L&T Thales Technology Services Private Limited
BOARD'S REPORT (SECTION 134)

Dear Members,

The Directors have pleasure in presenting their Twentieth Annual Report along with Audited Financial Statements of L&T Thales Technology Services Private Limited (The Company) having its registered office at RMZ One Paramount, Campus 10, 3rd Floor, A Wing, No. 110, Mount Poonamallee High Road, Porur, Chennai – 600116 for the year ended March 31, 2026.

1. **FINANCIAL RESULTS:**

Particulars	2025-26	2024-25
	₹ Thousands	₹ Thousands
Profit/(Loss) Before Depreciation, exceptional and extra ordinary items & tax	109,439	(144,460)
Less: Depreciation, amortization, impairment and obsolescence	(8969)	(8,513)
Profit/(Loss) before exceptional and extraordinary items and tax	100,470	(152,973)
Add: Exceptional Items	Nil	Nil
Profit/(Loss) before tax	100,470	(152,973)
Less: Provision for tax	(25,623)	(28,721)
Profit for the period carried to the Balance Sheet	74,847	(124,253)
Add: Balance brought forward from previous year	565,812	687,714
Less: Dividend paid for the previous year (Including dividend distribution tax)	Nil	Nil
Add: Gain/(Loss) on re-measurement of the net defined benefit plans	1,635	2,351
Balance available for disposal which the Directors appropriate as follows:	630,593	565,812
Debenture Redemption Reserve	Nil	Nil
Balance carried to Balance Sheet	630,593	565,812

2. **PERFORMANCE OF THE COMPANY:**

The gross sales and other income for the financial year under review were 529,892 thousand as against ₹ 589,950 thousand for the previous financial year registering an decrease of 10%. The Profit before tax from continuing operations including extraordinary and exceptional items was ₹ 100,970 thousand and the Profit after tax from continuing operations including extraordinary and exceptional items was ₹ 74,847 thousand for the financial year under review as against

₹ (152,973) thousand and ₹ (124,253) thousand respectively for the previous financial year, registering a increase of 107% and 106% respectively.

3. **CAPITAL & FINANCE:**

   There has been no change in the share capital of the Company during the said financial year. As on March 31, 2026, the total paid up equity share capital of the Company was ₹ 20,550 thousand consisting of 2,054,989 equity shares of ₹ 10/- each, fully paid up.

4. **CAPITAL EXPENDITURE:**

   As of March 31, 2026, the gross fixed and intangible assets including leased assets, stood at ₹ 74,078 thousand and the net fixed and intangible assets, including leased assets, at ₹ 20,686 thousand. Addition to gross block during the year amounted to ₹ 538 thousand.

5. **DEPOSITS:**

   The Company has not accepted deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Rules framed thereunder.

6. **DEPOSITORY SYSTEM:**

   The Ministry of Corporate Affairs requires certain companies to facilitate dematerialization of all its existing securities and has mandated that the stake of promoters, directors and key managerial personnel should be held in demat form. As on March 31, 2026, 100% of the Company's total paid up capital representing 2,054,989 shares are in dematerialized form. The Company submits the report on reconciliation of share capital audit from the Practicing Company Secretary within the prescribed timelines.

7. **PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN OR SECURITY PROVIDED BY THE COMPANY:**

   The Company has disclosed the full particulars of the loans given, investments made, guarantees given or security provided as required under Section 186 of the Companies Act, 2013 in Note No. 9 and 6 respectively forming part of the financial statements.

8. **PARTICULARS OF CONTRACT OR ARRANGEMENT WITH RELATED PARTIES:**

   All the related party transactions were in the ordinary course of business and at arm's length. The Board has approved all the related party transactions for FY 2025-26 as required under the provisions of Section 177 of the Companies Act, 2013.

   There are no materially significant related party transactions that may have conflict with the interest of the Company.

9. **AMOUNT TO BE CARRIED TO RESERVES:**
The Company has not transferred any amount to reserves during the current financial year.

10. **DIVIDEND:**
The Board of Directors has not declared any dividend for the financial year under review.

11. **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY, BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT:**
There are no material changes that have taken place in the Company between the date of Balance Sheet and the date of Board's Report.

12. **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

(A) Conservation of energy:

The operations of the Company are not energy intensive as the Company is not engaged in any manufacturing activity and is not included under the list of industries which should furnish information in Section 134(3)(m) read with Rule 8(3) of the Companies (Accounts) Rules, 2014.

(B) Technology absorption: Nil

The Company being Technology driven, has always adopted the latest technology trends and best practices.

(C) Foreign exchange earnings and outgo:

The Company exports engineering and designing services mainly to North America, Europe and other countries.

The total foreign exchange earned and used for the period under review is as under:

Particulars	₹ thousands
Foreign exchange earned	478,993
Foreign exchange used	400,779

13. **RISK MANAGEMENT POLICY:**
The Company has adopted risk management policy of its holding company and has in place a mechanism to inform the Board members about risk assessment and minimization initiatives undertaken. It also periodically reviews the risk to ensure that executive management controls risk by means of a properly designed framework.

14. CORPORATE SOCIAL RESPONSIBILITY:

Based on the audited financial statements of the Company for the financial year ended March 31, 2025, the Company's net worth, turnover and net profit were below the thresholds prescribed under Section 135(1) of the Companies Act, 2013. Accordingly, the CSR provisions ceased to apply to the Company, as CSR obligations continue only when the prescribed financial thresholds are met in the immediately preceding financial year.

The Finance Head has certified that the CSR funds disbursed in earlier years were utilized for the purposes and in the manner approved by the Board. The Board also noted that the Company had no amount lying in the Unspent CSR Account relating to ongoing projects. Accordingly, in line with the CSR Rules—which require the CSR Committee to continue only where unspent CSR amounts exist—the CSR Committee could be discontinued.

Consequently, the Corporate Social Responsibility Committee stood dissolved w.e.f. July 14, 2025, and the Company is no longer required to undertake CSR expenditure from FY 2025–26 onwards.

15. DETAILS OF DIRECTORS & KEY MANAGERIAL PERSONNEL APPOINTED/RESIGNED DURING THE YEAR:

During the year under review, Mr. Abhishek Sinha, Mr. Gilles Bono and Mr. Rajkumar Ravindranathan ceased to be Directors of the Company w.e.f. August 22, 2025, December 10, 2025 and January 2, 2026 respectively.

During the year under review, Mr. Alind Saxena and Mr. Ankur Deepak Kanaglekar were appointed as the Directors of the Company w.e.f. September 22, 2025 and December 12, 2025 respectively.

Mr. Rajeev Gupta, Mr. Alind Saxena and Mr. Ankur Deepak Kanaglekar are the current Directors of the Company.

Mr. Rajeev Gupta (DIN: 06782710) by rotation and being eligible, offers himself for re-appointment in the upcoming Annual General Meeting.

Mr. Indrajit Sen (DIN: 07404665) was appointed as an Additional Director of the Company with effect from April 20, 2026. The Company proposes his appointment as a Non-Executive Director, liable to retire by rotation, at the ensuing Annual General Meeting.

16. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

The Meetings of the Board are held at regular intervals.

During the year under review 4 meetings were held on April 21, 2025, April 23, 2025 (adjourned) July 14, 2025, October 15, 2025 & January 19, 2026.

The Agenda of the Meeting is circulated to the Directors in advance. Minutes of the Meetings of the Board of Directors are circulated amongst the Members of the Board for their perusal.

17. VIGIL MEHACHANISM/WHISTLE BLOWER POLICY:

The Company has voluntarily established a vigil mechanism framework for directors and employees to report genuine concerns. This mechanism is in line with the requirements of the Companies Act, 2013.

No events were reported during the current financial year.

18. ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

The Company has designed and implemented a process driven framework for Internal Financial Controls (‘IFC’) within the meaning of the explanation to Section 134(5)(e) of the Companies Act, 2013. For the year ended March 31, 2026, the Board is of the opinion that the Company has sound IFC commensurate with the nature and size of its business operations and operating effectively and no material weaknesses exist. The Company has a process in place to continuously monitor the same and identify gaps, if any, and implement new and/or improved controls wherever the effect of such gaps would have a material effect on the Company’s operations.

19. DIRECTORS RESPONSIBILITY STATEMENT:

The Board of Directors of the Company confirms:

a) In the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and profit of the Company for that period;
c) The Directors have taken proper and sufficient care 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) The Directors have prepared the Annual Accounts on a going concern basis;
e) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and were operating effectively.

20. IT SECURITY BREACH & SAFETY

The Company has implemented comprehensive IT security programs supported by latest technology and trained manpower to protect employees and assets, at its offices and plant, from such IT Security breaches/cyber-attacks.

During the Financial Year under review, no major security breaches or incidents have occurred. A comprehensive security risk assessment is carried out regularly and adequate security measures are implemented to cater to the changing security scenario. The Company has implemented adequate IT security measures and processes to protect its personnel and assets.

21. COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD MEETINGS AND GENERAL MEETINGS:

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) on Board Meetings (SS-1) and General Meetings (SS-2).

22. PROTECTION OF WOMEN AT WORKPLACE:

The Company is committed to providing a safe and inclusive workplace free from sexual harassment. The Company believes in providing a mechanism for addressing complaints of sexual harassment by any employee, without the fear of reprisals in any form or manner.

The holding company L&T Technology Services Limited has formulated a policy on 'Protection of Women's Rights at Workplace' which is applicable to all group companies. There were no cases of sexual harassment received in the Company during FY 2025-26.The details of the sexual harassment complaints for the year under review are as follows:

(a) Number of complaints of sexual harassment received during the year - Nil
(b) Number of complaints disposed of during the year -NA
(c) Number of cases pending for more than ninety days - NA

23. AUDITORS REPORT:

The Auditors report to the shareholders does not contain any qualification, observation or comment or remark(s) which has/have an adverse effect on the functioning of the Company.

The Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Companies Act, 2013.

24. STATUTORY AUDITORS:

The Auditors, M/s MSKA & Associates LLP (Formerly known as MSKA & Associates) (ICAI Firm Registration Number: 105047W/W101187), were appointed as Statutory Auditors for a period of five continuous years from the conclusion of 19th AGM till the conclusion of 24th AGM.

The Auditors have confirmed that they have subjected themselves to the peer review process of Institute of Chartered Accountants of India (ICAI) and hold valid certificate issued by the Peer Review Board of the ICAI.

The Auditors have also furnished a declaration confirming their independence as well as their arm's length relationship with the Company as well as declared that they have not taken up any prohibited non-audit assignments for the Company.

25. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

During the year under review, there were no material and significant orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

26. ANNUAL RETURN:

As the Company doesn't have its own website, the requirement of uploading Annual Return of the Company on its website as on 31st March 2026 in form MGT-7 in accordance with Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014, is not applicable to the Company.

27. DESIGNATED PERSON FOR FURNISHING INFORMATION AND EXTENDING CO-OPERATION TO ROC IN RESPECT OF BENEFICIAL INTEREST IN SHARES OF THE COMPANY:

All Directors are responsible for furnishing the requisite information and extending necessary cooperation to the Registrar of Companies in relation to beneficial interest in the shares of the Company, to ensure compliance with the applicable MCA notifications in this regard.

28. OTHER DISCLOSURES

- **Reporting of Frauds:** The Auditors of the Company have not reported any instances of fraud committed against the Company by its officers or employees as specified under Section 143(12) of the Companies Act, 2013.

  MSME: The Company complies with the requirement of submitting half yearly returns to the Ministry of Corporate Affairs within the prescribed timelines.

- **Corporate Insolvency Resolution process initiated under the Insolvency and Bankruptcy Code, 2016 (IBC):** The Company has neither filed any application, nor any proceeding is pending against the Company under the Insolvency and Bankruptcy Code, 2016, during FY 2025-26.

- **Maternity Benefit Act, 1961**: The company has complied with the provisions relating to the Maternity Benefit Act, 1961.

- **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 made any one-time settlement, therefore, the same is not applicable.

29. ACKNOWLEDGEMENT:

Your Directors take this opportunity to thank the customers, supply chain partners, employees, Financial Institutions, Banks, Central and State Government authorities, Regulatory authorities, and all the various stakeholders for their continued co-operation and support to the Company. Your Directors also wish to record their appreciation for the continued co-operation and support received from every member of the L&T Thales Technology Services Private Limited group globally.

For and on behalf of the Board

Mr. Alind Saxena	**Mr. Rajeev Gupta**
Director	**Director**
(DIN: 10118258)	**(DIN: 06782710)**
Place: Illinois	*Place: Mumbai*
Date: April 20, 2026	*Date: April 20, 2026*

INDEPENDENT AUDITOR'S REPORT

To the Members of L&T Thales Technology Services Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **L&T Thales Technology Services Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2026, and 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 material accounting policy information and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with 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 profits (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

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

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Director's report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Financial Statements.

Other Matter

The financial statements of the Company for the year ended March 31, 2025, were audited by another auditor whose report dated April 23, 2025, expressed an unmodified opinion on those statements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the 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 of the aforesaid financial statements.

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

(c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the financial statements.

(d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors are 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 financial statements of the Company and the operating effectiveness 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 Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   (i) The Company does not have any 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 are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2026.

   (iv) a. To the best of our knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   b. To the best of our knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   c. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.

   (v) The Company has not declared or paid dividend during the year.

   (vi) Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of prior years has been preserved by the Company as per the statutory requirements for record retention.

3. In our opinion, according to information, explanations given to us, the provisions of Section 197 of the Act are not applicable to the Company as it is a private company.

For M S K A & Associates LLP (Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

Nitin Tiwari
Partner
Membership No.: 118894
UDIN: 26118894FCWPCD4391

Place: Mumbai
Date: April 20, 2026

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF L&T THALES TECHNOLOGY SERVICES PRIVATE LIMITED

Auditor's Responsibilities for the Audit of the Financial Statements

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management and Board of Directors.

- Conclude on the appropriateness of Management and Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide Board of Directors 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.

For M S K A & Associates LLP (Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

Nitin Tiwari
Partner
Membership No.: 118894
UDIN: 26118894FCWPCD4391

Place: Mumbai
Date: April 20, 2026

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF L&T THALES TECHNOLOGY SERVICES PRIVATE LIMITED FOR THE YEAR ENDED MARCH 31, 2026

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

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

B. The Company has maintained proper records showing full particulars of intangible assets.

(b) Property, Plant and Equipment and right of use assets were physically verified by the management according to a phased programme designed to cover all items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of Property, Plant and Equipment and right of use assets have been physically verified by Management during the year. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, there are no immovable properties, and accordingly, the provisions stated under clause 3(i)(c) of the Order are not applicable to the Company.

(d) According to the information and explanations given to us, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year. Accordingly, the provisions stated under clause 3(i)(d) of the Order are not applicable to the Company.

(e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated under clause 3(i)(e) of the Order are not applicable to the Company.

ii. (a) The Company is involved in the business of rendering services and does not hold any inventory. Accordingly, the provisions stated under clause 3(ii)(a) of the Order are not applicable to the Company.

(b) During any point of time of the year, the Company has not been sanctioned working capital limits from Banks or financial institutions on the basis of security of current assets. Accordingly, the provisions stated under clause 3(ii)(b) of the Order is not applicable to the Company.

iii. According to the information and explanations provided to us, the Company has not made any investments in, or 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. Accordingly, the provisions stated under clause 3(iii) of the Order are not applicable to the Company.

iv. According to the information and explanations given to us, there are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013, are applicable and accordingly, the requirement to report under clause 3(iv) of the Order is not applicable to the Company.

v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of the provisions of Sections 73 to 76 of the Companies Act, 2013 and the rules framed there under. Accordingly, the requirement to report under clause 3(v) of the Order is not applicable to the Company.

vi. The provisions of sub-Section (1) of Section 148 of the Companies Act, 2013 are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the services of the Company. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

vii. (a) According to the information and explanations given to us and the records examined by us, in our opinion, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess, and other statutory dues have generally been regularly deposited with the appropriate authorities during the year, though there has been a slight delay in a few cases.

No undisputed amounts payable in respect of these statutory dues were outstanding 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 the records examined by us, there are no dues relating to 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 other statutory dues which have not been deposited on account of any dispute.

viii. According to the information and explanations given to us, there are no transaction which are not recorded in the books of account which have been surrendered or disclosed as income during the year in Income-tax Assessment under the Income Tax Act, 1961. Accordingly, the requirement to report as stated under clause 3(viii) of the Order is not applicable to the Company.

ix. (a) The Company does not have any loans or borrowings or interest thereon due to any lenders during the year. Accordingly, the requirement to report under clause 3(ix)(a) of the Order is not applicable to the Company.

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

(c) In our opinion and according to the information and explanations provided to us, no money was raised by way of term loans. Accordingly, the requirement to report under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations provided to us, there are no funds raised during the year. Accordingly, the requirement to report under clause 3(ix)(d) of the Order is not applicable to the Company.

(e) The Company does not have any subsidiary, associate, or joint venture. Accordingly, requirement to report under clause 3(ix)(e) of the order is not applicable to the Company.

(f) The Company does not have any subsidiary, associate, or joint venture. Accordingly, the requirement to report under clause 3(ix)(f) of the order is not applicable to the Company.

x. (a) In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting requirement under clause 3(x)(a) of the Order is not applicable to the Company.

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

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

(b) During the year no report under Section 143(12) of the Act, has been filed by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year.

xii. The Company is not a Nidhi Company. Accordingly, the provisions stated under clause 3(xii)(a) to (c) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, the provisions of section 177 of the Companies Act, 2013 are not applicable to the Company. Further, the transactions with the related parties are in compliance with Section 188 of the Companies Act, 2013 and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. (a) In our opinion and based on our examination, the Company does not have an internal audit system and is not required to have an internal audit system as per the provisions of the Companies Act, 2013. Accordingly, requirement to report under clause 3(xiv) of the Order is not applicable to the Company.

(b) The Company did not have an internal audit system for the period under audit. Accordingly, the requirement to report under the clause 3(xiv)(b) of the Order is not applicable to the Company.

xv. According to the information and explanations given to us, and based on our examination of the records of the Company, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, the requirement to report on clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 (2 of 1934) and accordingly, the requirements to report under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities during the year and accordingly, the provisions stated under clause 3 (xvi)(b) of the Order are not applicable to the Company.

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

(d) There are no other Companies part of the Group. Accordingly, the requirement to report under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. Based on the overall review of financial statements, Company has not incurred cash losses during the current financial year but has incurred cash losses amounting to Rs.1,44,460 thousands during the immediately preceding financial year.

xviii. There has been resignation of the erstwhile statutory auditors during the year. No issues, objections or concerns were raised by the outgoing auditor.

xix. According to the information and explanations given to us and on the basis of the financial ratios (as disclosed in note 39 to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. According to the information and explanations given to us and based on our verification, provisions of Section 135 of the Companies Act, 2013, are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

xxi. According to the information and explanations given to us, the Company does not have any Subsidiary, Associate or Joint Venture. Thus, reporting under clause 3(xxi) of the Order is not applicable to the Company.

For M S K A & Associates LLP (Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

Nitin Tiwari
Partner
Membership No.: 118894
UDIN: 26118894FCWPCD4391

Place: Mumbai
Date: April 20, 2026

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF L&T THALES TECHNOLOGY SERVICES PRIVATE LIMITED

Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the Members of L&T Thales Technology Services Private Limited on the Financial Statements for the year ended March 31, 2026

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

We have audited the internal financial controls with reference to financial statements of **L&T Thales Technology Services Private Limited** ("the Company") as of March 31, 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2026, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI').

Management's and Board of Director's Responsibility for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 with Reference to Financial Statements

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

For M S K A & Associates LLP (Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

Nitin Tiwari
Partner
Membership No.: 118894
UDIN: 26118894FCWPCD4391

Place: Mumbai
Date: April 20, 2026

L & T THALES TECHNOLOGY SERVICES PRIVATE LIMITED
BALANCE SHEET AS AT MARCH 31, 2026

	Particulars	Note No.	As at 31-03-2026	As at 31-03-2025
			Rupees in thousand	Rupees in thousand
	ASSETS			
I.	**Non-current assets**			
	(a) Property, plant and equipment	3	5,902	7,389
	(b) Right of use - Assests	4	14,782	20,593
	(c) Other intangible assets	5	-	-
	(d) Financial assets	6	7,242	7,672
	(e) Deferred tax assets (net)	7	40,756	57,565
	(f) Other non current assets	8	30,001	24,423
	Total non-current assets		**98,683**	**117,642**
II.	**Current assets**			
	(a) Financial assets			
	(i) Investments	9	441,916	492,943
	(ii) Trade receivables	10	168,774	242,621
	(iii) Cash and cash equivalents	11	42,504	41,550
	(iv) Other financial assets	12	108	1,555
	(b) Other current assets	13	112,947	122,953
	Total current assets		**766,249**	**901,622**
	TOTAL ASSETS		**864,932**	**1,019,264**
	EQUITY AND LIABILITIES			
I.	**Equity**			
	(a) Equity share capital	14	20,550	20,550
	(b) Other equity		715,047	638,564
	Total equity		**735,597**	**659,114**
II.	**Liabilities**			
	Non current liabilities			
	(a) Financial liabilities			
	(i) Lease liabilities	33	10,423	17,803
	(b) Provisions	18	5,507	-
	Total Non current liabilities		**15,930**	**17,803**
	Current liabilities			
	(a) Financial liabilities			
	(i) Trade payables	15		
	Due to Micro and small enterprises		245	758
	Due to others		87,290	296,920
	(ii) Lease liabilities	33	7,380	6,031
	(iii) Other financial liabilities	16	1,806	5,262
	(b) Other current liabilities	17	4,917	22,742
	(c) Provisions	18	4,569	10,635
	(d) Current tax liabilities (net)		7,198	-
	Total current liabilities		**113,405**	**342,347**
	TOTAL EQUITY AND LIABILITIES		**864,932**	**1,019,264**
	Material accounting policies	2		
	Notes form an integral part of the financial statements	1-49		

As per our report attached
MSKA & Associates LLP (Formerly known as MSKA & Associates)
Chartered Accountants
Firm's registration no. 105047W/W101187

For and on behalf of the Board of Directors of
L&T Thales Technology Services Private Limited

Nitin Tiwari
Partner
Membership no. 118894

Place: Mumbai
Date: April 20, 2026

Rajeev Gupta
Director
(DIN: 06782710)

Place: Mumbai
Date: April 20, 2026

Alind Saxena
Director
(DIN: 10118258)

Place: Illinois, USA
Date: April 20, 2026

L & T THALES TECHNOLOGY SERVICES PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON MARCH 31, 2026

	Particulars	Note No.	Year ended 31-03-2026	Year ended 31-03-2025
			Rupees in thousand	Rupees in thousand
I.	Revenue from operations	19	487,526	552,210
II.	Other income	20	42,366	37,740
III.	**TOTAL REVENUE**		**529,892**	**589,950**
IV.	**Expenses:**			
	(a) Employee benefit expenses	21	52,819	80,343
	(b) Depreciation and amortisation expenses		8,969	8,513
	(c) Other expenses	22	366,040	652,005
	(d) Finance costs	23	1,594	2,062
	TOTAL EXPENSES		**429,422**	**742,923**
V.	**PROFIT/(LOSS) BEFORE TAX (III - IV)**		**100,470**	**(152,973)**
VI.	**Tax expense :**			
	(a) Current tax		10,555	-
	(b) Tax adjustments of previous years		(1,744)	9,050
	(c) Deferred tax		16,812	(37,771)
	TOTAL TAX EXPENSE	24	**25,623**	**(28,721)**
VII.	**PROFIT/(LOSS) FOR THE YEAR (V - VI)**		**74,847**	**(124,252)**
VIII.	Other comprehensive income, net of taxes			
(A)	**Items that will not be reclassified to the statement of profit and loss**			
	Remeasurement of the defined benefit plans		1,635	2,351
	Income tax on items that will not be reclassified to the statement of profit and loss		-	-
IX.	**TOTAL COMPREHENSIVE INCOME, NET OF TAXES**		**76,482**	**(121,901)**
X.	**EARNING PER EQUITY SHARE**	25		
	Equity share of face value of Rs. 10 each			
	Basic - Rupee		36.42	(60.46)
	Diluted - Rupee		36.42	(60.46)
XI.	**Material accounting policies**	2		
	Notes form an integral part of the financial statements	1-49		

As per our report attached
MSKA & Associates LLP (Formerly known as MSKA & Associates)
Chartered Accountants
Firm's registration no. 105047W/W101187

For and on behalf of the Board of Directors of
L&T Thales Technology Services Private Limited

Nitin Tiwari
Partner
Membership no. 118894
Place: Mumbai
Date: April 20, 2026

Rajeev Gupta
Director
(DIN: 06782710)
Place: Mumbai
Date: April 20, 2026

Alind Saxena
Director
(DIN: 10118258)
Place: Illinois, USA
Date: April 20, 2026

L&T THALES TECHNOLOGY SERVICES PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2026

	Particulars	Period ended 31-03-2026	Year ended 31-03-2025
		Rupees in thousand	Rupees in thousand
A.	**Cash flow from operating activities**		
	Profit before tax	100,470	(152,973)
	Adjustments to reconcile profits for the year to net Cash generated from Operating Activities:		
	Depreciation and amortisation	8,969	8,513
	Interest received	(129)	(131)
	Interest paid	1,594	2,062
	(Profit)/loss on sale of fixed assets	(14)	-
	Dividends received from current investments	(24,863)	(33,156)
	Unrealized foreign exchange (gain)/loss	(16,314)	(4,301)
	Operating profit before working capital changes	**69,713**	**(179,986)**
	Changes in working capital		
	(Increase)/decrease in trade receivables and unbilled revenue	92,305	(58,888)
	(Increase)/decrease in other assets	9,848	110,953
	Increase/(decrease) in trade & other liabilities	(236,361)	270,194
	(Increase)/decrease in working capital	**(134,208)**	**322,259**
	Cash generated from operations	**(64,495)**	**142,274**
	Direct taxes paid (net of refunds)	(7,191)	(19,741)
	Net cash used in / from operating activities (A)	**(71,685)**	**122,532**
B.	**Cash flow from investing activities**		
	Purchase of propery, plant and equipment	(1,657)	(1,329)
	(Purchase)/ sale of current investments (net)	33,702	(109,396)
	Gain / (loss) sale of current investments	42,188	13,563
	Net cash used in / from investing activities (B)	**74,233**	**(97,162)**
C.	**Cash flow from financing acivities**		
	Interest paid	(1,594)	(2,062)
	Net cash used in / from financing activities (C)	**(1,594)**	**(2,062)**
	Net (decrease) / increase in cash and cash equivalents (A+B+C)	**954**	**23,308**
	Cash and cash equivalents at the beginning of the year	**41,550**	**18,242**
	Cash and cash equivalents at end of year	**42,504**	**41,550**

Notes:

1 The above Cash Flow Statement has been prepared under "Indirect Method" as set out in Ind AS- 7 on "Statement of Cash Flows" notified under section 133 of the Act read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

2 Cash and cash equivalents included in cash flow statement comprise the following :

	As at 31-03-2026	As at 31-03-2025
Cash and cash equivalents disclosed under current assets	42,504	41,550
	42,504	**41,550**

As per our report attached
MSKA & Associates LLP (Formerly known as MSKA & Associates)
Chartered Accountants
Firm's registration no. 105047W/W101187

For and on behalf of the Board of Directors of
L&T Thales Technology Services Private Limited

Nitin Tiwari
Partner
Membership no. 118894
Place: Mumbai
Date: April 20, 2026

Rajeev Gupta
Director
(DIN: 06782710)
Place: Mumbai
Date: April 20, 2026

Alind Saxena
Director
(DIN: 10118258)
Place: Illinois, USA
Date: April 20, 2026

L&T THALES TECHNOLOGY SERVICES PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2026

A. Equity share capital

Particulars	As at 31-03-2026		As at 31-03-2025	
	Number of shares	Rupees in thousand	Number of shares	Rupees in thousand
Issued, subscribed and fully paid up equity shares outstanding at the beginning of the year	2,054,989	20,550	2,054,989	20,550
Add/(Less): Shares issued on exercise of employee stock options during the year	-	-	-	-
Add/(Less): Reorganization of share capital, reduction of face value	-	-	-	-
Add/(Less): Fresh issue of equity shares	-	-	-	-
Issued, subscribed and fully paid up equity shares outstanding at the end of the year	**2,054,989**	**20,550**	**2,054,989**	**20,550**

L&T THALES TECHNOLOGY SERVICES PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2026

B. Other equity (Rupees in thousand)

	Equity share capital	Other equity			Total equity attributable to equity holders of the Company
		Reserves and Surplus		Other comprehensive income	
		Securities premium account	Retained earnings	Other items of other comprehensive income	
Balance as at 01-04-2024	20,550	72,751	679,999	7,716	760,466
	-	-	-	-	-
Profit/(Loss) for the year	-	-	(124,252)	-	(124,252)
Other comprehensive income	-	-	-	2,351	2,351
	-	-	-	-	-
Balance as at 31-03-2025	**20,550**	**72,751**	**555,746**	**10,067**	**638,564**
Balance as at 01-04-2025	**20,550**	**72,751**	**555,746**	**10,067**	**638,565**
Profit/(Loss) for the year	-	-	74,847	-	74,847
Other comprehensive income	-	-	-	1,635	1,635
Balance as at 31-03-2026	**20,550**	**72,751**	**630,593**	**11,702**	**715,047**

As per our report attached
MSKA & Associates LLP (Formerly known as MSKA & Associates)
Chartered Accountants
Firm's registration no. 105047W/W101187

For and on behalf of the Board of Directors of
L&T Thales Technology Services Private Limited

Nitin Tiwari
Partner
Membership no. 118894

Place: Mumbai
Date: April 20, 2026

Rajeev Gupta
Director
(DIN: 06782710)

Place: Mumbai
Date: April 20, 2026

Alind Saxena
Director
(DIN: 10118258)

Place: Illinois, USA
Date: April 20, 2026

Notes forming part of the Standalone Financial Statements

1. **Corporate information**

L&T Thales Technology Services Private Limited ("the Company") is a private company incorporated and domiciled in India and has its registered office at RMZ One Paramount, Campus 10, 3rd Floor, A Wing, No. 110, Mount Poonamallee High Road, Porur, Chennai – 600116.

The Company is engaged in the business of software development mainly for in-flight entertainment systems (IFE), ground transportation solutions (GTSC), flight management systems (FMS), air traffic management systems (ATM) etc.

2. **Material accounting policies**

a) Statement of Compliance

These financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 ("the Act") and the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and amendments thereof issued by Ministry of Corporate Affairs under section 133 of the Companies Act, 2013. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations require a different treatment. These financials statements have been approved for issue by the Board of Directors at their meeting held on April 20, 2026.

b) Basis of accounting

These financial statements have been prepared on an accrual basis following the historical cost convention, except for certain financial instruments which are measured at fair values at the end of each reporting year, as explained in the accounting policies below.

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 used.

c) Use of estimates and judgements

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

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

d) Revenue recognition

(i)Revenue from operations

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

a. Revenue from contracts which are on time and material basis are recognized when services are rendered, and related costs are incurred.

b. Revenue from fixed-price contracts where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage of-completion method. Percentage of completion is determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. The cost expended (or input) method has been used to measure progress towards completion as there is a direct relationship between input and productivity.

c. Revenues in excess of invoicing are classified as contract assets (unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (unearned revenue).

d. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Company presents revenue net of discounts, collection charges, indirect taxes and value-added taxes in its statement of profit and loss.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how the 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 as per contract.

(ii) Other income

A. Interest income is accrued on a time basis by reference to the principal outstanding and the effective interest rate.
B. Other items of income are accounted for as and when the right to receive arises and it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably

e) Employee benefits

i. Short term employee benefits

All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits. The benefits like salaries, wages, and short term compensated absences and performance incentives are recognized in the period in which the employee renders the related service.

ii. Post-employment benefits

a. Defined contribution plan

Retirement benefits in the form of provident fund are a defined contribution scheme and the contributions are charged to the statement of profit and loss of the period when the contributions to the respective funds are made. There are no other obligations other than the contribution payable to the respective trusts.

b. Defined benefit plans

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation made as at the balance sheet date.

iii. Long term employee benefits

The obligation for long term employee benefits like long term compensation absences is recognized in the similar manner as in the case of defined benefit plans as mentioned in (ii) (b) above.

f) **Property, plant and equipment**

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment loss, if any. Depreciation is provided for property, plant and equipment on a straight line basis so as to expense the cost over their estimated useful lives based on evaluation. The estimated useful lives and residual value are reviewed at the end of each reporting year, with the effect of any changes in estimate accounted for on a prospective basis.

Estimated useful life of the assets as per schedule II of the Companies Act 2013 and their estimated useful lives as per evaluation by the management is as follows:

Asset class	Useful life as per schedule II (in years)	Useful life adopted (in years)
Computers	3 – 6	3-5
Office Equipment	5	1-4
Furniture & Fixtures	10	10
Owned Vehicles	6	7
Lab equipment	10	6-8

g) **Intangible assets and amortisation**

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

Asset class	Useful life (years)
Computer software	3 – 5

h) **Financial Instruments**

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at their transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the transaction price measured on initial recognition of financial asset or financial liability.

Non-derivative financial assets

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets at amortised cost are represented by trade receivables, cash and cash equivalents, employee and other advances and eligible current and non-current assets.

Financial assets at fair value through other comprehensive income

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

Financial assets at fair value through profit or loss

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

Non-derivative financial liabilities

Financial liabilities are initially recognised at transaction price, and subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within 1 year from balance sheet date, the carrying amount approximate fair value due to short maturity of these instruments.

i) Leases

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors.

The Company records the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset. The Standard, however, does not require an entity to recognize assets and liabilities for (a) short- term leases (for a period of twelve months or less) and (b) leases of low value assets.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no changes are required to lease period relating to the existing lease contracts.

The Company has elected not to apply the requirements of Ind AS 116 leases to short-term leases where lease term is 12 months or less and leases for which the underlying asset is of low value. The lease payments related to these leases are recognised as an expense.

j) Impairment of assets

a) Trade Receivables

The Company assesses at each balance sheet date whether a financial asset or group of financial assets is impaired. In accordance with IndAS 109, the Company applies the expected credit loss (ECL) model for measurement and recognition of impairment loss. As a practical expedient, the Company uses a provision matrix to determine impairment loss on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of trade receivables. ECL impairment loss allowances (or reversal) recognized during the period is recognized as an expense/income respectively in the statement of profit and loss. Provision for ECL is presented as deduction from carrying amount of trade receivables.

b) Non-financial assets

Tangible and Intangible Assets

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

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

k) Foreign Currencies

The functional currency of the Company is the Indian rupee (₹).

Income and expenses in foreign currencies are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

l) Income Tax

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

Current income taxes

The current income tax expense includes income taxes payable by the Company.

Provision for current year's income tax is presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying units intend to settle the asset and liability on a net basis.

Deferred taxes

Deferred tax is recognised using the balance sheet approach. Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

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

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

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

Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis or to realise the asset and settle the liability simultaneously. Deferred tax assets include minimum alternative tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as a deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

The Company recognises interest levied related to income tax assessments in interest expenses.

m) Provisions, contingent liabilities and contingent assets

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if

a) The Company has a present obligation as a result of a past event;
b) A probable outflow of resources is expected to settle the obligation; and
c) The amount of the obligation can be reliably estimated

Contingent liability is disclosed in the case of

a) A present obligation arising from a past event when it is not probable that an outflow of resources will be required to settle the obligation; or
b) A possible obligation unless the probability of outflow of resources is remote

Contingent assets are disclosed where an inflow of economic benefits is probable. Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

n) Statement of cash flows

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items 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.

o) Earning Per Share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average numbers of the equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

p) Operating cycle for current and non-current classification

The operating cycle for the business activities of the Company covers the duration of the project/contract/service and extends up to the realisation of receivables within the credit period normally applicable to the respective lines of business.

q) Borrowing costs

Borrowing costs include interest expense, bill discounting charges and exchange differences arising on foreign currency borrowings, to the extent they are regarded as an adjustment to interest costs.

All other borrowing costs are recognized in the statement of profit or loss in the period in which they are incurred.

3. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2026, MCA has notified below new standards or amendments that are applicable or may have a material impact to the Company.

- **Ind AS 1 – Presentation of Financial Statements**
  The Company prepares its financial statements in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules. The Institute of Chartered Accountants of India (ICAI) has issued an Exposure Draft of Ind AS 118 – Presentation and Disclosure in Financial Statements, which is expected to replace Ind AS 1. The Company will evaluate the impact of this standard once it becomes effective.

3 PROPERTY, PLANT AND EQUIPMENT

(Rupees in thousand)

Particulars	Aircondition and refrigeration	Laboratory equipments	Computers and servers	Office equipments	Furniture and fixtures	Cars	Total
Gross carrying value as on 01-04-2025	**873**	**3,621**	**33,430**	**536**	**560**	**2,096**	**41,117**
Additions during the year	-	-	-	518	20	-	538
Disposals during the year	-	-	305	-	-	-	305
Gross carrying value as on 31-03-2026	**873**	**3,621**	**33,125**	**1,054**	**580**	**2,096**	**41,350**
Depreciation							
Depreciation as on 01-04-2025	**110**	**3,212**	**29,784**	**164**	**140**	**319**	**33,728**
For the year	73	334	1,020	243	57	300	2,025
On deductions	-	-	305	-	-	-	305
Depreciation as on 31-03-2026	**182**	**3,545**	**30,498**	**407**	**197**	**618**	**35,448**
Net carrying value as on 31-03-2026	**691**	**76**	**2,627**	**647**	**383**	**1,478**	**5,902**
Net carrying value as on 31-03-2025	**764**	**410**	**3,646**	**372**	**420**	**1,778**	**7,389**

(Rupees in thousand)

Particulars	Aircondition and refrigeration	Laboratory equipments	Computers and servers	Office equipments	Furniture and fixtures	Cars	Total
Gross carrying value as on 01-04-2024	**873**	**3,621**	**33,430**	**924**	**561**	**1,135**	**40,544**
Additions during the year	-	-	-	368	-	962	1,330
Disposals during the year	-	-	-	757	1	-	758
Gross carrying value as on 31-03-2025	**873**	**3,621**	**33,430**	**535**	**560**	**2,097**	**41,116**
Depreciation							
Depreciation as on 01-04-2024	**37**	**2,652**	**28,766**	**722**	**48**	**85**	**32,310**
For the year	73	560	1,018	199	93	233	2,175
On deductions	-	-	-	757	1	-	758
Depreciation as on 31-03-2025	**110**	**3,212**	**29,784**	**164**	**140**	**318**	**33,728**
Net carrying value as on 31-03-2025	**764**	**410**	**3,646**	**372**	**420**	**1,778**	**7,389**
Net carrying value as on 31-03-2024	**836**	**969**	**4,664**	**202**	**513**	**1,050**	**8,234**

4 ROU - Office Premises

(Rupees in thousand)

Particulars	ROU - Office premises	Total
Gross carrying value as on 01-04-2025	**31,594**	**31,594**
Additions during the year	1,135	1,135
Disposals during the year	-	-
Balance as on 31-03-2026	**32,729**	**32,729**
Amortisation		
Depreciation as on 01-04-2025	**11,001**	**11,001**
For the year	6,946	6,946
On deductions	-	
Depreciation as on 31-03-2026	**17,947**	**17,947**
Net carrying value as on 31-03-2026	**14,782**	**14,782**
Net carrying value as on 31-03-2025	**20,593**	**20,593**

(Rupees in thousand)

Particulars	ROU - Office premises	Total
Gross carrying value as on 01-04-2024	**31,594**	**31,594**
Additions during the year	-	-
Disposals during the year	-	-
Balance as on 31-03-2025	**31,594**	**31,594**
Amortisation		
Depreciation as on 01-04-2024	**4,679**	**4,679**
For the year	6,322	6,322
On deductions	-	
Depreciation as on 31-03-2025	**11,001**	**11,001**
Net carrying value as on 31-03-2025	**20,593**	**20,593**
Net carrying value as on 31-03-2024	**26,915**	**26,915**

5 OTHER INTANGIBLE ASSETS

(Rupees in thousand)

Particulars	Specialized software	Total
Gross carrying value as on 01-04-2025	**25,253**	**25,253**
Additions during the year	-	-
Disposals during the year	-	-
Balance as on 31-03-2026	**25,253**	**25,253**
Amortisation		
Amortisation as on 01-04-2025	**25,253**	**25,253**
For the year	-	-
On deductions	-	-
Ammortisation as on 31-03-2026	**25,253**	**25,253**
Net carrying value as on 31-03-2026	**-**	**-**
Net carrying value as on 31-03-2025	**-**	**-**

(Rupees in thousand)

Particulars	Specialized software	Total
Gross carrying value as on 01-04-2024	**25,253**	**25,253**
Additions during the year	-	-
Disposals during the year	-	-
Balance as on 31-03-2025	**25,253**	**25,253**
Amortisation		
Amortisation as on 01-04-2024	**25,237**	**25,237**
For the year	17	17
On deductions	-	-
Ammortisation as on 31-03-2025	**25,253**	**25,253**
Net carrying value as on 31-03-2025	**-**	**-**
Net carrying value as on 31-03-2024	**17**	**17**

6 OTHER FINANCIAL ASSETS

(Rupees in thousand)

Non-current	As at 31-03-2026	As at 31-03-2025
Security deposits	3,857	4,417
Fixed deposits*	3,385	3,255
	7,242	**7,672**

* Fixed deposits are margin money deposits against bank guarantees

7 DEFERRED TAX ASSETS (NET)

(Rupees in thousand)

Description	DTL/(DTA) As at 01.04.2025	Charge/(credit) to P&L	DTL/(DTA) As at 31.03.2026
Property, plant and equipment and other intangible assets	(949)	116	(833)
Provision against GST / Service tax receivables / recoverable	(10,203)	-	(10,203)
Unpaid statutory liabilities & provision for compensatory absences	(5,786)	(112)	(5,898)
Others	(39,796)	16,883	(22,918)
IND AS-116 impact	(831)	(72)	(903)
Total	**(57,565)**	**16,813**	**(40,756)**

8 OTHER NON CURRENT ASSETS

(Rupees in thousand)

	As at 31-03-2026	As at 31-03-2025
Income tax receivable (net)	30,001	24,423
	30,001	**24,423**

9 INVESTMENTS

(Rupees in thousand)

Current investment	As at 31-03-2026 Units	As at 31-03-2026 Amount	As at 31-03-2025 Units	As at 31-03-2025 Amount
Investment in mutual funds				
Quoted				
Aditya Birla SunLife Liquid Fund - Direct - Growth	35,326	15,808	191,504	80,188
Nippon India Liquid Fund - Direct - Growth	-	-	18,991	120,538
HDFC Liquid Fund - Direct - Growth	2,873	15,538	-	-
UTI Money Market Fund- Direct Plan -Growth	33,429	109,191	-	-
Aditya Birla Sun Life Saving Fund - Growth	310,384	181,573	-	-
Axis Liquid Fund - Direct - Growth	23,901	73,246	27,717	79,925
Aditya Birla Sun Life Saving Fund - Growth	-	-	-	-
UTI Liquid Cash Plan - Direct - Growth	10,308	46,560	-	-
SBI AMC - MF	-	-	2,093	8,490
UTI AMC - MF	-	-	27,076	115,108
Kotak AMC - MF	-	-	13,302	69,695
ICICI AMC MF	-	-	49,491	18,999
	416,221	**441,916**	**330,174**	**492,943**

Aggregate amount of quoted current investments and market value thereof:	As at 31-03-2026	As at 31-03-2025
Aggregate amount of quoted investment at cost	429,261	462,876
Aggregate amount of quoted investment at market value	441,916	492,943

10 TRADE RECEIVABLES

(Rupees in thousand)

	As at 31-03-2026	As at 31-03-2025
Current		
Unsecured, considered good	180,975	251,552
Less: Allowance for expected credit loss	(12,201)	(8,931)
	168,774	**242,621**

The following table represent ageing of Trade receivables as on March 31, 2026:

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 Year	1 -2 Years	2 - 3 Years	More than 3 Years	
(i) Undisputed Trade Receivables - Considered good	120,356	7,920	45,918	1,053	5,469	259	180,975
(ii) Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-
Gross Trade Receivables	120,356	7,920	45,918	1,053	5,469	259	180,975
Less : Loss Allowance							(12,201)
Total							**168,774**

The following table represent ageing of Trade receivables as on March 31, 2025:

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 Year	1 -2 Years	2 - 3 Years	More than 3 Years	
(i) Undisputed Trade Receivables - Considered good	166,919	65,115	10,617	8,187	710	4	251,552
(ii) Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-
Gross Trade Receivables	166,919	65,115	10,617	8,187	710	4	251,552
Less : Loss Allowance							(8,931)
Total							**242,621**

11 CASH AND CASH EQUIVALENTS

(Rupees in thousand)

	As at 31-03-2026	As at 31-03-2025
Balances with banks	42,504	41,550
	42,504	**41,550**

12 OTHER FINANCIAL ASSETS

	(Rupees in thousand)	
	As at 31-03-2026	**As at 31-03-2025**
Unbilled revenue	95	-
Less: ECL on unbilled revenue	(2)	-
	93	-
Advances to employees	15	1,555
	108	**1,555**

13 OTHER CURRENT ASSETS

(Rupees in thousand)

	As at 31-03-2026	As at 31-03-2025
Unbilled revenue	21,290	3,303
Less: ECL on unbilled revenue	(589)	(58)
	20,701	3,245
Advance to supplier	11	9,321
Prepaid expenses	826	1,225
GST / Service tax recoverable	91,409	109,162
	92,246	119,708
	112,947	**122,953**

14 SHARE CAPITAL

	As at 31-03-2026	As at 31-03-2025
	(Rupees in thousand)	
14.1 Authorised :		
2,500,000 equity shares of Rs.10 each	25,000	25,000
(31 March 2026 : 2,500,000 equity shares of Rs. 10 each)		
(31 March 2025 : 2,500,000 equity shares of Rs. 10 each)		
	25,000	**25,000**
14.2 Issued, subscribed and paid up		
2,054,989 equity shares of Rs.10 each	20,550	20,550
(31 March 2026 : 20,54,989 equity shares of Rs. 10 each)		
(31 March 2025 : 20,54,989 equity shares of Rs. 10 each)		
Total issued, subscribed and paid up capital	**20,550**	**20,550**

14.3 In the period of five years immediately preceding March 31,2026:

Aggregate number and class of shares allotted as fully paid up pursuant to contract without payment being received in cash - Nil
Aggregate number and class of shares allotted as fully paid up by way of bonus shares - Nil
Aggregate number and class of shares bought back - Nil

14.4 Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees.

14.5 Shares of the Company held by holding company

Equity shares	As at 31-03-2026		As at 31-03-2025	
	No. of shares	% Holding	No. of shares	% Holding
L&T Technology Services Limited	1,520,692	74%	1,520,692	74%
	1,520,692		1,520,692	

14.6 Shareholders holding more than 5% of equity shares as at the end of the year

Equity shares	As at 31-03-2026		As at 31-03-2025	
	No. of shares	% Holding	No. of shares	% Holding
L&T Technology Services Limited (Promoter)	1,520,692	74%	1,520,692	74%
Thales Services SAS, France (Promoter)	534,297	26%	534,297	26%
	2,054,989		2,054,989	

15 TRADE PAYABLES

	(Rupees in thousand)	
	As at 31-03-2026	As at 31-03-2025
Due to micro and small enterprises	245	758
Due to others *	87,290	296,920
	87,535	**297,678**

*Includes dues to subsidiaries and fellow subsidiaries (Refer Note 32)

Ageing of trade payables:

Particulars	Unbilled Due	Not Due	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
As at 31-03-2026							
Undisputed due to micro and small enterprises	-	231	14	-	-	-	245
Undisputed due to others	27,877	35,619	23,794	-	-	-	87,290
Disputed due to micro and small enterprises	-	-	-	-	-	-	-
Disputed due to others	-	-	-	-	-	-	-
Total	**27,877**	**35,850**	**23,808**	**-**	**-**	**-**	**87,535**
As at 31-03-2025							
Undisputed due to micro and small enterprises	-	468	290	-	-	-	758
Undisputed due to others	39,624	180,775	76,521	-	-	-	296,920
Disputed due to micro and small enterprises	-	-	-	-	-	-	-
Disputed due to others	-	-	-	-	-	-	-
Total	**39,624**	**181,243**	**76,811**	**-**	**-**	**-**	**297,678**

16 OTHER FINANCIAL LIABILITIES

	(Rupees in thousand)	
	As at 31-03-2026	As at 31-03-2025
Other payables	217	89
Liability towards employee compensation	1,589	5,172
	1,806	**5,262**

17 OTHER CURRENT LIABILITIES

	(Rupees in thousand)	
	As at 31-03-2026	**As at 31-03-2025**
Unearned revenue	1,059	-
Other payables	3,429	22,313
Liability - employee car/computer schemes	429	429
	4,917	**22,742**

18 PROVISIONS

	(Rupees in thousand)	
Current	**As at 31-03-2026**	**As at 31-03-2025**
Provisions for employee benefits :		
Leave enchashment	3,936	4,121
Gratuity unfunded plan	633	6,514
	4,569	**10,635**
Non Current		
Provisions for employee benefits :		
Gratuity unfunded plan	5,507	-
	5,507	**-**

	Year ended 31-03-2026	Year ended 31-03-2025
19 REVENUE FROM OPERATIONS		
Engineering and technology services	487,526	552,210
	487,526	**552,210**

20 OTHER INCOME

	Year ended 31-03-2026	Year ended 31-03-2025
Foreign exchange gain / (loss)	16,314	4,301
Profit/(loss) on sales of fixed asset	14	-
Gain/(loss) from mutual fund investments measured at fair value	(17,325)	19,593
Bank interest received	129	131
Miscellaneous income	1,046	152
Net gain/(loss) on sale of investment	42,188	13,563
	42,366	**37,740**

	Year ended 31-03-2026	Year ended 31-03-2025
21 EMPLOYEE BENEFIT EXPENSES		
Salaries including overseas staff expenses	46,412	72,680
Staff welfare	1,038	912
Contribution to provident and other funds (Note 31)	3,473	4,848
Gratuity Expense	1,896	1,903
	52,819	**80,343**

	Year ended 31-03-2026	Year ended 31-03-2025
22 OTHER OPERATING EXPENSES		
Subcontrating and component charges	288,443	590,760
Cost of computer software	-	199
Travelling and conveyance	2,872	3,826
Rent and establishment expenses	-	8
Telephone, postage and other communciation charges	775	571
Legal and professional charges	3,210	1,950
Advertisement & sales promotion expenses	104	-
Repairs to buildings & machineries	4,734	3,565
Power and fuel	1,175	1,317
Equipment hire charges	164	76
Insurance charges	-	1
Rates & taxes	45	701
Allowances for doubtful debts on trade receivable	2,535	(4,904)
ECL on unbilled revenue	533	(12,680)
Overheads charged by group companies	55,452	58,725
Corporate social responsibility expenditure	-	3,400
Miscellaneous expenses	5,998	4,489
	366,040	**652,005**

23 FINANCE COST

	Year ended 31-03-2026	Year ended 31-03-2025
Interest paid		
Interest paid/payable - others	5	36
Interest on lease liability	1,589	2,026
	1,594	**2,062**

24 PROVISION FOR TAXATION

	Year ended 31-03-2026	Year ended 31-03-2025
Current tax	10,555	-
Current tax on profits for the year	(1,744)	9,050
Tax expenses for prior periods	16,812	(37,771)
Deferred tax	**25,623**	**(28,721)**

25 BASIC AND DILUTED EARNING PER EQUITY SHARE (EPS)

	Year ended 31-03-2026	Year ended 31-03-2025
Basic and diluted EPS		
Profit after tax	74,847	(124,252)
Less: Dividend on preference shares	-	-
Less: Tax on dividend	-	-
Profit attributable to equity shareholders	74,847	(124,253)
Weighted average no. of equity shares outstanding	2,054,989	2,054,989
Basic EPS - Rupees	36.42	(60.46)
Diluted		
Profit after tax	74,847	(124,253)
Less: Dividend on preference shares	-	-
Less: Tax on dividend	-	-
Profit attributable to equity shareholders	74,847	(124,253)
		-
Weighted average no. of equity shares outstanding	2,054,989	2,054,989
Add - No. of potential equity shares	-	-
Number of shares considered as weighted average shares and potential shares outstanding	2,054,989	2,054,989
Diluted EPS - Rupees	36.42	(60.46)

26 Disclosure pursuant to Ind AS 115 “Revenue from contract with customers”:

a) Disaggregation of revenue

The nature of contract impacts the method of revenue recognition and the contracts are classified as fixed-price contracts and time & material contracts.

i) Revenue by contract type

(Rupees in thousand)

Particulars	For year ended March 31, 2026	For year ended March 31, 2025
Fixed price contracts	461,731	494,441
Time and materials contracts	25,795	57,769
Total	**487,526**	**552,210**

ii) Refer Note 34 for disaggregation of revenue by geographical segments.

iii) The Company believes that this disaggregation best depicts how the nature, amount, timing of its revenues and cash flows are affected by industry, market and other economic factors.

b) Transaction price allocated to remaining performance obligation

i) The aggregate value of performance obligations that are completely or partially unsatisfied as of March 31, 2026, other than those meeting the exclusion criteria mentioned below in (ii), is Rs.1,09,481 thousand (Previous Year: Rs.2,61,567 thousand). Out of this, the Company expects to recognize 100% revenue within the next one year. Remaining performance obligation estimates are subject to change and are affected by several factors, including changes in the scope of contracts, periodic revalidations, and adjustments for currency.

ii) The Company has applied practical expedient and has not disclosed information about remaining performance obligations in contracts where the entity has the right to consideration that corresponds directly with the value of entity’s performance completed to date, typically those contracts where invoicing is on time and material basis.

c) Movement in contract balances

i) The Company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue. Revenues in excess of billings is recorded as unbilled revenue and is classified as a financial asset for time and material jobs where right to consideration is unconditional upon passage of time. Unbilled revenue for fixed price contracts is classifed as non financial asset as the contractual right to consideration is dependent on completion of contractual milestones.

ii) Movement in contract asset and contract liability

(Rupees in thousand)

Particulars	For year ended March 31, 2026		For year ended March 31, 2025	
	Unbilled revenue	Advance from customer	Unbilled revenue	Advance from customer
Opening balance	**3,246**	**-**	172,861	**-**
Revenue recognised during period	21,385	-	3,303	-
Invoiced during period	(3,245)	1,059	(185,598)	-
(Impairment)/reversal during period	(533)	-	12,680	-
Closing balance	**20,853**	**1,059**	**3,246**	**-**

(Rupees in thousand)

		Year ended 31-03-2026	Year ended 31-03-2025
27	**DETAILS OF PAYMENT TO AUDITORS**		
	Payment to auditors		
	As auditor:		
	Statutory audit	800	710
	Tax audit	200	160
	Other services including certification work	-	70
		1,000	**940**

28 FAIR VALUE MEASUREMENTS

Financial instrument by category

(Rupees in thousand)

	As at 31-03-2026			As at 31-03-2025		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial assets						
Investments						
-Mutual funds	441,916	-	-	492,943	-	-
-Bank fixed deposits		-	3,385		-	3,255
Trade receivables	-	-	168,774	-	-	242,621
Cash and cash equivalents	-	-	42,504	-	-	41,550
Security deposits	-	-	3,857	-	-	4,417
Advances - to employees	-	-	15	-	-	1,555
Other receivables	-	-	93	-	-	-
Total financials assets	441,916	-	218,628	492,943	-	293,398
Financial liabilities						
Trade payables	-	-	87,535	-	-	297,677
Other payables	-	-	217	-	-	89
Liability towards employee compensation	-	-	1,589	-	-	5,172
Lease Liability	-	-	17,803	-	-	-
Total financials liabilities	-	-	107,144	-	-	302,939

(i) Fair value hierarchy
This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recongnised and measured at fair value and (b) measuread at amortised cost and for which fair values

(Rupees in thousand)

Financial assets and liabilities measured at fair value - recurring fair value measurements	As at 31-03-2026				As at 31-03-2025			
	Level 1	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets								
Mutual funds	441,916	-	-	441,916	492,943	-	-	492,943
Total financials assets	441,916	-	-	441,916	492,943	-	-	492,943

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

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

There are no transfers between the levels during the year.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(ii) Valuation technique used to determine fair value
Specific valuation technique used to value financial instruments include :
* the use of quoted market prices or dealer quotes for similar instruments
* the fair value of forward foreign exchange contracts and principal swap is determined using forward exchange rates at the balance sheet date.
* the fair value of remaining financial instrument is determined using discounted cash flow analysis.

(iii) Valuation processes

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. The fair valuation of level 1 and level 2 classified assets and liabilities are readily available from the quoted prices in the open market and rates available in secondary market respectively. The valuation method applied for various financial assets and liabilities are as follows -

* Quoted price in the primary market (NAV) considered for the fair valuation of the current investment i.e mutual fund. Gain/(loss) on fair valuaiton is recognised in Profit and Loss.
* The carrying amounts of trade receivable, trade payable, cash and bank balances, short term loans and advances, statutory dues/receiable, short term borrowing, employee dues are considered to be the same as their fair value
* The fair value of security deposit is calculated by discounting future cash inflows.

29 FINANCIAL RISK MANAGEMENT

Financial risk factors
The Company is exposed to currency risk, credit/counter-party risk and liquidity risk.

Currency risk
The Company derives a substantial part of its revenues in foreign currency and also has significant subcontracting expenses in foreign currency on back to back basis. As a result, the Company has natural hedge for part of foreign currency exposure. The Company reviews the foreign currency exposure at regular intervals.

Credit/counter-party risk

The principal credit risk that the Company is exposed to is non-collection of trade receivables and late collection of receivables leading to credit loss. The risk is mitigated by reviewing creditworthiness of the prospective customers prior to entering into contract and post contracting, through continuous monitoring of collections by a dedicated team.

The Company reviews trade receivables on periodic basis and makes provision for doubtful debts if collection is doubtful. The Company also calculates the expected credit loss (ECL) for non collection and for delay in collection of reveivables. The Company makes additional provision if the ECL amount is higher than the provision made for doubtful debts. In case the ECL amount is lower than the provision made for doubtful debts, the Company retains the provision made for doubtful debts without any adjustment.

The provision for doubtful debts including ECL allowances for non-collection of receivables and delay in collection, on a combined basis, was Rs. 12,201 thousand as at March 31 2026 and Rs. 8,931 thousand as at March 31 2025. The movement in allowances for doubtful accounts comprising provision for both non-collection of receivables and delay in collection is as follows:

	2025-26	2024-25
Opening balance of allowances for doubtful accounts	8,931	13,835
Allowances recognized (reversed)	3,270	(4,904)
Closing balance of allowances for doubtful accounts	12,201	**8,931**

The percentage of revenue from its top five customers is 98% for 2025-26 (97% for 2024-25).

Liquidity risk

The Company's treasury department monitors the cash flows and surplus funds are invested in non-speculative financial instruments that are usually highly liquid funds.

The Company has Nil borrowings as at March 31, 2026.

The contractual maturities of financial assets and financial liabilities as at March 31, 2026 is as follows:

Financial assets	**Less than 1 year**	**More than 1 year**	**Total**
Investments	441,916	-	441,916
Trade receivables	168,774	-	168,774
Other financial assets	108	-	108
Total	610,798	-	610,798

Financial liabilities	**Less than 1 year**	**More than 1 year**	**Total**
Lease Liabilities	7,380	10,423	17,803
Trade payables	87,535	-	87,535
Other financial liabilities	1,806	-	1,806
Total	96,721	10,423	107,144

Sensitivity analysis of investments

Sensitivity impact on profit after tax and equity is calculated considering increase or decrease in net asset value (NAV) of mutual funds, with all other variables being constant.

Every 0.25% increase in NAV will increase the Company's net profit by Rupees **1,105 thousand** and increase the equity by the same amount. Conversely, every 0.25% decrease in NAV will negatively impact the Company's net profit by Rupees **1,105 thousand** and favourably impact the equity by the same amount.

30 TAX RECONCILIATION STATEMENT

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 summarized below:

(Rupees in thousand)

Particulars	2025-26	2024-25
Accounting profit before income tax	100,470	(152,973)
Corporate income tax rate	25.17%	25.17%
Tax at income tax rate	**25,286**	**-**
Non deductible tax expenses		
Effect of non-deductible expenses income	(1,744)	137
Others	2,081	(28,858)
Total tax expense as per books of accounts	**25,623**	**(28,721)**

31 EMPLOYEE BENEFITS

i) Defined contribution plan

The Company has recognised INR 3,473 thousand (Previous Year INR 4,848 thousand) as provident fund contribution towards defined contribution plan as an expense in the statement of profit and loss.

ii) Defined benefit plan

a) The amounts recognised in balance sheet are as follows:

(Rupees in thousand)

Particulars	Gratuity plan	
	As at 31-03-2026	As at 31-03-2025
A. Present value of defined benefit obligation		
Wholly funded	-	-
Wholly unfunded	6,140	6,514
	6,140	6,514
Less: fair value of plan assets	-	-
Amount to be recognised as liability or (asset)	6,140	6,514
B. Amounts reflected in the balance sheet		
Liabilities	6,140	6,514
Assets	-	-
Net liability / (asset)	6,140	6,514

b) Amount recognized in the statement of profit and loss :

(Rupees in thousand)

Particulars	Gratuity plan	
	2025-26	2024-25
1 Current service cost	940	1,424
2 Interest cost	394	479
3 Past service cost	562	-
Total expense for the year included in employee benefit expense	**1,896**	**1,903**

c) Amount recorded In other comprehensive income :

(Rupees in thousand)

	Particulars	Gratuity plan	
		As at 31-03-2026	**As at 31-03-2025**
1	Opening amount recoginzed in other comprehensive income	(11,422)	(9,071)
2	Remeasurement during the period due to	-	-
	Changes in financial assumptions	(295)	323
	Changes in demorgraphic assumptions	146	(46)
	Experience adjustments	(1,486)	(2,628)
	Closing amount recognized in OCI outside Profit and Loss Account	(13,057)	(11,422)

d) Reconciliation of net liability asset and closing balances thereof are as follows:

(Rupees in thousand)

Particulars	Gratuity plan	
	As at 31-03-2026	**As at 31-03-2025**
Opening net defined benefit	6,514	7,090
		-
Expense charged to the statement of profit and loss	1,896	1,903
Amount recongnized outside the statement of profit and loss	(1,635)	(2,351)
Employer's contributions	(635)	(129)
Closing balance of the present value of defined benefit obligation	6,140	6,514

e) Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof are as follows:

Movement in benefit obligations :

(Rupees in thousand)

Particulars	Gratuity plan	
	As at 31-03-2026	**As at 31-03-2025**
Opening of defined benefit obligation	6,514	7,090
Transfer in/(out)	-	-
Current service cost	940	1,424
Past service cost	562	-
Interest on defined benefit obligation	394	479
Remeasurements due to :		
Actuarial loss/(gain) arising from change in financial assumptions	(295)	323
Actuarial loss/(gain) arising from change in dem orgaphic assum ptions	146	(46)
Actuarial loss/(gain) arising on account of experience changes	(1,486)	(2,628)
Contribution by Plan Participants	-	-
Benefits paid	(635)	(129)
Liabilities assumed / (settled)	-	-
Liabilities extinquished on settlements	-	-
Closing balance of the plan assets	6,140	6,514

Sensitivity analysis :

Particulars	Gratuity plan	
	As at 31-03-2026	**As at 31-03-2025**
Impact of increase in 100 bps on DBO		
- Discount rate	(7.24%)	(8.78%)
- Salary escalation rate	5.64%	7.55%
Impact of decrease in 100 bps on DBO		
- Discount rate	8.20%	9.99%
- Salary escalation rate	(5.06%)	(7.5%)

f) Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

Particulars	As at 31-03-2026	As at 31-03-2025
1 Discount rate		
a) Gratuity plan	7.20%	6.60%
2 Salary growth rate	5.00%	5.00%
3 Attrition rate	0% to 19% for various age groups	0% to 24% for various age groups

g) The amounts pertaining to defined benefit plans for the current year are as follows:

(Rupees in thousand)

Particulars	As at 31-03-2026	As at 31-03-2025
Gratuity plan		
2 (Surplus) / deficit	6,140	6,514

h) The average duration (in years) of the defined benefit plan obligations at the end of the reporting year is as follows:

Particulars	As at 31-3-2026	As at 31-3-2025
Gratuity plan	7.7	9.35

i) Projected cash outflow:

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan (which in case of serving employees, if any, is based on service accrued by employee up to valuation date):

As on March 31, 2026

Particulars	Gratuity plan	
	As at 31-3-2026	As at 31-3-2025
Expected benefits for year 1	633	489
Expected benefits for year 2	688	427
Expected benefits for year 3	561	390
Expected benefits for year 4	551	316
Expected benefits for year 5	480	249
Expected benefits for year 6-9	3,096	1,846
Expected benefits for year 10 and above	5,960	9,360

32 RELATED PARTY DISCLOSURE

(i) List of related parties which can exercise control:

Name	Relationship
Larsen and Toubro Limited	Ultimate Holding Company
L&T Technology Services Limited	Holding Company

(ii) List of related parties with whom there were transactions during the year:

Name	Relationship
Larsen and Toubro Limited	Ultimate Holding Company
L&T Technology Services Limited	Holding Company
Thales Services SAS, France	Associate Company
Larsen & Toubro Infotech Limited	Fellow Subsidiary
LTM Limited (Formerly LTI Mindtree Limited)	Fellow Subsidiary
L&T Energy Hydrocarbon Engineering Limited	Fellow Subsidiary

(iii) Disclosure of related party transactions (Rupees in thousand)

Transactions	31-03-2026	31-03-2025
Sale of services :		
Holding company	**25,697**	**13,255**
- L&T Technology Services Limited	25,697	13,255
Purchase of services :		
Holding company	**230,878**	**479,637**
- L&T Technology Services Limited	230,768	479,513
- Larsen & Toubro Limited	110	124
Fellow subsidiaries	**38,282**	**-**
- LTM Limited (Formerly LTI Mindtree Limited)	38,282	-
Services availed by the Company :		
Holding company	**58,249**	**61,661**
- L&T Technology Services Limited	58,249	61,661
Fellow subsidiaries	**165**	**165**
- Larsen & Toubro LTEH	165	165
Trade receivable :		
Holding company	**8,944**	**17,390**
- L&T Technology Services Limited	8,944	17,390
Trade payable :		
Holding company	**18,333**	**253,001**
- L&T Technology Services Limited	18,333	253,001
Associate company	**-**	**-**
- Thales Services SAS, France	-	-
Fellow subsidiaries	**41,523**	**178**
- Larsen & Toubro LTEH	178	178
- LTM Limited (Formerly LTI Mindtree Limited)	41,345	
Advances to Vendor		
Holding company	**898**	**231**
- Larsen & Toubro Limited	898	231

L&T TECHNOLOGY SERVICES LIMITED
Notes forming part of the standalone financial statements

33 Leases (Rupees in thousand)

1	**Classwise right of use assets (Office Premise)**	**As at March 31, 2026**	**As at March 31, 2025**
	Opening balance	**20,593**	26,915
	Addition during the year (net of deletion)	1,135	-
	Depreciation during the year	17,946	6,322
	Closing balance	**3,782**	**20,593**
2	**Movement in Lease Liability**		
	Opening balance	23,834	29,429
	Finance Cost accrued during the year	1,589	2,026
	Payment of lease liabilities	(7,620)	(7,620)
	Translation difference	-	-
	Closing balance	**17,803**	**23,834**
3	Maturity analysis of lease liability **(undiscounted)**		
	Less than 1 year	8,478	7,620
	1 to 5 years	10,954	19,432
	More than 5 years	-	-
	Total	**19,432**	**27,052**
	Closing balance		
	Current liability	7,380	6,031
	Non -current liability	10,423	17,803
		17,803	**23,834**
4	Amount recognised in P&L account		
	Rent expense - short term lease	-	8
5	Total cash outflow for leases amounts to INR 7,620 thousand during the year (Previous year - INR 7,620 thousand) including cash outflow of short term leases		

34 SEGMENT REPORTING

Business segments:

As the Company's business activity primarily falls within a single primary business segment, viz engineering, programming and testing services, the disclosure requirements of IND AS 108 'Operating Segments' are not applicable.

Geographical segments:

Segmental reporting of revenues on the basis of the geographical location of the customers is as under:

Particulars	North America	Europe	India	Rest of world	Total
Revenue by location of customers	21,740	293,198	171,732	857	487,527
	36,603	*579,914*	*(64,307)*	-	*552,210*

Numbers in italics are previous year numbers

Assets used and liabilities contracted for performing the Company's business have not been identified to any of the above reported segments as they are used inter-changeably among segments.

35 The Company has amounts due to suppliers under The Micro, Small and Medium Enterprises Development Act, 2006,[MSMED Act] as at March 31, 2026. The disclosure pursuant to the said act is as under:

	As at March 31, 2026	As at March 31, 2025
Principal amount due to suppliers under MSMED Act, 2006	245	758
Interest accrued, due to suppliers under MSMED Act on the above amount, and unpaid	68	-
Payment made to suppliers (other than interest) beyond the appointed day during the year	-	-
Interest paid to suppliers under MSMED Act (other than section 16)	-	-
Interest paid to suppliers under MSMED Act (section16)	-	-
Interest due and payable towards suppliers under MSMED Act for payments already made	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	-	-
Amount of further interest remaining due and payable even in the succeeding years	-	-

Dues to Micro and Small Enterprises as defined in Micro, Small and Medium Enterprises Development Act, 2006, have been determined to the extent such parties have been identified on the basis of information collected by the Management.

36 Pursuant to Section 135 of the Companies Act, 2013, a company that meets the prescribed applicability criteria is required to spend at least 2% of its average net profits of the immediately preceding three financial years on Corporate Social Responsibility ("CSR") activities. Based on the audited financial statements of the Company for the financial year ended March 31, 2025, the Company's net worth, turnover, and net profit do not exceed the thresholds specified under Section 135(1) of the Act. Accordingly, the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 are not applicable to the Company. Consequently, the Company is not required to constitute a CSR Committee or undertake CSR expenditure.

37 The Company does not have any long-term contracts as on 31st March 2026 (Previous Year Rs. Nil), including derivative contracts for which there are any material foreseeable losses.

38 There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as at March 31, 2026 (Previous Year Rs. Nil).

39 **Financial ratios:**

Ratio	Formula considered	For year ended 31-03-2026	For year ended 31-03-2025	% Change
Current ratio#	Curren assets / Current liabilities	6.76	2.63	157%
Debt equity ratio	Debt / Total shareholder's equity	-	-	-
Debt service coverage ratio	EBIT / Debt	-	-	-
Return on equity*	PAT / Total average equity	11%	(17)%	(162)%
Trade receivales turnover ratio	Revenue from operation / Average trade receivable	2.4	2.6	(9)%
Trade payable turnover ratio#	Adjusted expenses / Average trade payables	1.9	3.9	(51)%
Net capital turnover ratio	Revenue from operation / Average working capital	0.8	0.9	(7)%
Net profit %*	Profit after tax / Revenue from operations	15%	(23)%	(168)%
EBITDA %*	EBITDA / Revenue from operations	14%	(33)%	(143)%
EBIT %*	EBIT / Revenue from operations	12%	(34)%	(136)%
Return on capital employed %*	PBIT / Average capital employed	14%	(20)%	(170)%
Return on investment*	Interest income / average investment	5.3%	7.7%	(31)%

* Change in ratios is mainly due to non-recurring losses in previous year

\# Change in ratios mainly due to high reduction in trade payable balances

40 The Company does not have any pending litigation as on March 31, 2026. Contingent Liability - Rs. Nil (Previous Year Rs. Nil)

41 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 or entity, 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.

42 No funds have been received by the Company from any person or entity, 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.

43 The Company has not declared or paid dividend during the year.

44 The key objective of the Company's capital management is to maximise shareholder value, safeguard business continuity and support the growth of the company. The Company is not subject to any externally imposed capital requirements.

45 The Company has evaluated impact of New Wage Code announced by Government of India on 21st Nov, 2025 and the accounted its impact in statement of profit and loss for year ended 31st March, 2026

46 The Company does not have any relationship with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956 for the year ended 31st March, 2026.

47 The Company does not have capital commitments as at 31st March, 2026.

48 Previous year's figures have been regrouped / reclassified wherever necessary.

49 i. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

A. 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

B. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

ii. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

A. 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
B. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

As per our report attached
MSKA & Associates LLP (Formerly known as MSKA & Associates)
Chartered Accountants
Firm's registration no. 105047W/W101187

Nitin Tiwari
Partner
Membership no. 118894

Place: Mumbai
Date: April 20, 2026

For and on behalf of the Board of Directors of
L&T Thales Technology Services Private Limited

Rajeev Gupta
Director
(DIN: 06782710)

Place: Mumbai
Date: April 20, 2026

Alind Saxena
Director
(DIN: 10118258)

Place: Illinois, USA
Date: April 20, 2026