opening unearned revenue	9,359	922	-	18	-	3	10,302
(-) Opening unbilled revenue	-	-	-	-	-	(5)	(5)
(-) Closing unearned revenue	(10,676)	(1,740)	-	(15)	-	(2)	(12,433)
(+) Closing unbilled revenue	-	-	-	12	-	33	45
Total revenue for the year	12,096	3,054	10	46	2	229	15,437

For the year ended March 31, 2026 the company recognised Rs. 3,336 lakhs revenue from opening deferred revenue.

Reconciliation of contract price to revenue recognised for year ended March 31, 2025 is as below:

Particulars	Financial creditors IU	Financial creditors - DDE	IU services others	PDA services and other operational revenue	CKYC and OKYC	AA Operations	Total
Total billing for the year	12,198	2,145	11	145	39	84	14,622
(+) Opening unearned revenue	8,209	444	-	21	-	7	8,681
(-) Opening unbilled revenue	-	-	-	-	(6)	-	(7)
(-) Closing unearned revenue	(9,359)	(922)	-	(18)	-	(3)	(10,301)
(+) Closing unbilled revenue	-	-	-	-	-	5	5
Total revenue for the year	11,048	1,667	11	148	33	93	13,000

For the year ended March 31, 2025 the company recognised Rs. 5,555 lakhs revenue from opening deferred revenue.

25 Other income
Accounting policy:

Other income consists of interest income, gain/loss on investments, gain/loss on sale of assets and other miscellaneous income. Interest income is recognised using the effective interest rate method.

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest on fixed deposits	1,273	1,108
Interest on security deposits	4	4
Interest on government securities	641	477
Interest on IT refund	2	2
Gain on redemption of mutual funds	263	-
Gain on remeasurement of mutual funds at fair value	(54)	128
Bad debts written off - recovered	6	3
Excess provision reversed	12	-
Miscellaneous income	-	11
Total other income	2,147	1,733

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26 Cost of services

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
IU annual fee*	1,287	1,052
IU technology expenses		
Technology resource expenses	411	212
IT data center expenses	1,190	686
Datawarehouse expenses	-	20
Other IT expenses	988	629
SMS and email charges	48	31
IU operational expenses	664	408
FIU Gateway and Other Enhancements	72	65
IT Consulting Expenses	2	15
Total cost of services	4,662	3,118

27 Finance costs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest expense on lease liabilities	111	43
Total	111	43

28 Depreciation and amortization expense

Particulars	Note	Year ended March 31, 2026	Year ended March 31, 2025
Depreciation on plant, property and equipment	5	47	30
Amortisation on intangible assets	6	78	63
Depreciation on right of use assets	8	437	148
Total depreciation and amortization expense		562	241

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29 Other expenses

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Rent, Repairs and maintenance +	12	16
Office premises maintenance	51	49
Subscription, rates and taxes	3	10
Professional charges	435	384
Legal fees	87	44
Communication expenses	43	34
Advertisement and business promotion	49	53
Auditors' remuneration		
- Statutory audit	6	6
- For other services ¹	-	-
- Tax audit	2	2
- Out of pocket expenses ²	-	-
Travelling, boarding and conveyance	77	64
Insurance expenses	37	24
Directors' sitting fees	104	95
Assets written off ³	-	-
Bad debts written off	62	-
Impairment loss (reversed)/recognised under expected credit loss model	(85)	163
CSR expenses*	128	104
Other miscellaneous/administrative expenses	58	43
Total	1,069	1,091

+ Rental expense for the year ended March 31, 2026 comprises printer rental of Rs.1 lakh. Rental expense for the year ended March 31, 2025 comprised laptop and printer rentals aggregating to Rs. 1 lakh. These leases qualify as low-value leases (refer Note 8).

*Refer note - 39 Corporate social responsibility (CSR)

1. Represents value less than 0.5 lakhs, Rs. 0.38 lakhs for year ended March 31, 2026 and Rs. 0.10 lakhs for year ended March 31, 2025

2. Represents value less than 0.5 lakhs, Rs. 0.18 lakhs for year ended March 31, 2026 and Rs. 0.23 lakhs for year ended March 31, 2025

3. Represents value less than 0.5 lakhs, Nil for year ended March 31, 2026 and Rs. 0.07 lakhs for year ended March 31, 2025

30 Employee benefit expenses**Accounting policy:***Retirement and other employee benefits*

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognizes changes in the net defined benefit obligation which includes service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and net interest expense or income, as an expense in the Statement of Profit and Loss.

Paid compensated absences

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. The cost incurred towards paid compensated absences, including the gain or loss on such actuarial valuation, is recognised in the Statement of Profit and Loss.

Other long term employee benefits:

The Company provides deferred income plan for its employees which are in the nature of cash bonus payable beyond twelve months and are treated as other long term employee benefits. The cost of providing the benefits are provided for based on the actuarial valuation using the projected unit credit method at the year-end. The cost incurred towards deferred income plan, including the gain or loss on such actuarial valuation, is recognised in the Statement of Profit and Loss.

Employee benefit expenses for the year ended March 31, 2026 and March, 2025 is as below:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Salary & allowances	3,307	2,840
Contribution to provident fund & superannuation fund	183	141
Gratuity expense	80	72
Leave encashment and compensated leave benefits	118	122
Staff welfare expenses	156	126
Total employee benefit expenses	3,844	3,301

National E-Governance Services Limited

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Notes to the consolidated Ind AS financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs, unless as otherwise stated)

30.1 Gratuity plan

The Group provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") covering eligible employees of the Group. The Gratuity Plan provides a lumpsum 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 with the Group. During the financial year ended March 31, 2025 one of the group entity NESL Asset Data Limited has formed NADL Group Employees Gratuity Trust ("the Trust") and National E-Governance Services Limited has formed Nesl Group Employees Gratuity Trust ("the Trust") during the financial year ended March 31, 2024 and both the companies contributes gratuity liabilities to their respective Trusts. Trustees administer contributions made to the Trust and contributions are invested in a scheme with the Life Insurance Corporation of India as permitted by Indian law.

The following table sets out the status of the unfunded gratuity plan as required by Ind AS 19 - 'Employee benefits'.

Amount recognised in the Balance Sheet at year end	As at March 31, 2026	As at March 31, 2025
Present value of unfunded defined benefit obligation	392	289
Fair value of plan assets	268	168
Net defined benefit (asset)/liability recognised in Balance Sheet*	124	121
*Includes Rs. 8 lakhs reclassified as Assets held for sale as at March 31, 2026.		
Net defined benefit cost/(income) included in Statement of Profit & Loss for the year end	As at March 31, 2026	As at March 31, 2025
Service cost	72	64
Net interest cost	8	8
Total defined benefit cost/(income) included in Statement of Profit & Loss	80	72
Current / non-current bifurcation	As at March 31, 2026	As at March 31, 2025
Current benefit obligation	77	52
Non - current benefit obligation	315	237
(Asset)/liability recognised in the Balance Sheet	392	289
Actual return on plan assets	As at March 31, 2026	As at March 31, 2025
Interest income on plan assets	11	7
Remeasurements on Plan Assets	4	3
Actual Return on Plan Assets	15	10
Analysis of amounts recognised in Other Comprehensive (Income)/Loss at the year end	As at March 31, 2026	As at March 31, 2025
Amount recognised in OCI, beginning of the year	78	60
Remeasurements due to :		
Effect of change in financial assumptions	(12)	8
Effect of experience adjustments	23	14
(Gain)/Loss on Curtailments/Settlements	-	(2)
Return on plan assets (excluding interest)	(4)	(2)
Total remeasurements recognised in OCI	7	18
Amount recognised in OCI at the year end	85	78
Total defined benefit cost/(income) included in Statement of Profit & Loss and Other Comprehensive Income	As at March 31, 2026	As at March 31, 2025
Amount recognised in P&L, for the year	80	72
Amount recognised in OCI, for the year	7	18
Total net defined benefit cost/(income) recognised for the year	87	90
Change in defined benefit obligation during the year	As at March 31, 2026	As at March 31, 2025
Defined benefit obligation, beginning of year	289	211
Net current service cost	72	64
Interest cost on DBO	19	15
Actuarial (gains)/losses	12	20
Benefits paid	-	(21)
Defined Benefit Obligation at the year end	392	289

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Notes to the consolidated Ind AS financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs, unless as otherwise stated)

Change in fair value of plan assets during the year	As at March 31, 2026	As at March 31, 2025	
Fair value of plan assets, beginning of year	168	105	
Interest income plan assets	12	7	
Actual company contributions	84	74	
Actual Administration Expenses Paid	-	-	
Actuarial Gains/(Losses)	4	3	
Benefits Paid	-	(21)	
Fair value of plan assets, end of year	268	168	
Reconciliation of Balance Sheet amount	As at March 31, 2026	As at March 31, 2025	
Balance Sheet (asset)/liability, beginning of year	121	106	
Total charge/(credit) recognised in Profit and Loss	80	72	
Total remeasurements recognised in OC (Income)/Loss	7	17	
Actual Employer Contribution/Benefits paid directly by the Company	(84)	(74)	
Balance Sheet (asset)/liability, end of year	124	121	
Financial assumptions used to determine the defined benefit obligation	As at March 31, 2026	As at March 31, 2025	
Discount rate	7.09%	6.57%	
Salary escalation rate	12.00%	12.00%	
Financial Assumptions Used to Determine the Profit & Loss Charge	As at March 31, 2026	As at March 31, 2025	
Discount rate	7.09%	6.57%	
Salary escalation rate	12.00%	12.00%	
Expected return on plan assets	7.09%	6.57%	
Demographic assumptions used to determine the defined benefit obligation	As at March 31, 2026	As at March 31, 2025	
Withdrawal rate	10.00%	10.00%	
Mortality rate	IALM (2012-14) Ult	IALM (2012-14) Ult	
Retirement age	60 years	60 years	
Asset Category	As at March 31, 2026	As at March 31, 2026	As at March 31, 2026
	Quoted Value	Non-Quoted Value	Total
Insurer Managed Funds & T-bills	0.00%	100.00%	100.00%
Total	0.00%	100.00%	100.00%
Expected contributions for the next financial year			Year ended March 31, 2026
Expected contributions			200
Expected cashflows for the next ten years			As at March 31, 2026
Year - 2027			79
Year - 2028			32
Year - 2029			34
Year - 2030			36
Year - 2031			48
Year - 2032 to 2036			166
Defined benefit obligation by participant status			As at March 31, 2026
a. Actives			392
Total Defined Benefit Obligation			392
Sensitivity analysis			As at March 31, 2026
Defined benefit obligation - discount rate + 100 basis points			(20)
Defined benefit obligation - discount rate - 100 basis points			23
Defined benefit obligation - salary escalation rate + 100 basis points			10
Defined benefit obligation - salary escalation rate - 100 basis points			(10)

National E-Governance Services Limited

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Notes to the consolidated Ind AS financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs, unless as otherwise stated)

30.2 Leave Encashment & Compensated absence scheme

The following table sets out the status of leave Encashment & Compensated absence scheme as required by Ind AS 19 - 'Employee benefits'.

Amounts in Balance Sheet at year end	As at March 31, 2026	As at March 31, 2025
Present value of unfunded defined benefit obligation	288	224
(Asset)/liability recognised in the Balance Sheet*	288	224

*Includes Rs. 24 lakhs reclassified as Assets held for sale as at March 31, 2026.

Amounts recognised in Statement of Profit and Loss for the year	As at March 31, 2026	As at March 31, 2025
Service cost	94	79
Net interest cost	17	13
Remeasurements	7	30
Total expense/(income) included in "Employee benefit expenses"	118	122

Note : The actuarial gains & losses are recognised, immediately, through Statement of Profit and Loss.

Change in defined benefit obligation during the year	As at March 31, 2026	As at March 31, 2025
Defined benefit obligation, beginning of year	224	148
Net current service cost	94	79
Interest cost on dbo	17	13
Actuarial (gains)/losses	7	30
Benefits paid	(54)	(46)
Defined benefit obligation, end of year	288	224

31 Earning per share

Accounting policy:

Basic earnings per share are computed by dividing profit or loss attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

Particulars	As at March 31, 2026	As at March 31, 2025
Profit/(loss) attributable to equity shareholders of the Group	5,872	5,158
Number of shares outstanding as on the balance sheet date (units in lakhs)	750	750
Weighted average number of shares purpose of EPS basic and diluted (units in lakhs)	750	750
Earnings per share basic and diluted (in ₹ per share)	7.83	6.88

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Notes to the consolidated Ind AS financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs, unless as otherwise stated)

32 Additional information pursuant to para 2 of general instructions for the preparation of consolidated financial statements as on 31st March 2026

Name of the entity	Net assets		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
	as % of consolidated net assets	Amount	as % of consolidated profit and loss	Amount	as % of consolidated other comprehensive income	Amount	as % of consolidated total comprehensive income	Amount
National E-Governance Services Limited	97.94%	32,061	112%	6,566	140%	(7)	112%	6,559
Subsidiaries								
NESL Asset Data Limited	1.54%	505	-12%	(706)	-40%	2	-12%	(704)
NESL E-infrastructure Limited	0.52%	170	0%	12	0%	-	0%	12
Sub total	100%	32,736	100%	5,872	100%	(5)	100%	5,867
Adjustment arising out of consolidation		(2,300)		-		-		-
Total		30,436		5,872		(5)		5,867

Additional information pursuant to para 2 of general instructions for the preparation of consolidated financial statements as on 31st March 2025

Name of the entity	Net assets		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
	as % of consolidated net assets	Amount	as % of consolidated profit and loss	Amount	as % of consolidated other comprehensive income	Amount	as % of consolidated total comprehensive income	Amount
National E-Governance Services Limited	96.44%	26,252	106%	5,450	120%	(12)	106%	5,438
Subsidiaries								
NESL Asset Data Limited	2.98%	810	-6%	(288)	0%	-	-6%	(288)
NESL E-infrastructure Limited	0.58%	158	0%	(4)	-20%	2	0%	(2)
Sub total	100%	27,220	100%	5,158	100%	(10)	100%	5,148
Adjustment arising out of consolidation		(1,900)		-		-		-
Total		25,320		5,158		(10)		5,148

National E-Governance Services Limited

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Notes to the consolidated Ind AS financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs, unless as otherwise stated)

33 Functional currency:**Accounting policy:**

The functional currency for the Group is INR and the standalone Ind AS financial statements are presented in INR lakhs. Transactions in foreign currencies, if any, are initially recorded by the Group at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Group uses an average rate, if the average approximates the actual rate at the date of the transaction.

34 Capital management

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to maximise the shareholder value and maintain the regulatory Net Worth requirements as per IBC for NeSL and NoF requirements as per RBI for NaDL.

The Group manages its funds in a manner that it achieves maximum returns (net of taxes) with minimum risk to the capital and it considers the liquidity concerns for its working capital requirements.

To meet the above objectives, the Group invests its funds in bank fixed deposits receipts (FDRs), state government securities and mutual funds as per the Group's investment policy.

The Company is obligated to adhere to capital maintenance as per regulatory requirements of Insolvency and Bankruptcy Code (IBC), to maintain minimum capital of Rs 5,000 Lakhs computed as Net Worth during any year. Net Worth is the total of Equity Share Capital and Other Equity as disclosed in the balance sheet. The management has assessed that the Company is currently sufficiently capitalised in terms of the Net Worth requirements during, and, as at the end of, current and previous financial year.

NaDL is subject to regulatory requirements by RBI to maintain capital of Rs 200 lakhs at the time of being licensed as Account Aggregator, as per the in-principle approval given by RBI to the Company under its Master Directions. RBI requires capital maintenance in terms of Net Owned Fund (NoF). For NoF calculation, intangibles do not qualify to be capitalised. During the year, the holding company has infused Rs. 400 lakhs in June 23, 2025 in order to maintain NoF above the regulatory requirements mandated by RBI. The management has assessed that the Company is currently sufficiently capitalised in terms of the NoF requirements as at the end of current financial year. Any future capital requirements will be reviewed by the management of the Company to comply with the regulatory requirement.

35 Contingent liabilities**Accounting policy:**

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. The Group does not recognize a contingent liability but discloses its existence in the Consolidated financial statements.

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Claims against the company not acknowledged as debt;	-	-
(b) Guarantees excluding financial guarantees; and	-	-
(c) Other money for which the company is contingently liable.	-	-

The Group doesn't have any contingent liability for the year ended March 31, 2026 and for the year ended March 31, 2025.

36 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 for	29	41
b) Uncalled liability on shares and other investments partly paid;	-	-
c) Other commitments for expenses	-	-
Total commitments	29	41

37 Exceptional Item - Interest Income under the MSMED Act, 2006

Pursuant to observations received from the Comptroller and Auditor General of India (CAG) during its compliance audit, the Company reassessed its entitlement to interest under Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) in respect of delayed payments by customers during the period in which the Company qualified as a Micro, Small and Medium Enterprise. Based on this assessment, the Company raised claims during the year ended March 31, 2026 for interest on delayed payments relating to invoices issued from the commencement of operations up to June 26, 2022, being the date on which the Company ceased to qualify as a small enterprise under the MSMED Act.

Accordingly, the Company recognised interest income of ₹959 lakh during the year. Considering the nature, magnitude and non-recurring nature of the item, the same has been disclosed as an exceptional item in the Statement of Profit and Loss.

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Notes to the consolidated Ind AS financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs, unless as otherwise stated)

38 Disposal group held for sale:**Accounting policy:**

Non-current assets and disposal groups are classified under held for sale if their carrying amount is intended to be removed principally through sale rather than continuous use. The condition for classification of held for sale is met when the non-current asset or disposal group is available for immediate sale and the same is highly probable of being completed within one year from the date of classification under held for sale. Non-current assets and disposal groups held for sale are measured at lower of carrying value and fair value less cost to sell.

Pursuant to directions received from the regulatory authority, the Group has initiated the process for divestment of its subsidiary, NESL Asset Data Limited. The Board of Directors of the Holding Company has approved the proposed sale and management is actively pursuing the disposal in accordance with the regulatory requirements. Based on the assessment of the criteria prescribed under Ind AS 105 - Non-current Assets Held for Sale and Discontinued Operations, the assets and liabilities of NESL Asset Data Limited have been classified as a disposal group held for sale as at March 31, 2026. The disposal group has been measured at the lower of its carrying amount and fair value less costs to sell. The Group expects the disposal to be completed within twelve months from the date of classification, subject to the completion of the necessary regulatory and contractual requirements.

Accordingly, assets aggregating to Rs. 720 lakhs and liabilities aggregating to Rs. 174 lakhs relating to NESL Asset Data Limited have been presented separately as "Assets held for sale" and "Liabilities directly associated with assets held for sale", respectively, in the consolidated balance sheet as at March 31, 2026. Based on the assessment performed, the carrying amount of the disposal group does not exceed its fair value less costs to sell and, accordingly, no impairment loss has been recognised on classification as held for sale.

Particulars of Assets held for sale and Liabilities directly associated with assets held for sale are as below:

Particulars	As at March 31, 2026	As at March 31, 2025
Assets held for sale:		
Property, Plant and Equipment	7	-
Other intangible assets	42	-
Investments	43	-
Other financial assets	3	-
Cash and cash equivalents	29	-
Other bank balances	334	-
Trade receivables	98	-
Other assets	134	-
Current tax assets	18	-
Deferred tax assets (net)	12	-
Total	720	-
Liabilities directly associated with assets held for sale:		
Trade payables	124	-
Other financial liabilities	3	-
Provisions	32	-
Other liabilities	15	-
Total	174	-

Further, management has assessed that the proposed disposal does not represent a separate major line of business or geographical area of operations of the Group and, accordingly, the disposal group does not meet the criteria for presentation as a discontinued operation under Ind AS 105.

39 Corporate social responsibility (CSR)

The Group has made a profit of more than 5 crores in the previous year. Hence, the Group is required to spend 2% of its average net profit for the immediately preceding 3 financial years on CSR activities as per Section 135 and Schedule VII of the Companies Act as well as the provisions of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

During the year the Group has incurred the following expenditure in CSR activities:

Particulars	As at March 31, 2026	As at March 31, 2025
Promoting Healthcare	49	30
Promotion of Education	20	-
Environmental causes	59	74
Total expenditure in CSR activities	128	104
a) Amount required to be spent by the Group during the year	128	104
b) Amount spent during the year:		
(i) Construction/acquisition of Asset	-	-
(ii) On purposes other than (i) above	128	104
Total amount spent/required to be spent during the year	128	104
Surplus for the year (a - b)	-	-

Note: i) There are no related party transactions entered during the year for CSR activities.

ii) There are no unspent CSR amount. Hence, provision for liability is not recognised.

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Notes to the consolidated Ind AS financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs, unless as otherwise stated)

40 Related party disclosures

Key management personnel : Mr. Debajyoti Ray Chaudhuri, MD & CEO
Mrs. E.P. Nivedita, ED & CRO
Mr. Pradeep Shripad, CFO
Mrs. S. Padmavathy, CS

Post employment benefit plan : Nesl Group Employees Gratuity Trust
NADL Group Employees Gratuity Trust

Details of transactions entered into with related parties along with balances as at year end are as given below:

Contribution to post employment benefit plan

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
NESL Group Employees Gratuity Trust	72	73
NADL Group Employees Gratuity Trust	14	1
Total contribution to post employment benefit plan	86	74

Remuneration to key management personnel for the year ended for the year ended March 31, 2026

Key management personnel	Short-term employee benefits	Post- employment gratuity and medical benefits	Termination benefits	Share based payment transactions	Total compensation
Mr. Debajyoti Ray Chaudhuri	138	5	-	-	143
Mrs. E.P. Nivedita	56	7	-	-	63
Mr. Pradeep Shripad	62	1	-	-	63
Mrs. S. Padmavathy	52	1	-	-	53
Total	308	14	-	-	322

Remuneration to key management personnel for the year ended for the year ended March 31, 2025

Key management personnel	Short-term employee benefits	Post- employment gratuity and medical benefits	Termination benefits	Share based payment transactions	Total compensation
Mr. Debajyoti Ray Chaudhuri	114	4	-	-	118
Mrs. E.P. Nivedita	55	7	-	-	62
Mr. Vinod Shenoy M ¹	56	11	-	-	67
Mr. Diwakar Kannan ²	2	-	-	-	2
Mr. Pradeep Shripad ³	10	-	-	-	10
Mrs. S. Padmavathy	51	4	-	-	55
Total	288	26	-	-	314

1. Mr. Vinod Shenoy M was CFO till November 14, 2024.

2. Mr. Diwakar Kannan as Interim CFO from November 15, 2024 to February 4, 2025 and the remuneration paid is for the term of his services as interim CFO.

3. Mr. Pradeep Shripad took charge as CFO from February 5, 2025.

B. Balances outstanding as at year end

Particulars	As at March 31, 2026	As at March 31, 2025
Post employment benefit plan		
Nesl Group Employees Gratuity Trust	254	167
NADL Group Employees Gratuity Trust	14	1
Total post employment benefit plan	268	168
Remuneration payable		
Mr. Diwakar Kannan	-	2
Total remuneration payable	-	2

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Notes to the consolidated Ind AS financial statements for the year ended March 31, 2026

(All amounts are in INR lakhs, unless as otherwise stated)

41 Ratios

The various analytical ratios for the year ended March 31, 2026 and March 31, 2025 are as below:

Particulars	Numerator	Denominator	As at March 31, 2026	As at March 31, 2025	Variance in %
Current ratio (in times)	Current assets	Current liabilities	2.13	2.57	-17.38%
Debt-Equity Ratio (in times) ⁽¹⁾	Total Debt (representing lease liabilities)	Shareholders Equity	0.08	0.02	325.22%
Debt Service Coverage ratio (in times)	Earnings available for debt service	Debt Service (representing lease liabilities)	3.21	13.09	-75.49%
Return on equity ratio (in %)	Total comprehensive income	Average shareholders Equity	21.05%	22.26%	-1.22%
Inventory turnover ratio ⁽¹⁾	Cost of goods sold	Average inventory	NA	NA	NA
Trade receivables turnover ratio (in times)	Net credit sales	Average trade receivable	2.59	2.30	12.68%
Trade payables turnover ratio (in times)	Net credit purchases ⁽²⁾	Average trade payables	9.45	7.12	32.80%
Net Capital turnover ratio (in times)	Revenue	Working capital	1.27	0.92	37.10%
Net profit ratio (in %)	Net profit after taxes	Revenue	38.01%	39.60%	-1.59%
Return on Capital employed (in %)	EBIT	Average capital employed	25.89%	26.14%	-0.26%
Return on investment (in %)	Income generated from investments	Time weighted average investments	6.96%	6.98%	-0.02%

1) The Group has no inventory. Hence, inventory turnover ratio is not applicable.

2) Net credit purchases represent purchases made for services and other expenses

Reasons for variance above 25%

a) Debt Equity ratio and Debt Service Coverage ratio: Increase in lease liabilities due to recognition of right of use assets for data centres leading to the variance.

b) Trade payables turnover ratio: Decrease in vendor payment settlement cycle leading to the variance.

c) Net Capital turnover ratio: Increase in revenue leading to positive variance.

42 Other notes accompanying the consolidated financial statements

a) The Group is maintaining the books of account at its administrative office in Bengaluru as authorised by the Board of Directors.

b) The Group has only one operating segment and monitors its performance for the business as a whole, hence segment reporting is not applicable.

c) No proceedings have been initiated on or are pending against the group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

d) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Group (Ultimate Beneficiaries). The Group has not received any fund from any party(s) (Funding Party) with the understanding that the Group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

e) The Group has not been declared wilful defaulter by any bank or financial institution or other lender.

f) The Group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

g) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

h) There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

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

j) The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

k) NaDL and NEiL are fully owned subsidiaries of NeSL. Hence, the disclosure requirements as per Para 1 (i) and (ii) for preparation of Consolidated Financial Statements, as per Schedule III Division II is not applicable.

l) There are no immovable properties in the Company other than properties taken on lease.

For K N Prabhaskar & Co.

Chartered accountants

Firm registration number: 004982S

For and on behalf of the Board of Directors of

National E-Governance Services Limited

Sd/-

A.Umesh Patwardhan

Partner

Membership No: 222945

Date: 24 June, 2026

Place: Bengaluru

Sd/-

N. S. Vishwanathan

Chairperson

DIN: 09568559

Sd/-

Pradeep Shripad

Chief Financial Officer

Date: 24 June, 2026

Place: Bengaluru

Sd/-

Debajyoti Ray Chaudhuri

Managing Director & CEO

DIN: 09242571

Sd/-

Padmavathy S.

Company Secretary

M.No: A37997

Sd/-

Nivedita E. P.

Executive Director & CRO

KEY EVENTS

BW Tech World – 1st Edition – Tech Leaders Connect, 6th May 2025

NeSL MD & CEO, Shri. Debajyoti Ray Chaudhuri was invited as a panelist at the BW Tech Leaders Connect Summit in New Delhi to speak on the topic '*Sustainability in technology, social impact of technology and green technologies and innovation*'. MD & CEO was speaking on the need for reversing the years of deforestation which is being done for larger goals like facilitating urbanization or saving our rivers and lakes from untreated discharge, whether from homes or factories. He also elaborated on how NeSL is contributing to sustainability by making contracting digital and paperless at every stage, i.e. at the time of execution, storage and above all, at the time of retrieval for reference or legal recourse.



Global Trade Review 2025 “Panel Discussion”, 14th May 2025

NeSL MD & CEO, Shri. Debajyoti Ray Chaudhuri was invited to speak in a panel discussion at the Global Trade Review (GTR) 2025 on 14th May 2025 at Mumbai, India on the topic '*Finance interoperability in India: A blueprint for Infrastructure modernization*'. The session was moderated by Mr. Amit Pradhan (LIBF), and he was joined by an esteemed panel of leaders Mr Sunil Jain (HDFC Bank), Jia Min Lim (Komgo), Mr Pratik Sharma (Automaxis) and Mr Ravi Pooli (Swift India).



ASSOCHAM Exclusive Roundtable on Trade Finance, 29th May 2025

Shri. Debajyoti Ray Chaudhuri, MD & CEO, NeSL was invited as a panelist at ASSOCHAM's roundtable conference on the topic '*Ease of doing business in the manufacturing industry*'.

Dun & Bradstreet – Business Enterprises of Tomorrow 2025 Summit (New Delhi), 27th June 2025

NeSL MD & CEO, Shri. Debajyoti Ray Chaudhuri was invited to speak in a panel discussion at the Dun & Bradstreet, Business Enterprises of Tomorrow 2025 summit on the topic '*Rethinking the Future of India's Small and Mid-Sized Businesses*'. MD & CEO addressed the gathering, highlighting the challenges faced by MSMEs in the procurement processes and how NeSL's e-BG is a value proposition to beneficiaries who are usually the government or large corporates. Now there are a large number of companies and government portals which are readily accepting eBGs and there are 35 banks issuing e-BGs on the NeSL e-BG platform. The address also highlighted issues faced by MSMEs like delays in payment from their customers and how IBC is one of the landmark reforms to resolve such issues.



Expert guest lecture to PGIP students at Indian Institute of Corporate Affairs (IICA), Manesar, 12th August 2025

NeSL, MD & CEO, Shri. Debajyoti Ray Chaudhuri was invited to deliver an expert guest lecture to students of the Post Graduate Insolvency Programme (PGIP) at the Indian Institute of Corporate Affairs. He highlighted the importance of data integrity, timeliness for information submission with the IU and the critical role played by Information Utilities in insolvency resolution.



FICCI – Indian Banks’ Association Banking Conference (FIBAC), Mumbai., 25th August 2025

FIBAC 2025 by FICCI was held in Mumbai where Shri. Debajyoti Ray Chaudhuri, MD & CEO, NeSL, participated in a high-level panel discussion on “Beyond Bureau : Harnessing the Power of Alternate Data”. He shared insights on how alternate data sources can expand credit access, strengthen risk assessment, and support financial inclusion. He also spoke about the evolving role of digital innovations in banking and regulatory technology, highlighting NeSL’s contribution to building trust and transparency in financial transactions through its electronic Bank Guarantees (e-BG) and Digital Document Execution (DDE) platforms.



Inaugural IBC Conclave 2025 – Form Code to Catalyst: IBC Vision 2030, 29th August 2025

NeSL, MD & CEO, Shri. Debajyoti Ray Chaudhuri was invited as a guest speaker to deliver the opening remarks at the Inaugural IBC conclave to talk on proposed amendments in the code. In his address, MD & CEO highlighted that the draft bill proposes for RoD by NeSL to be considered sufficient for the adjudicating authority to ascertain the existence of default in Sec. 7 applications. Other eminent speakers include Shri. M M Kumar, Former President, NCLT. Smt. Anita Shah, Joint Secretary, MCA, Shri. Sumant Batra and other partners from prominent insolvency professional entities (IPEs).



Webinar on Latest Amendments to IBC – AAA Insolvency Professional Entity, 30th August 2025

NeSL, MD & CEO, Shri. Debajyoti Ray Chaudhuri was invited to speak at a webinar organized by a leading Insolvency Professional Entity (IPE) on the latest amendments to the Insolvency and Bankruptcy Code, 2016 (IBC). He discussed the implications of the recent reforms and how they would enhance creditor confidence and speed up resolution timelines.



IBBI-NeSL-NCLT Colloquium, Jaipur, Rajasthan – 2025, 19th September 2025

MD & CEO, NeSL addressed the audience on the Inaugural day of the NCLT Colloquium regarding the submission of information, issuance of Record of Default (RoD) and the proposed IBC Amendment Bill, 2025, which would empower IU with greater responsibilities. The presentation explained the contents of Form D (RoD), in detail, which will help establish debt, default, and limitation. The colloquium was presided by Hon'ble President NCLT and attended by Hon'ble Members of NCLT, Secretary and Joint Secretary, MCA, Chairperson IBBI and Officials from IBBI, MCA, NeSL and NCLT.



State Level Bankers' Committee (SLBC)- Kolkata, 21st September 2025

NeSL also engaged with the State Level Bankers' Committee in Kolkata to deliver a presentation on Information Utility, Digital Document Execution, and Electronic Bank Guarantees (e-BG).



Global Fintech Fest 2025, Mumbai, 7th October 2025

NeSL entered into three strategic MoUs aimed at advancing digital finance and strengthening India's financial ecosystem. NeSL signed a landmark MoU with the National e-Governance Division (NeGD) to enhance and integrate digital document management by enabling secure digital access to electronically executed bank guarantees through Entity Locker accounts, promoting transparency, legal compliance, and ease of doing business. In collaboration with Perfios, NeSL established a partnership to leverage AI-driven risk analytics, process automation, and data intelligence, enabling lenders to improve due diligence, detect early credit risks, and strengthen underwriting and monitoring processes. Additionally, NeSL partnered with DBS Bank India to drive the adoption of electronic bank guarantees (e-BGs), reducing reliance on physical documentation, enabling faster turnaround times, ensuring secure digital authentication, and enhancing end-to-end transparency across the guarantee lifecycle.



Guest lecture to LLM – IBC students at IICA, 13th October 2025

MD & CEO, was invited to deliver an expert guest lecture to the students of NALSAR & IICA, LLM – IBC at IICA. His address was on the title '*Powering Insolvency Resolution: The Critical Role of Information Utilities in the IBC Framework*'.

Inauguration EV Bus for IIM-B donated by NeSL as part of NeSL CSR, 24th October 2025

As part of the annual CSR initiatives for FY 2024–25, NeSL partnered with the Indian Institute of Management Bangalore (IIMB) to promote clean mobility on campus by facilitating an electric bus for the daily commute of faculty and staff. The bus was flagged off on 24 October 2025 at the IIM Bangalore campus in the presence of senior leadership from NeSL, Canara Bank, and IIM Bangalore. Speaking at the event, Shri Debajyoti Ray Chaudhuri, MD & CEO, NeSL, reflected on NeSL's enduring partnership with IIM Bangalore in advancing sustainable practices, including rooftop solar panels and the electric bus initiative. He emphasised that sustainability at NeSL extends beyond CSR and is woven into the fabric of its business through initiatives such as Digital Document Execution (DDE), which promotes efficiency, cost reduction, and environmental responsibility by eliminating paper and travel.



Canara Bank – Green Warrior Awards, 24th October 2025

NeSL's DDE is digital, paperless, and enforceable in digital form, promoting a sustainable way of doing business. The "Green Warrior" Awards was held on 24th October 2025 at the Indian Institute of Management Bangalore, recognising officials across segments for enabling paperless documentation and contributing to environmental conservation. The ceremony was graced by Shri Bhavendra Kumar, Executive Director, Canara Bank, Shri Debajyoti Ray Chaudhuri, MD & CEO, NeSL, and Smt. Nivedita EP, Executive Director & CRO of NeSL.



IBC Conclave by IP Net and IPA of Institute of Cost Accountants of India, 1st November 2025

NeSL is proud to have been part of the IBC Conclave 2025, organized by IP Net & IPA of Institute of Cost Accountants of India on 1st November 2025. The event featured an insightful panel discussion on "Balancing Stakeholders' Interest: Homebuyer, MSME and Financial Creditors Rights" NeSL MD & CEO, Shri. Debajyoti Ray Chaudhuri, along with Shri. Jayesh Sanghrajka and Shri. Hari Hara Mishra shared their perspectives on creating a balanced and inclusive insolvency framework.



National Conference on DigiLocker, 4th November 2025

Shri. Debajyoti Ray Chaudhuri, MD & CEO, NeSL made a presentation on the partnership with National e-Governance Division, which would make available various services of NeSL on the EntityLocker and DigiLocker in a phased manner. The event was also attended by Dr. Mustafa Shiyaji, Chief Strategy & Business Officer, NeSL along with other team members.



Pre-Budget Consultation – BFSI Sector, Union Finance Ministry, 19th November 2025

Union Minister for Finance & Corporate Affairs Smt. Nirmala Sitharaman chaired the seventh Pre-Budget Consultation with the experts from Banking, Financial Services and Insurance, BFSI sector in connection with the forthcoming Union Budget 2026-27, in New Delhi. National E-Governance Services Limited, in its role as an Information Utility was also invited to contribute to this closed panel group. Shri Debajyoti Ray Chaudhuri, MD and CEO, NeSL, who was present at the event, shared his inputs.



56th Indian Valuers Congress (IVC), Raipur, 18th December 2025

Shri Debajyoti Ray Chaudhuri, MD & CEO, NeSL, addressed the 56th Indian Valuers Congress (IVC®) in Raipur as a Special Guest. In his remarks, he recalled the implementation of the Companies (Registered Valuers and Valuation) Rules, 2017 during his tenure at IBBI, a milestone that brought the valuation profession under a formal regulatory framework and strengthened its role within the IBC ecosystem and the broader economy. He also highlighted that the draft IBC Amendment Bill proposes to recognize Registered Valuers as service providers under the Code. He further shared insights on the growing role of Information Utilities, particularly NeSL's contribution under the IBC framework.



Guest Lecture – MBA-DBM Programme, IIM Bodh Gaya, 21st December 2025

Shri Debajyoti Ray Chaudhuri, MD & CEO, National E-Governance Services Ltd. (NeSL), recently delivered an engaging online guest lecture for the MBA-Digital Business Management (MBA-DBM) programme at IIM Bodh Gaya. Speaking on the theme “Digitalisation: Evolving Opportunities in BFSI,” Shri Debajyoti Ray Chaudhuri shared valuable perspectives drawn from his extensive leadership experience across banking and digital financial infrastructure. His session offered students deep insights into the rapidly transforming digital landscape of the Banking, Financial Services, and Insurance (BFSI) sector, highlighting emerging opportunities, challenges, and the critical role of technology in shaping the future of financial services. NeSL is pleased to contribute to academic discourse and knowledge sharing and remains committed to supporting the development of India's digital finance ecosystem by engaging with future management professionals.



4th Annual Conference – Insolvency Law Academy (ILA), Hyderabad, 24th to 26th Jan 2026

NeSL MD & CEO, Shri Debajyoti Ray Chaudhuri, spoke as a panelist on 'The Bold and Beautiful: IBC Amendment Bill 2025' at the 4th Annual ILA Conference at Ramoji Film City, Hyderabad. The panel included eminent players in the insolvency ecosystem like Dr. M. S. Sahoo, former Chairperson, IBBI. While participating in the panel discussion, he stated that the draft IBC Amendment Bill had several provisions to strengthen the information utility so that it could play a meaningful role in making India's insolvency framework more robust and effective. These included RoD based initiation of insolvency proceedings for certain categories of financial creditors, submission of information by OCs if they were desirous of initiating insolvency proceedings and authentication of information by debtors. He also stated



that NeSL was ready to support the insolvency framework for individuals and non-corporate debtors, whenever the same is notified by the government.

WOFA 2026 – World of Fintech & Accounting, 30th Jan to 1st Feb 2026

NeSL MD & CEO, Shri Debajyoti Ray Chaudhuri spoke at WOFA 2026, about the role of Information Utility in empowering MSMEs. He outlined NeSL's digital tools including access to credit information and default alerts. He elaborated on how NeSL's e-BG services reduce procurement cycles and optimises working capital management, thus benefitting MSMEs. He also exhorted the professionals to facilitate MSMEs benefit from India's Digital Public Infrastructure (DPI) and develop financial resilience and competitive advantage



IICA Training – IES Officer Trainees, Manesar, 2nd to 6th February 2026

NeSL MD & CEO, Shri Debajyoti Ray Chaudhuri, was invited to deliver a session on 'Debt & Default – Data Based Decision Making' at IICA's One-Week Training Programme on the Companies Act, Competition Law, and IBC for Indian Economic Service (IES) Officer Trainees. As India's first Information Utility, NeSL holds a vast repository of financial information which could be of use to researchers and decision makers.



Nation Building Conclave 2026, 14th February 2026

NeSL MD & CEO, Shri Debajyoti Ray Chaudhuri, participated as a panellist at the Nation Building Conclave 2026 discussing 'The Big Shift: Is India Entering Its Golden Economic Era?'. He described GST and IBC as transformative reforms and stated that over the years India has built strong institutions like RBI, SEBI, IRDAI and these would be the bedrock India's future growth. He referred to the book 'Why Nations Fail' to support his argument that it is always the strength and quality of institutions which support a country's growth. He also spoke passionately about AI as an enabler, stating 'The future will not belong to AI, but to those who know AI.'



Guest Lecture – Maharashtra National Law University, Mumbai, 24th February 2026

NeSL MD & CEO, Shri Debajyoti Ray Chaudhuri, delivered an address at Maharashtra National Law University, Mumbai on 'The Role of Information Utilities under the Insolvency and Bankruptcy Code, 2016'. The session offered students a deep dive into the evolving insolvency landscape and the proposed IBC Amendments Bill and its impact on the functioning of the Information Utility. The session was highly interactive and there was keen interest from the students in India's digital tools to support the insolvency ecosystem.



XIth NLIU–Trilegal Summit on Corporate & Commercial Laws 2026, 27th –28th February 2026

NeSL MD & CEO, Shri Debajyoti Ray Chaudhuri, was Chief Guest at the XIth NLIU–Trilegal Summit at NLIU Bhopal. He appreciated student papers on digitalization and regulatory issues and participated as a speaker in a roundtable on 'The IBC Amendment Bill 2025: Key Changes and Emerging Implications', elaborating on how proposed amendments will enhance the effectiveness of the Information Utility. He was also a Jury member for the Paper Presentation event.



ISEA CISO Leadership Meet – Bengaluru Edition (MeitY/C-DAC), 6th March 2026

NeSL MD & CEO, Shri Debajyoti Ray Chaudhuri, was invited as Chief Guest at the Information Security Education and Awareness (ISEA) CISO Leadership Meet – Bengaluru Edition, an initiative of MeitY organized by C-DAC. This pan-India platform brought together cybersecurity leaders to discuss evolving cyber threats and share actionable best practices, empowering decision-makers with insights on strengthening cyber resilience. MD in his address as Chief Guest, stated that for NeSL, information security is of paramount importance, being a repository of financial information submitted by banks and other regulated entities.



ET Edge – Bharat's Best to a Billion Summit, 25th March 2026

NeSL's MD & CEO, Shri Debajyoti Ray Chaudhuri, joined industry leaders at the ET Edge – The Times Group, Bharat's Best to a Billion Summit 2026, an initiative by The Economic Times for a panel discussion on "Building Bharat from the Ground Up: Scaling Strong, Sustainable Enterprises, ". During his address, he stated that India has built a world class digital public infrastructure and we should use our DPI to address the challenges which the country faces and progress towards Viksit Bharat 2047.



Chief Guest / Jury at Gujarat National Law University, 27th to 29th March 2026

NeSL's MD & CEO, Shri. Debajyoti Ray Chaudhuri, was invited as the Guest of Honour at the inauguration of the 3rd Edition of the GCCIL National Mock CIRP Competition 2026 organized by GNLU Centre for Corporate and Insolvency Law (GCCIL) at Gujarat National Law University (GNLU), Ahmedabad. In his address, he shared insights on the evolving insolvency ecosystem and the importance of practical training for future professionals. The Chief Guest for the event was Shri. Ajai Das Mehrotra, Hon'ble Member, NCLAT, Delhi. In addition to his keynote address, Shri. Debajyoti Ray Chaudhuri was also invited to adjudge the final round of the competition, along with other distinguished members of the insolvency fraternity.





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