S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

THE SKYVIEW 10
18th Floor, "NORTH LOBBY"
Survey No. 83/1, Raidurgam
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INDEPENDENT AUDITOR'S REPORT

To the Members of Coforge DPA Private Limited (formerly known as NIIT Incessant Private Limited)

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Coforge DPA Private Limited (formerly known as NIIT Incessant Private Limited) ("the Company"), which comprise the Balance sheet as at 31 March 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, its profit including other comprehensive income, its cash flows and the changes in equity 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), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the 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 audit opinion on the financial statements.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual 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 such 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.

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Responsibility of Management for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:

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

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

    (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

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

    (e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

    (f) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

    (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended 31 March 2022;

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

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer note 35, 36 and 37 to the financial statements;

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

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

iv. a) The management has represented that, to the best of its knowledge and belief, 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, whether, 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) The management has represented that, to the best of its knowledge and belief, , 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, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures that were 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 (a) and (b) contain any material misstatement.

v. The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Act.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

Atin Bhargava

S.R. BATLIBOI & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
HYDERABAD

per Atin Bhargava
Partner
Membership Number: 504777
UDIN: 22504777AIHVIM4331
Place of Signature: Delhi
Date: 02 May 2022

Annexure 1 referred to in our report of even date
Re: Coforge DPA Private Limited (formerly known as NIIT Incessant Private Limited) ("the Company")

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

(a) (B) The Company has maintained proper records showing full particulars of intangibles assets.

(b) The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets so to cover all the assets once every two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended 31 March 2022.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.

(b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company

(iii) (a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.

(b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.

(c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.

(d) The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.

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(e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) Loans, investments, guarantees and security in respect of which provisions of sections 186 of the Companies Act, 2013 are applicable have been complied with by the Company. There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 of the Companies Act, 2013 are applicable.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) The Company is not in the business of sale of any goods or provision of such services as prescribed. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

(vii) (a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in goods and services tax. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount demanded (Rs)	Amount paid under dispute (Rs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income tax	5,196,574	1,040,000	Assessment year 2017-18	Commissioner of Income tax (Appeals) - Hyderabad
Income Tax Act, 1961	Income tax	30,924,327	-	Assessment year 2018-19	Commissioner of Income tax (Appeals) - Hyderabad

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

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(ix) (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) of the Order is not applicable to the Company.

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

(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(d) The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) No fraud/ material fraud by the Company or no fraud / material fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 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) (a) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) of the Order is not applicable to the Company.

(b) The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(b) of the Order is not applicable to the Company.

(c) The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.

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(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

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

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

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 44 to the financial statements, ageing and expected dates of realization 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) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 18(b) to the financial statements.

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(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 18(b) to the financial statements.

For **S.R. BATLIBOI & ASSOCIATES LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

Atin Bhargava

per Atin Bhargava
Partner
Membership Number: 504777
UDIN: 22504777AIHVIM4331
Place of Signature: Delhi
Date: 02 May 2022

S.R. BATLIBOI & ASSOCIATES LLP
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HYDERABAD

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF COFORGE DPA PRIVATE LIMITED (FORMERLY KNOWN AS NIIT INCESSANT PRIVATE LIMITED)

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

We have audited the internal financial controls with reference to financial statements of Coforge DPA Private Limited (formerly known as NIIT Incessant Private Limited) ("the Company") as of 31 March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. 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 these 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 these 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 these 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 these financial statements.

S.R. BATLIBOI & ASSOCIATES LLP
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Meaning of Internal Financial Controls With Reference to these Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial 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.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

Atin Bhargava

S.R. BATLIBOI & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
HYDERABAD

per Atin Bhargava
Partner
Membership Number: 504777
UDIN: 22504777AIHVIM4331
Place of Signature: Delhi
Date: 02 May 2022

Coforge DPA Private Limited (formerly known as NIIT Incessant Private Limited)
CIN: U72200TG2007PTC056127
Balance Sheet as at 31 March 2022
(All amounts in Indian Rupees Lakhs, except for share data or as otherwise stated)

	Notes	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	691	554
Intangible assets	4	-	2
Right-of-use assets	42	2,994	229
Financial assets			
Investments	5(i)	12,639	12,639
Deferred tax assets (net)	6	489	555
Non current tax asset (net)	7	147	500
Other non-current assets	8	592	576
Total non-current assets		17,552	15,055
Current assets			
Financial assets			
Trade receivables	5(iii)	14,647	9,120
Cash and cash equivalents	5(iv)	2,588	3,836
Other financial assets	5(ii)	1,519	2,654
Other current assets	8	415	382
Current tax asset (net)	7	247	-
Total current assets		19,416	15,992
Total assets		36,968	31,047
EQUITY AND LIABILITIES			
Equity			
Equity share capital	9 (i)	81	81
Other equity	9 (ii)	29,983	26,275
Total equity		30,064	26,356
Non-current liabilities			
Financial liabilities			
Lease liability	42	2,910	-
Provisions	10	915	635
Total non-current liabilities		3,825	635
Current liabilities			
Financial liabilities			
Trade payables	11 (i)		
Total oustanding dues of micro enterprises and small enterprises		122	17
Total oustanding dues of creditors other than micro enterprises and small enterprises		1,267	1,111
Lease liability	42	15	399
Other financial liabilities	11 (ii)	980	1,316
Provisions	10	152	44
Liabilities for current tax (net)	12	-	875
Other current liabilities	13	543	294
Total current liabilities		3,079	4,056
Total liabilities		6,904	4,691
Total equity and liabilities		36,968	31,047
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R. Batliboi & Associates LLP
Firm Registration No.101049W/E300004
Chartered Accountants

Atin Bhargava

per Atin Bhargava
Partner
Membership No.: 504777

Place :
Date : 02 May 2022

COFORGE DPA PVT. LTD. Hyderabad T.S.

S.R. BATLIBOI & ASSOCIATES LLP CHARTERED ACCOUNTANTS HYDERABAD

For and behalf of Board of Directors of
Coforge DPA Private Limited (formerly known as NIIT Incessant Private Limited)

Ajay Kalra

Ajay Kalra
Director
DIN: 03157214

Place : GURUGRAM
Date : 02 May 2022

Sanjeev Prasad

Sanjeev Prasad
Director
DIN: 07490849

Place : GURUGRAM
Date : 02 May 2022

Coforge DPA Private Limited (formerly known as NIIT Incessant Private Limited)
CIN: U72200TG2007PTC056127
Statement of Profit and Loss for the year ended 31 March 2022
(All amounts in Indian Rupees Lakhs, except for share data or as otherwise stated)

Particulars	Notes	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue from contracts with customers	14	33,182	23,411
Other income	15	8,362	3,579
Total income		41,544	26,990
Expenses			
Employee benefits expense	16	17,660	10,498
Depreciation and amortization expense	17	567	483
Other expenses	18	4,002	2,479
Finance costs	19	51	62
Total expenses		22,280	13,522
Profit before tax		19,264	13,468
Income tax expense	20		
- Current tax		2,634	3,044
- Adjustment of tax relating to earlier years		(279)	-
- Deferred tax		12	(170)
Total tax expense		2,367	2,874
Profit for the year		16,897	10,594
Other comprehensive income/(loss)			
Items that may be reclassified to profit or loss			
Deferred gains on cash flow hedge		181	1
Income tax effect #	20	(45)	(0)
		136	1
Items that will not be reclassified to profit or loss			
Re-measurement gains/ (losses) on defined benefit plans		35	(64)
Income tax effect		(9)	16
		26	(48)
Other comprehensive income/(loss) for the year, net of tax		162	(47)
Total comprehensive income for the year, net of tax		17,059	10,547
# Nil due to rounding off to nearest lakhs			
Earnings per share (EPS)			
Basic earnings per share (INR)	21	417.45	261.73
Diluted earnings per share (INR)	21	417.45	261.73
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R Batliboi & Associates LLP
Firm Registration No.101049W/E300004
Chartered Accountants

Atin Bhargava

per Atin Bhargava
Partner
Membership No.: 504777

Place :
Date : 02 May 2022

S.R. BATLIBOI & ASSOCIATES LLP CHARTERED ACCOUNTANTS *HYDERABAD*

For and behalf of Board of Directors of
Coforge DPA Private Limited (formerly known as NIIT Incessant Private Limited)

Ajay Kalra
Director
DIN: 03157214

Place : GURUGRAM
Date : 02 May 2022

Sanjeev Prasad
Director
DIN: 07490849

Place : GURUGRAM
Date : 02 May 2022

COFORGE DPA PVT. LTD Hyderabad T.S.

Coforge DPA Private Limited (formerly known as NIIT Incessant Private Limited)
CIN: U72200TG2007PTC056127
Statement of cash flows for the year ended 31 March 2022
(All amounts in Indian Rupees Lakhs except for share data or as otherwise stated)

Particulars	Notes	For the year ended 31 March 2022	For the year ended 31 March 2021
Cash flow from operating activities			
Profit before tax		19,264	13,468
Adjustments for			
Depreciation and amortisation expense, including on right-of-use assets		567	483
Interest on lease liability		17	57
Loss on sale of property, plant and equipment (net)		2	6
Impairment allowance (allowance for bad and doubtful debts)		15	50
Unwinding of discount on security deposits		(11)	(11)
Dividend income from subsidiaries		(7,604)	(2,893)
Unrealised foreign exchange gain		(195)	(14)
Working capital adjustments:			
Decrease/(increase) in other financial assets		1,256	(1,778)
(Increase) in other assets		(49)	(16)
(Increase) in trade receivables		(5,427)	(5,532)
Increase in trade payables		341	987
Increase in provisions		423	221
(Decrease)/increase in other financial liabilities		(232)	166
Increase in other current liabilities		249	116
		8,616	5,310
Income taxes paid, net		(3,124)	(2,361)
Net cashflows from operating activities		5,492	2,949
Cash flow from investing activities			
Purchase of property, plant and equipment, including capital creditors		(658)	(288)
Purchase of intangible assets		-	(2)
Proceeds from sale of property, plant and equipment		81	24
Dividend received		7,604	2,893
Net casflows from investing activities		7,027	2,627
Cash flow from financing activities			
Repayment of lease liabilities		(416)	(364)
Dividend paid		(13,351)	(2,900)
Net casflows used in financing activities		(13,767)	(3,264)
Net (decrease)/increase in cash and cash equivalents		(1,248)	2,312
Cash and cash equivalents at the beginning of the year		3,836	1,524
Cash and cash equivalents at the end of the year		2,588	3,836
Components of cash and cash equivalents			
Balances with banks	5(iv)		
- in current accounts		1,815	3,836
Cash on hand *		0	0
Remittance in transit		773	-
Total cash and cash equivalents		2,588	3,836
Summary of significant accounting policies	2		

* Nil due to rounding off to nearest lakhs

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R Batliboi & Associates LLP
Firm Registration No.101049W/E300004
Chartered Accountants

Atin Bhargava

per Atin Bhargava
Partner
Membership No.: 504777

Place :
Date : 02 May 2022

For and behalf of Board of Directors of
Coforge DPA Private Limited (formerly known as NIIT Incessant Private Limited)

Ajay Kalra
Director
DIN: 03157214

Place : GURUGRAM
Date : 02 May 2022

Sanjeev Prasad
Director
DIN: 07490849

Place : GURUGRAM
Date : 02 May 2022

COFORGE DPA PVT. LTD. Hyderabad T.S.

S.R. BATLIBOI & ASSOCIATES LLP CHARTERED ACCOUNTANTS HYDERABAD

Coforge DPA Private Limited (formerly known as NIIT Incessant Private Limited)
CIN: U72200TG2007PTC056127
Statement of Changes in Equity for the year ended 31 March 2022
(All amounts in Indian Rupees Lakhs, except for share data or as otherwise stated)

a. Equity share capital

Equity shares of Rs. 2 each issued, subscribed and fully paid	Number	Amount
As at 01 April 2020	4,047,631	81
Changes during the year	-	-
At 31 March 2021	4,047,631	81
Changes during the year	-	-
At 31 March 2022	4,047,631	81

b. Other equity

	Securities premium	General reserves	Retained earnings	Cash flow hedging reserve	Total
Balance at 01 April 2020	5,829	116	12,756	(73)	18,628
Profit for the year	-	-	10,594	-	10,594
Other comprehensive income/(loss) (net of tax)	-	-	(48)	1	(47)
Reclass to financial liability (refer note 24))	-	-	(2,900)	-	(2,900)
Balance as at 31 March 2021	5,829	116	20,402	(72)	26,275
Profit for the year	-	-	16,897	-	16,897
Other comprehensive income (net of tax)	-	-	26	136	162
Dividends paid (refer note 9(ii))	-	-	(13,351)	-	(13,351)
Balance as at 31 March 2022	5,829	116	23,974	64	29,983

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R Batliboi & Associates LLP
Chartered Accountants
Firm Registration No.101049W/E300004

per Atin Bhargava
Partner
Membership No.: 504777

Place :
Date : 02 May 2022

For and behalf of Board of Directors of
Coforge DPA Private Limited (formerly known as NIIT Incessant Private Limited)

Ajay Kalra
Director
DIN: 03157214

Place : GURUGRAM
Date : 02 May 2022

Sanjeev Prasad
Director
DIN: 07490849

Place : GURUGRAM
Date : 02 May 2022

1. **Corporate information**

Coforge DPA Private Limited (formerly known as 'NIIT Incessant Private Limited') ("the Company") is a private company domiciled in India and is incorporated under the provisions of the Companies Act, applicable in India. The Company is a subsidiary of Coforge Limited (formerly known as 'NIIT Technologies Limited') having its principal place of business located at Hyderabad, India. The Company is a Global Business Process Management Specialist providing IT Services, strategic consulting and vertical specific solutions to clients in India, USA, UK, Australia, Canada and Ireland and delivers services directly and through its network of subsidiaries. The Company also has an overseas branch in Canada.

The financial statements were authorised for issue in accordance with a resolution of the directors on 02 May 2022.

2. **Significant accounting policies**

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

(a) Compliance with Ind AS

The financial statements of the Company are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

Coforge Limited (formerly known as NIIT Technologies Limited), the holding company prepares its consolidated financial statements including the Company in accordance with Ind AS and files the same with the Registrar. The Company has therefore availed the exemption provided under Companies (Accounts) Amendment Rules, 2016 and has not prepared consolidated financial statements.

(b) Historical cost convention

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

- certain financial assets and liabilities (including derivative instruments) measured at fair value (refer accounting policy regarding financial instruments); and
- defined benefit plans - plan assets measured at fair value.

The financial statements are presented in Indian Rupee (Rs.) and all values are rounded to the nearest lakhs (Rs. 00,000), except when otherwise indicated.

2.2 Summary of significant accounting policies

(a) Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

i. It is expected to be settled in normal operating cycle,
ii. It is held primarily for the purpose of trading
iii. It is due to be settled within twelve months after the reporting period, or
iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities as non-current.

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

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The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified twelve months as its operating cycle.

(b) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of the Company is measured using the currency of the primary economic environment in which the Company operates (the 'functional currency'). Financial statements of the Company are presented in Indian Rupee (Rs.), which is the Company's functional and presentation currency.

Transactions and balances

All foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the monthly rate. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in the Statement of Profit and Loss.

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All monetary assets and liabilities in foreign currency are restated at the end of the accounting period. Exchange difference on restatement of all other monetary items are recognized in the Statement of Profit and Loss.

(c) Fair value measurement

The Company measures financial instruments, such as investment in mutual funds, at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either –

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

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

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

At each reporting date, management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, management regularly reviews significant unobservable inputs applied in the valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

(d) Revenue from contract with customers

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of discounts and taxes. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

As per India's 115, "Revenue from Contracts with Customers", revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services. The Company presents revenues net of indirect taxes in its statement of Profit and loss.

Rendering of services

The Company provides services to its subsidiaries as well as outside customers. Revenue is recognized when persuasive evidence of an arrangement exists, services have been rendered, the fee is determinable, and collectability is reasonably assured.

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Revenue from rendering of services to subsidiaries is recognized on accrual basis for services rendered and billed as per terms of specific contracts.

Revenue from provision of trained resources to subsidiaries are recognised as resources are utilised by (or) services are provided to the customer in accordance with the contract terms.

Contracts with outside customers are only time and material contracts.

Time and material contracts
Revenue with respect to time and material contracts is recognized as the related services are performed.

Fixed price contract
Revenue from fixed-price, fixed-capacity/ fixed monthly 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. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

Revenues in excess of invoicing are treated as contract assets (which is referred as unbilled revenue) while invoicing in excess of revenues are treated as contract liabilities (which is referred as deferred revenues). The Company classifies amounts due from customer as receivable or unbilled revenue depending on whether the right to consideration is unconditional. If only the passage of time is required before payment of the consideration is due, the amount is classified as receivable. Otherwise, such amounts are classified as unbilled revenue.

Other income
Interest income
Interest income is recognized on a time proportion basis taking into amount outstanding and applicable interest rate.

Dividends
Dividends are recognized in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

(e) Income tax
Current tax
Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its overseas branches operate and generate taxable income.
Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred tax
Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax basis of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

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Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current tax and deferred tax are recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized in Other Comprehensive Income or directly in equity.

(f) **Leases & Right-of-use assets**

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

Company as a lessee

In accordance with IndAS 116, the Company applies a single recognition and measurement approach for all leases, except for short-term leases. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets. The Company recognises the cumulative effect of initially applying this Standard as an adjustment to the opening balance of retained earnings.

Right-of-use assets

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

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.
The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (g) Impairment of non-financial assets.

Lease liability

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

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

The Company's lease liability is included in Financial liabilities in the financial statements of the Company.

Short-term leases

The Company applies the short-term lease recognition exemption to its short-term lease of premises (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term lease is recognised as expense as and when incurred.

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(g) **Impairment of non-financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified.

Impairment losses of continuing operations are recognised in the Statement of Profit and Loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(h) **Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of presentation in the Statement of cash flows, cash and cash equivalents include cash in hand and short-term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(i) **Investments and other financial assets**

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

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

- Debt instruments at amortised cost;
- Debt instruments at fair value through other comprehensive income (FVTOCI); and
- Debt instruments and derivatives at fair value through profit or loss (FVTPL).

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Company classifies its debt instruments:

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Amortized cost:

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

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

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

Debt instruments at fair value through other comprehensive income (FVTOCI)

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Fair value through profit or loss:

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Derecognition

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

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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., deposits, trade receivables, contract asset and bank balance; and
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, Company is required to consider all contractual terms of the financial instrument (including prepayment and extension) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the Company is required to use the remaining contractual term of the financial instrument.

Investment in subsidiaries
Investment in subsidiaries are accounted for at cost.

(j) Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.
All financial liabilities are recognised initially at fair value and, in the case of payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, liabilities recognised for put option and derivative financial instruments.

Subsequent measurement
Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/losses are not subsequently transferred to Statement of Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss. The Company has not designated any financial liability as at fair value through profit and loss.

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

(k) Derivatives and hedging activities
Derivative financial instrument is initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For hedge accounting, Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment. At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Company will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk.

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Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

The Company uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments, as well as forward commodity contracts for its exposure to volatility in the commodity prices. The ineffective portion relating to foreign currency contracts is recognised in finance costs and the ineffective portion relating to commodity contracts is recognised in other income or expenses.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

(l) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(m) Property, plant and equipment

All items of property, plant and equipment are stated at historical cost less accumulated depreciation less impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a pro-rata basis on the straight-line method over the estimated useful lives of the assets. The estimates of useful lives of the assets are as follows:

Asset	Useful life as per Schedule II of the Companies Act, 2013
Computers	3-6 years
Furniture and fixtures	10 years
Office equipment	3-5 years
Vehicles	8 years
Leasehold improvements	3 years or lease period whichever is lower

The asset's residual values and useful life are reviewed, and adjusted if appropriate, at the end of each reporting period.

The asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income/expenses as applicable

(n) Intangible assets

Intangible assets represent computer software

Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Costs associated with maintaining software are recognized as an expense and charged to the Statement of Profit and Loss.

Depreciation methods, estimated useful lives and residual value

Intangible assets are amortised on a straight line basis over their estimated useful lives determined based on an internal technical valuation and charged to Statement of Profit and Loss. The estimated useful lives of intangible assets are as specified in Schedule II of the Companies Act, 2013 which is 3 years.

The asset's useful life is reviewed, and adjusted if appropriate, at the end of each reporting period.

(o) Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

Provisions are measured at the present value of management's best estimates of the expenditure incurred to settle the present obligation at the end of the reporting period.

(p) Retirement and other employee benefits

Defined Contribution Plans

Contribution towards provident fund for employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis. The Company's contributions to defined contribution plans are recognized in the Statement of Profit and Loss as and when the services are received from the employees.

Defined Benefit Plans

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The liability recognized in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less fair value of the assets. The present value of the defined benefit obligations denominated in Indian Rupees is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of related obligation. The contributions in respect of defined benefit gratuity fund are made to Life Insurance Corporation based on its advice. The accounting charge for benefits under the defined benefit obligation is calculated by independent actuary using the projected unit credit method. Service costs and net interest expense or income is reflected in the Statement of Profit and Loss. Gain or Loss on account of re-measurements are recognized through Other Comprehensive Income in the period in which they occur.

Other Benefit Plans

Compensated absences

The employees of the Company are entitled to compensated leave for which the Company records the liability based on actuarial valuation computed under projected unit credit method. This benefit is unfunded.

Compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Service costs and net interest expense or income is reflected in the Statement of Profit and Loss.

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Compensated absences that are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits and the obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Overseas employees

In respect of employees of the overseas branches where ever applicable, the Company makes defined contributions on a monthly basis towards the retirement saving plan which are charged to the Statement of Profit and Loss

Share-based payments

Share-based compensation benefits are provided to employees via the NIIT Technologies Employee Stock Option Plan 2005.

Employee options

The fair value of options granted under Employee Stock Option Plan is recognized as an employee benefits expense with a corresponding payable to parent company. The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

(q) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by weighted average number of equity shares outstanding during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account: The after-income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(r) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

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(All amounts in Indian Rupees Lakhs, except for share data or as otherwise stated)

3. Property, plant and equipment

	Computers	Furniture and fixtures	Office equipment	Vehicles	Leasehold improvements	Total
Cost						
As at 31 March 2020	671	10	145	161	120	1,107
Additions	357	4	1	28	-	390
Disposals	-	-	-	(57)	-	(57)
As at 31 March 2021	1,028	14	146	132	120	1,440
Additions	531	-	4	21	-	556
Disposals	(93)	-	(7)	(8)	-	(108)
As at 31 March 2022	1,466	14	143	145	120	1,888
Depreciation						
As at 31 March 2021	478	10	84	38	109	719
Depreciation charge during the year	145	1	21	24	3	194
Disposals	-	-	-	(27)	-	(27)
As at 31 March 2022	623	11	105	35	112	886
Depreciation charge during the year	299	1	11	22	3	336
Disposals	(14)	-	(7)	(4)	-	(25)
As at 31 March 2022	908	12	109	53	115	1,197
Net book value						
As at 31 March 2021	405	3	41	97	8	554
As at 31 March 2022	558	2	34	92	5	691

4. Intangible assets

	Computer software	Total
Cost		
As at 31 March 2020	242	242
Additions	2	2
As at 31 March 2021	244	244
Additions	-	-
As at 31 March 2022	244	244
Amortization		
As at 31 March 2020	229	229
Amortization charge for the year	13	13
As at 31 March 2021	242	242
Amortization charge for the year	2	2
As at 31 March 2022	244	244
Net book value		
As at 31 March 2021	2	2
As at 31 March 2022	-	-

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Coforge DPA Private Limited (formerly known as NIIT Incessant Private Limited)
CIN: U72200TG2007PTC056127
Notes to financial statements for the year ended 31 March 2022
(All amounts in Indian Rupees Lakhs, except for share data or as otherwise stated)

5 Financial assets

5(i) Non-current investments

	31 March 2022	31 March 2021
Investments in equity instruments (fully paid) (at cost)		
Unquoted in Subsidiary Companies:		
1,000 (31 March 2021: 1,000) Equity shares of GBP 1 each in Coforge DPA UK Ltd (formerly known as Incessant Technologies (UK) Ltd)	1	1
100 (31 March 2021: 100) Equity shares of AUD 1 each in Coforge DPA Australia Pty Ltd (formerly known as Incessant Technologies (AUS) Pty Ltd)	7	7
100% (31 March 2021: 100%) Equity shares in Coforge DPA NA Inc (formerly known as Incessant Technologies NA Inc.)	200	200
100% (31 March 2021: 100%) Equity shares in Coforge DPA Ireland (formerly known as Incessant Technologies (Ireland) Limited) *	0	0
80% (31 March 2021: 80%) Equity shares in Coforge BPM Inc., USA (formerly known as RuleTek Inc., USA) (refer note 26)	12,431	12,431
	12,639	12,639

* Nil due to rounding off to nearest lakhs

	31 March 2022	31 March 2021
Aggregate value of unquoted investments	12,639	12,639

5(ii) Other financial assets

	31 March 2022	31 March 2021
Derivative instruments at fair value through OCI		
Cash flow hedges		
Foreign exchange forward contracts (refer note 30)	225	46
Financial instruments at amortised cost		
Other receivables *	324	161
Security deposits	211	137
Unbilled receivable #	759	2,310
	1,519	2,654

* Includes receivables from related parties amount to Rs 324 (31 March 2021: Rs 161), refer note 34.
# Includes unbilled receivables from related parties amount to Rs 747 (31 March 2021: Rs 2,254), refer note 34

5(iii) Trade receivables

	31 March 2022	31 March 2021
Trade receivables #	14,723	9,181
	14,723	9,181

includes receivables from related parties amounting to Rs. 14,242 (31 March 2021: Rs. 8,354, refer note 34)

Break-up for security details:

	31 March 2022	31 March 2021
Trade receivables		
Secured, considered good	-	-
Unsecured, considered good	14,647	9,120
Trade receivables - credit impaired	76	61
	14,723	9,181
Impairment allowance (allowance for bad and doubtful debts)		
Trade receivables - credit impaired	(76)	(61)
Total Trade receivables	14,647	9,120

Trade receivables ageing schedule

As at 31 March 2022

	Curent but not due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years *	Total
(i) Undisputed Trade receivables - considered good	6,111	7,849	539	146	2	0	14,647
(ii) Undisputed Trade receivables - credit impaired	-	-	-	25	51	0	76
Total	6,111	7,849	539	171	53	0	14,723

As at 31 March 2021

	Curent but not due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	5,878	2,699	465	78	-	-	9,120
(ii) Undisputed Trade receivables - credit impaired	-	8	17	36	-	-	61
Total	5,878	2,707	482	114	-	-	9,181

* Nil due to rounding off to nearest lakhs

No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person.
Nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member
For terms and conditions relating to related party receivables, refer note 34
Trade receivables are non-interest bearing and are generally on terms of 30 to 180 days

5(iv) Cash and cash equivalents

	31 March 2022	31 March 2021
Balances with banks:		
- On current accounts	1,815	3,836
- On bank overdraft *	-	-
Cash on hand #	0	0
Remittance in transit **	773	-
	2,588	3,836

* Company has hypothecated its book debts, current assets and trade receivables towards the working capital facility availed from the bank.
# Nil due to rounding off to nearest lakhs
** Remittance pertains to dividend received from subsidiaries

Break up of financial assets carried at amortised cost

	31 March 2022	31 March 2021
Other financial assets (refer note 5 (ii))	1,294	2,608
Trade receivables (refer note 5 (iii))	14,647	9,120
Cash and cash equivalents (refer note 5 (iv))	2,588	3,836
	18,529	15,564

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6 Deferred tax assets (net)

Deferred tax assets relates to the following:	31 March 2022	31 March 2021
Property, plant & equipment: Impact of difference between tax depreciation and depreciation/amortization charged for financial reporting	38	59
Tax impact of re-measurement of cost on net defined benefit liability and bonus provision	454	415
Derivatives (refer note 30)	(21)	24
Right-of-use assets and lease liability (refer note 42)	(18)	43
Impairment allowance (allowance for bad and doubtful debts) (refer note 5(ii))	19	15
Others	17	(1)
	489	555

Movement in deferred tax assets

	Property, plant & equipment	Right-of-use assets and Lease liability	Employee benefits	Impairment allowance (allowance for	Derivatives	Others
At 31 March 2020	60	56	227	3	24	(1)
(charged)/credited:						
- to profit or loss - deferred tax	(1)	(13)	172	12	-	-
- to other comprehensive income *	-	-	16	-	0	-
At 31 March 2021	59	43	415	15	24	(1)
(charged)/credited:						
- to profit or loss - deferred tax	(21)	(61)	48	4	-	18
- to other comprehensive income	-	-	(9)	-	(45)	-
At 31 March 2022	38	(18)	454	19	(21)	17

* Nil due to rounding off to nearest lakhs

7 Tax asset (net)

	31 March 2022		31 March 2021	
	Non-current	Current	Non-current	Current
Advance income tax (net of provision of income tax) *	147	247	500	-
	147	247	500	-

* The Company offsets tax assets and tax liabilities if and only if it has legally enforceable right to set off its tax assets and tax liabilities.

8 Other assets
(Unsecured, considered good unless otherwise stated)

	31 March 2022		31 March 2021	
	Non-current	Current	Non-current	Current
Prepayments	1	368	1	152
Balance with statutory/government authorities	-	-	-	221
Taxes paid under protest (refer note 36)	10	-	10	-
Deferred contract cost	26	18	10	1
Royalty tax credit (refer note 35)	555	-	555	-
Other advances	-	29	-	8
	592	415	576	382

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(All amounts in Indian Rupees Lakhs, except for share data or as otherwise stated)

9 Equity share capital and other equity

(i) Equity share capital

	31 March 2022	31 March 2021
Authorized equity share capital		
25,000,000 (31 March 2021: 25,000,000) equity shares of Rs. 2 each	500	500
	500	500
Issued, subscribed and fully paid up shares		
4,047,631 (31 March 2021: 4,047,631) equity shares of Rs. 2 each	81	81
	81	81

Reconciliation of number of shares outstanding, amount at the beginning and at the end of the year

	31 March 2022		31 March 2021	
	No.	INR	No.	INR
At the beginning of the year	4,047,631	81	4,047,631	81
At the end of the year	4,047,631	81	4,047,631	81

Terms and rights attached to equity shares

The Company has one class of equity shares having a par value of Rs. 2 per share. Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Shares held by holding company

Out of the equity shares issued by the Company, shares held by its holding company are as below:

	31 March 2022	31 March 2021
Coforge Limited (formerly known as NIIT Technologies Limited) 4,047,631 (31 March 2021: 4,047,631) equity shares	81	81

Details of shareholders holding more than 5% shares in the Company

	31 March 2022		31 March 2021	
Name of shareholder	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Coforge Limited (formerly known as NIIT Technologies Limited)	4,047,226	99.99%	4,047,226	99.99%

(ii) Other equity

Securities premium reserve	31 March 2022	31 March 2021
Opening balance	5,829	5,829
Change during the year	-	-
Closing balance	5,829	5,829

General reserve	31 March 2022	31 March 2021
Opening balance	116	116
Change during the year	-	-
Closing balance	116	116

Cash flow hedging reserve	31 March 2022	31 March 2021
Opening balance	(72)	(73)
Change during the year (refer note 30)	136	1
Closing balance	64	(72)

Retained earnings	31 March 2022	31 March 2021
Opening balance	20,402	12,756
Net profit for the year	16,897	10,594
Items of other comprehensive income recognized directly in retained earnings		
Remeasurement of post employment benefit obligation, net of tax	26	(48)
Dividends paid	(13,351)	(2,900)
Closing balance	23,974	20,402

	31 March 2022	31 March 2021
Total other equity	29,983	26,275

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(All amounts in Indian Rupees Lakhs, except for share data or as otherwise stated)

Nature and purpose of other reserves

Securities premium reserves

Securities premium is used to record the premium on issue of shares. The reserves can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

General reserves

This represents appropriation of the profits by the Company.

Cash flow hedging reserve

The Company uses hedging instruments as part of its management of foreign currency risk associated with its highly probable forecasted transactions, i.e., Revenue, as described within note 30. For hedging foreign currency risk, the Company uses Foreign Currency Forward Contracts which are designated as Cash Flow Hedges. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognized in the Cash Flow Hedging Reserve. Amount recognized in the Cash Flow Hedging Reserve is reclassified to profit or loss when the hedged item i.e., revenue effects profit and loss.

Dividend paid

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

	31 March 2022	31 March 2021
Interim dividend on equity shares declared and paid during the year		
Interim dividend for the year ended 31 March 2021	7,220	2,900
Interim dividend for the year ended 31 March 2022	6,131	-
	13,351	2,900

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10 Provisions

	31 March 2022		31 March 2021	
	Non-current	Current	Non-current	Current
Leave encashment	213	107	110	44
Gratuity (refer note 27)	702	45	525	-
	915	152	635	44

11 Financial liabilities

11 (i) Trade payables

	31 March 2022	31 March 2021
Total oustanding dues to micro enterprises and small enterprises (refer note 33)	122	17
Total oustanding dues to creditors other than micro enterprises and small enterprises #	1,267	1,111
	1,389	1,128

includes payables to related parties amounting to Rs. 106 (31 March 2021: Rs. 345, refer note 34)

Trade payables ageing schedule#

As at 31 March 2022

	Unbilled	Curent but not due	Outstanding for following periods from due date of payment		
			Less than 1 year	1-2 years	Total
Undisputed total outstanding dues of micro enterprises and small enterprises	-	122	-	-	122
Undisputed total outstanding dues of creditors other than micro enterprises and small enterprises	496	592	179	-	1,267
Total	496	714	179	-	1,389

As at 31 March 2021

	Unbilled	Curent but not due	Outstanding for following periods from due date of payment		
			Less than 1 year	1-2 years	Total
Undisputed total outstanding dues of micro enterprises and small enterprises	-	-	17	-	17
Undisputed total outstanding dues of creditors other than micro enterprises and small enterprises	406	377	322	6	1,111
Total	406	377	339	6	1,128

Terms and conditions of the above financial liabilities:

a. Trade payables are non-interest bearing and are normally settled on 0 to 60 days terms.

b. For terms and conditions with related parties, refer to note 34

For explanations on the Company's credit risk management processes, refer to note 31

11 (ii) Other financial liabilities

	31 March 2022	31 March 2021
Financial liabilities at fair value through OCI		
Cash flow hedges		
Foreign exchange forward contracts (refer note 30)	140	142
Other financial liabilities at amortised cost		
Capital creditors	-	102
Employee benefits payable	840	1,072
	980	1,316

Break up of financial liabilities carried at amortised cost	31 March 2022	31 March 2021
Trade payable (refer note 11(i))	1,389	1,128
Lease liability (refer note 42)	2,925	399
Other financial liabilities (refer note 11(ii))	840	1,174
	5,154	2,701

12 Liabilities for current tax (net)	31 March 2022	31 March 2021
Provision for taxes (net of advance tax)*	-	875
	-	875

* The Company offsets tax assets and tax liabilities if and only if it has legally enforceable right to set off its tax assets and tax liabilities.

13 Other current liabilities	31 March 2022	31 March 2021
Statutory liabilities	539	280
Deferred revenue	-	10
Advance from employees	4	4
	543	294

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(All amounts in Indian Rupees Lakhs, except for share data or as otherwise stated)

14 Revenue from contracts with customers

	For the year ended 31 March 2022	For the year ended 31 March 2021
Sale of services (refer note 40)	33,182	23,411
	33,182	23,411

15 Other income

	For the year ended 31 March 2022	For the year ended 31 March 2021
Dividend income from subsidiaries	7,604	2,893
Exchange differences (net)	133	-
Unwinding of discount on security deposits	11	11
Recovery from subsidiaries for common corporate support services	583	656
Miscellaneous income	31	19
	8,362	3,579

16 Employee benefits expense

	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries, bonus and allowances	16,425	9,765
Contribution to provident and other funds	812	461
Gratuity (refer note 27)	258	154
Employee stock option scheme (refer note 41)	33	-
Staff welfare expenses	132	118
	17,660	10,498

17 Depreciation and amortization expense

	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation of property, plant and equipment (refer note 3)	336	194
Amortization of intangible assets (refer note 4)	2	13
Depreciation of right-of-use assets (refer note 42)	229	276
	567	**483**

18 Other expenses

	For the year ended 31 March 2022	For the year ended 31 March 2021
Rental charges	124	88
Rates and taxes	23	3
Electricity and water charges	44	49
Telephone and communication charges	61	69
Legal and professional fees	483	243
Travelling and conveyance	128	190
Recruitment expenses	354	275
Insurance	8	-
Repairs and maintenance		
Buildings	152	141
Others	13	18
Impairment allowance (allowance for bad and doubtful debts) (refer note 5(iii))	15	50
Payment to auditor (refer note 18(a))	31	26
Exchange differences (net)	-	60
Professional charges	2,387	1,153
Loss on sale of property, plant and equipment (net)	2	6
Corporate social responsibility expenditure (refer note 18(b))	173	94
Miscellaneous expenses	4	14
	4,002	2,479

18 (a) Details of payments to auditors

	For the year ended 31 March 2022	For the year ended 31 March 2021
Statutory audit	25	20
Tax audit	3	3
In other capacities:		
Certification fees	3	3
Reimbursement of expenses	-	-
Total payments to auditors	**31**	**26**

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	For the year ended 31 March 2022	For the year ended 31 March 2021
18(b) Details of corporate social responsibility expenditure		
Gross amount required to be spent during the year	173	94
Amount approved by the Board to be spent during the year	173	94
Amount spent during the year on		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	173	94
Details related to spent obligations:		
i) Contribution to Public Trust	-	-
ii) Contribution to Charitable Trust	173	94

	For the year ended 31 March 2022	For the year ended 31 March 2021
19 Finance costs		
Interest on lease liability (refer note 42)	17	57
Bank and financial charges	34	5
	51	62

	For the year ended 31 March 2022	For the year ended 31 March 2021
20 Income tax expense		
(a) Income tax expense		
Current tax		
In respect of current year	2,634	3,044
In respect of previous year	(279)	-
	2,355	3,044
Deferred tax		
In respect of current year	12	(170)
	12	(170)
Income tax expense	2,367	2,874
(b) Amount recognised directly in equity		
Deferred tax asset/(liability) on other comprehensive income	(54)	16
Total tax expense	2,421	2,858

(c) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

	For the year ended 31 March 2022	For the year ended 31 March 2021
Profit before income tax expense (including OCI)	19,480	13,405
Enacted tax rates in India	25.17%	25.17%
Computed expected tax expense	4,903	3,374
Add/(less):Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Effect of non-deductible expenses	43	22
Effect of deduction availed under section 80M of Income Tax Act, 1961	(1,914)	(728)
Effect in current tax due to differential rate on dividend under section 115BBD of Income Tax Act, 1961	(609)	-
Effect of differential overseas branch tax rates	129	157
Royalty tax payable for revenue earned from Australia	922	204
Royalty tax credit available on revenue earned from Australia	(774)	(171)
Taxes of earlier years *	(279)	-
	2,421	2,858

* Of the above, Rs. (232) pertains to effect in current tax due to differential rate under section 115BBD of Income Tax Act, 1961 on dividend received in the previous year from subsidiary.

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21. Earnings per share

	31 March 2022	31 March 2021
Basic earnings per equity share of Rs. 2 each		
From operations attributable to the equity holders of the company	417.45	261.73
Diluted earnings per equity share of Rs. 2 each		
From operations attributable to the equity holders of the company	417.45	261.73
Reconciliations of earnings used in calculating earnings per share		
(i) Basic earnings per share		
Profit attributable to the equity holders of the company used in calculating basic earnings per share:	16,897	10,594
(ii) Diluted earnings per share		
Profit attributable to the equity holders of the company used in calculating diluted earnings per share:	16,897	10,594
Weighted average number of shares used as the denominator		
(i) Weighted average number of equity shares used as the denominator in calculating basic earnings per share	4,047,631	4,047,631
(ii) Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share	4,047,631	4,047,631

22. **Commitments**

Contracts remaining to be executed on capital account and not provided for amounted are estimated to be Nil (31 March 2021: Nil).

23. **Details of dues to micro and small enterprises as defined under the MSMED Act, 2006:**

	31 March 2022	31 March 2021
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	122	17
Interest due on above	-	-
	122	17
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	-	-

24. **Liability recognised on put option on shares held by the holding company**

The terms of the share purchase agreement provided Coforge Limited (formerly known as NIIT Technologies Limited) a right to sell back their shares and post an obligation on the Company. The occurrence (or) non-occurrence of these events was beyond the control of the Company and the Company had therefore, recognised a financial liability in the earlier years to account for future possible cash outflow on such buy-back by reclassifying a portion of retained earnings to financial liability. As no price was specified for such buy back in the agreements, the Company had recognised liability equal to the maximum possible cash outflow based on the buy-back limits placed by provisions of the Companies Act, 2013 which is recognised in the agreement above.

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During the year ending 31 March 2020, since Coforge Limited had acquired 100% of the equity share capital of the Company and this liability was reclassified back to retained earnings.

25. Segment information

As per Ind AS 108 - Operating Segments, where the financial report contains both the consolidated financial statements of a parent as well as the parent's separate financial statements, segment information is required only in the consolidated financial statements, accordingly no segment information is disclosed in these financial statements of the Company.

26. Acquisition of third tranche in Coforge BPM Inc.,USA (erstwhile Ruletek Inc.)

As at 31 March 2022, the Company holds 80% (31 March 2021: 80%) shareholding in Coforge BPM Inc. (erstwhile Ruletek Inc., USA). The remaining 20% has been acquired by Coforge DPA NA Inc. (erstwhile Incessant Technologies NA Inc.), wholly owned subsidiary of the Company, during the previous year.

27. Defined benefit plan

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by the number of years of completed service. The gratuity plan is a funded plan and the company makes contributions to Life Insurance Corporations of India. The Company does not fully fund the liability and maintains a target level of funding to be maintaining over of period of time based on estimations of expected gratuity payments.

Balance sheet amounts – Gratuity

The amounts recognized in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

	Present value of obligation	Fair value of plan assets	Net amount
31 March 2020	440	(133)	307
Current service cost	136	-	136
Interest expense/ (income)	26	(8)	18
Total amount recognized in profit or loss	162	(8)	154
Remeasurements			
Return on plan assets, excluding amounts included in interest*	-	(1)	(1)
Loss from change in financial assumptions	72	-	72
Loss/(gain) due to demographic assumption changes	50	-	50
Experience loss/(gains)	(57)	-	(57)
Total amount recognized in other comprehensive income	65	(1)	64
Employer's contributions	-	-	-
Employer direct benefit payments	-	-	-
Benefit payments	(41)	41	-
1 April 2021	627	(102)	525
Current service cost	225	-	225
Interest expense/ (income)	40	(7)	33
Total amount recognized in profit or loss	265	(7)	258
Remeasurements			
Return on plan assets, excluding amounts included in interest*		2	2
Loss from change in financial assumptions	89	-	89
Loss/(gain) due to demographic assumption changes	(85)	-	(85)
Experience loss/(gains)	(42)	-	(42)
Total amount recognized in other comprehensive income	(38)	2	(36)
Employer's contributions	-	-	-
Employer direct benefit payments	-	-	-
Benefit payments	(106)	106	-
31 March 2022	748	(1)	747

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The net liability disclosed above relates to funded and unfunded plans as follows:

	31 March 2022	31 March 2021
Present value of funded obligations	748	627
Fair value of plan assets	(1)	(102)
Deficit of funded plan	747	525
Unfunded plans	-	-
Deficit of gratuity plan	747	525

Principal assumptions

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

	31 March 2022	31 March 2021
Discount rate	6.79%	6.49%
Withdrawal rate	15%	11%
Salary growth rate	12%	10%

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

Sensitivity analysis

A quantitative sensitivity analysis for significant assumption of the above liability as at 31 March 2022 and 31 March 2021 is as shown below:

	31 March 2022	31 March 2021
(a) Effect of 50 basis points change in assumed discount rate on defined benefit obligation		
- 50 basis points increase	719	598
(Discount rate (%) increase)	-3.90%	-4.63%
- 50 basis points decrease	779	659
(Discount rate (%) decrease)	4.18%	5.01%
(b) Effect of 50 basis points change in assumed salary escalation rate on defined benefit obligation		
- 50 basis points increase	777	657
(Salary rate (%) increase)	3.96%	4.82%
- 50 basis points decrease	720	600
(Salary rate (%) decrease)	-3.74%	-4.51%

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

Expected benefit payments for the year ending

	31 March 2022	31 March 2021
Five years pay-outs		
Year 1	46	29
Year 2	59	36
Year 3	66	47
Year 4	70	56
Year 5	84	56
6 to 10 years	357	266

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28. **Fair value**

Category wise classification of financial instruments

	31 March 2022	31 March 2021
Financial assets		
Valued at amortized cost		
Trade receivables	14,647	9,120
Cash and cash equivalents	2,588	3,836
Other financial assets	1,294	2,608
	18,529	15,564
Valued at FVTOCI		
Foreign exchange forward contracts	225	46
	225	46

	31 March 2022	31 March 2021
Financial liabilities		
Valued at amortized cost		
Trade payables	1,389	1,128
Other financial liabilities	840	1174
Lease liability	2925	399
	5,154	2,701
Valued at FVTOCI		
Foreign exchange forward contracts	140	142
	140	142

The management assessed that cash and cash equivalents, unbilled revenue, trade receivables, trade payables, lease liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The fair values for security deposits (included in other financial assets) were calculated based on cash flows discounted using a current lending rate.

29. **Fair value hierarchy**

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

(a) recognized and measured at fair value, and

(b) measured at amortized cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Quantitative disclosures fair value measurement hierarchy for assets:

	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
31 March 2022				
Asset measured at fair value				
Foreign exchange forward contracts	-	225	-	225
31 March 2021				
Asset measured at fair value				
Foreign exchange forward contracts	-	46	-	46

Fair value of financial assets and liabilities measured at amortised cost:

	31 March 2022	31 March 2021
Asset measured at amortised cost		
Trade receivables	14,647	9,120
Cash and cash equivalents	2,588	3,836
Other financial assets	1,294	2,608
	18,529	15,564

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Liability measured at amortised cost		
Trade payables	1,389	1,128
Other financial liabilities	840	1174
Lease liability	2925	399
	5,154	2,701

30. Hedging activities

The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (where revenue is denominated in a foreign currency).

The Company manages its foreign currency risk by hedging transactions that are expected to occur within a maximum 12-month period for hedges of forecasted sales.

When a derivative is entered for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions, the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.

At 31 March 2022, the Company hedged 75% (31 March 2021: 75%). of its expected foreign currency sales. Those hedged sales were highly probable at the reporting date. This foreign currency risk is hedged by using foreign currency forward contracts.

The Company is holding the following foreign exchange forward contracts (highly probable forecasted sales)

31 March 2022

Particulars	Less than 1 month	1 to 3 months	3 to 6 months	6 to 9 months	9 to 12 months	Total
USD/INR						
Notional Amount	209	693	739	603	638	2,882
Average Forward Rate	77	77	77	78	79	78
GBP/INR						
Notional Amount	481	958	1,261	1,105	1,005	4,810
Average Forward Rate	107	106	105	105	105	105
AUD/INR						
Notional Amount	462	915	1,205	1,072	926	4,580
Average Forward Rate	57	56	56	57	57	57

31 March 2021

Particulars	Less than 1 month	1 to 3 months	3 to 6 months	6 to 9 months	9 to 12 months	Total
USD/INR						
Notional Amount	119	264	331	290	247	1,251
Average Forward Rate	77	77	77	77	76	77
GBP/INR						
Notional Amount	311	858	1,050	976	867	4,062
Average Forward Rate	97	98	100	102	105	101
AUD/INR						
Notional Amount	166	469	604	566	506	2,311
Average Forward Rate	54	55	56	57	59	56

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The impact of the hedging instruments on the balance sheet is, as follows:

Foreign exchange forward contracts	Notional amount	Carrying amount	Line item in statement of financial position	Change in fair value used for measuring ineffectiveness for the period
At 31 March 2022	12,272	85	Derivative instruments under current financial assets/liabilities	-
At 31 March 2021	7,624	(96)	Derivative instruments under current financial assets/liabilities	-

Impact of hedging activities

(a) Disclosure of effects of hedge accounting on financial position:

31 March 2022:

Type of Hedge	Carrying amount of hedging instrument		Maturity date
	Assets	Liabilities	
Cash flow hedge Foreign exchange forward contracts	225	140	April 2022 to March 2023

31 March 2021:

Type of Hedge	Carrying amount of hedging instrument		Maturity date
	Assets	Liabilities	
Cash flow hedge Foreign exchange forward contracts	46	142	April 2021 to March 2022

(b) Disclosure of effects of hedge accounting on financial performance:

31 March 2022:

Type of Hedge	Change in the value of hedging instrument recognised in other comprehensive income*	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of reclassification
Cash flow hedge Foreign exchange forward contracts	181	(1)	Revenue from Operations

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31 March 2021:

Type of Hedge	Change in the value of hedging instrument recognised in other comprehensive income*	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of reclassification
Cash flow hedge Foreign exchange forward contracts	(1)	(97)	Revenue from Operations

*The resultant impact on the cash flow hedge reserve for the year ended 31 March 2022 and 31 March 2021 on account of changes in the fair value has been reconciled in note 9.

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument, including whether the hedging instrument is expected to offset changes in cash flows of hedged items.

If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for in profit or loss at the time of the hedge relationship rebalancing.

31. Financial risk management

The Company's principal financial liabilities, other than derivatives, comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, and cash that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. Below is the summary of various risk:

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include deposits and derivative financial instruments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

There are no borrowings on the financial statements. Hence, there is no concentration of interest rate risk.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

The fluctuation in foreign currency exchange rates may have potential impact on the Statement of Profit and Loss and Other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the Company.

Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar, Great Britain Pound, Australian Dollar, Canadian Dollar, Singapore Dollar and Euro against the functional currency of the Company. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

To minimise its exposure to exchange rate risks, the Company entered into forward contracts to hedge against the exchange fluctuations arising from highly probable sale transactions. Refer note 30 mentioned above.

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Foreign currency sensitivity

The following table demonstrate the sensitivity to a reasonable possible change in the foreign currency exchange rates, with all other variables held constant:

	Impact on profit after tax	
Trade and other receivables	31 March 2022	31 March 2021
INR/USD		
Increase by 1% (31 Mar 2021 - 1%)	5	15
Decrease by 1% (31 Mar 2021 - 1%)	(5)	(15)
INR/EUR		
Increase by 1% (31 Mar 2021 - 1%) *	0	0
Decrease by1% (31 Mar 2021 - 1%) *	(0)	(0)
INR/GBP		
Increase by 1% (31 Mar 2021 - 1%)	21	32
Decrease by 1% (31 Mar 2021 - 1%)	(21)	(32)
INR/CAD		
Increase by 1% (31 Mar 2021 - 1%)	1	17
Decrease by 1% (31 Mar 2021 - 1%)	(1)	(17)
INR/AUD		
Increase by 1% (31 Mar 2021 - 1%)	9	16
Decrease by 1% (31 Mar 2021 - 1%)	(9)	(16)
INR/SGD		
Increase by 1% (31 Mar 2021 - 1%)	-	2
Decrease by 1% (31 Mar 2021 - 1%)	-	(2)
Trade and other payables		
INR/USD		
Increase by 1% (31 Mar 2021 - 1%) *	(0)	(2)
Decrease by 1% (31 Mar 2021 - 1%) *	0	2
INR/CAD		
Increase by 1% (31 Mar 2021 - 1%) *	(1)	(0)
Decrease by 1% (31 Mar 2021 - 1%) *	1	0
INR/GBP		
Increase by 1% (31 Mar 2021 - 1%) *	(0)	-
Decrease by 1% (31 Mar 2021 - 1%) *	0	-
INR/AED		
Increase by 1% (31 Mar 2021 - 1%) *	-	(0)
Decrease by 1% (31 Mar 2021 - 1%) *	-	0

* Nil due to rounding off to Lakh rupees

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(b) Credit risk

Trade receivables

Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss.

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables and other receivables amounting to Rs 14,971 lakhs and Rs.9,281 lakhs as of 31 March 2022 and 31 March 2021, respectively and unbilled revenue amounting to Rs. 759 lakhs and Rs. 2,310 lakhs as of 31 March 2022 and 31 March 2021, respectively. Trade/Other receivables and unbilled revenue are typically unsecured and are derived from revenue earned through subsidiaries and other corporate customers. The Company earns major revenues from its subsidiaries where the payment is received as and when it is due. For other customers, the Company has used the expected credit loss model to assess the impairment loss or gain on trade receivables and unbilled revenue and has provided it wherever appropriate.

In respect of security deposit of Rs 211 as at 31 March 2022 (Rs 137 as at 31 March 2021), the Company has assessed the counterparty credit risk and believes that no provision is required for its recoverability.

The following table gives the movement in allowance for expected credit loss for the year ended 31 March 2022:

Particulars	31 March 2022	31 March 2021
Balance at the beginning	61	11
Expected credit loss recognized	15	50
Balance at the end	76	61

Credit risk on cash and cash equivalents is limited as the management generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables), foreign exchange transactions and other financial instruments.

(c) **Liquidity risk**

The Company's principal sources of liquidity are cash and cash equivalents, the cash flow that is generated from operations. The Company has no outstanding borrowings from banks. The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

Maturities of financial liabilities

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

	Less than 1 Year	1-2 Years	2-4 Years	4-7 Years	More Than 7 Years	Total
31 March 2022						
Trade payables	1,389	-	-	-	-	1,389
Other financial liabilities	840	-	-	-	-	840
Lease liability	185	277	608	1,033	3,553	5,656
Foreign exchange forward contracts	140	-	-	-		140
	2,554	277	608	1,033	3,553	8,025
31 March 2021						
Trade payables	1,128	-	-	-		1,128
Other financial liabilities	1,174					1,174
Lease liability	399	-	-	-		399
Foreign exchange forward contracts	142	-	-	-		142
	2,843	-	-	-	-	2,843

32. **Capital management**

Risk management

For the Company's capital management, capital includes issued equity share capital, share premium and all other equity reserves attributable to the shareholders. The primary objectives of the Company's capital management are to maximise the shareholder value and safeguard their ability to continue as a going concern. The Company has no outstanding borrowings. The funding requirements are generally met through operating cash flows generated.

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33. Interests in other entities
Interest in Subsidiaries

The Company's subsidiaries at 31 March 2022 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Company and the proportion of ownership interests held equals the voting rights held by the Company. The country of incorporation or registration is also their principal place of business.

Name	Place of business/ country of incorporation	Ownership interest held by the company		Ownership interest held by the Non-controlling interest		Principal Activities
		31 March 2022	31 March 2021	31 March 2022	31 March 2021	
Direct subsidiaries						
Coforge DPA (Australia) Pty Ltd (formerly known as Incessant Technologies (Australia) Pty Ltd)	Australia	100	100	-	-	Software development
Coforge DPA UK Ltd (formerly known as Incessant Technologies (UK) Ltd)	United Kingdom	100	100	-	-	Software development
Coforge DPA NA Inc. (formerly known as Incessant Technologies NA Inc.)	USA	100	100	-	-	Software development
Coforge DPA Ireland (formerly known as Incessant Technologies (Ireland) Limited)	Ireland	100	100	-	-	Software development
Coforge BPM Inc. (formerly known as RuleTek Inc.) *	USA	100	100	-	-	Software development

* The remaining 20% has been acquired by Coforge DPA NA Inc. (erstwhile Incessant Technologies NA Inc.) during the previous year.

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34. Related party transactions

(a) Name of related parties and description of relationship

Nature of relationship	Name of the Company
Ultimate Holding Company	Baring Private Equity Asia GP VII Limited
Holding Company	Coforge Limited (Erstwhile NIIT Technologies Limited
Subsidiary Companies	Coforge DPA Australia Pty Ltd. (Erstwhile Incessant Technologies (Australia) Pty Ltd)
	Coforge DPA UK Ltd (Erstwhile Incessant Technologies (UK) Ltd)
	Coforge DPA NA Inc. (Erstwhile Incessant Technologies NA Inc.)
	Coforge DPA Ireland (Erstwhile Incessant Technologies (Ireland) Limited)
	Coforge BPM Inc. (Erstwhile RuleTek Inc.)
Fellow Subsidiary	Coforge Advantage go Limited (Erstwhile NIIT Insurance Technologies Limited)
	Coforge Inc. (Erstwhile NIIT Technologies Inc.)
	Coforge Limited (Thailand)
	SLK Global Solutions Pvt Ltd (w.e.f 12 April 2021)
	Coforge FZ LLC
Key Managerial Personnel (KMP)	Sudhir Singh (Director)
	Ajay Kalra (Director)
	Suresh Kumar Jagannathan (Chief Operating Officer)
	Sanjeev Prasad (Director)
	Hari Gopal Krishnan (Director) (until 28 April 2020)

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(b) Balance outstanding as at the year-end:

	31 March 2022	31 March 2021
Coforge DPA UK Ltd		
Disclosed under trade receivables	2,771	3,135
Disclosed under other receivables	161	118
Disclosed under trade payables	-	1
Coforge DPA Australia Pty Ltd.		
Disclosed under trade receivables	929	1,759
Disclosed under other receivables	129	10
Disclosed under trade payables	-	2
Coforge DPA NA Inc.		
Disclosed under trade receivables	638	1,446
Disclosed under other receivables	34	33
Disclosed under trade payables	14	18
Coforge, Inc.		
Disclosed under trade receivables	1,176	1,169
Coforge Limited		
Disclosed under trade receivables	8,722	773
Disclosed under unbilled receivables	747	2,254
Disclosed under trade payables	392	319
Coforge Limited (Thailand)		
Disclosed under trade receivables	6	55
Coforge AdvantageGo Limited		
Disclosed under trade receivables	-	17
Coforge FZ LLC		
Disclosed under trade payables	-	5

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(c) Transactions during the year:

	For the year ended 31 March 2022	For the year ended 31 March 2021
Coforge Limited		
Revenue from operations	6,822	2,817
Legal and professional charges	272	171
Miscellaneous income	-	19
Professional charges	416	225
Rental charges	78	84
Dividend paid	13,351	2900
Sale of property, plant and equipment	90	-
Reimbursement of expenses paid/payable by the Company	148	15
Reimbursement of expense received/recoverable by the Company	6	-
Coforge DPA UK Ltd		
Revenue from operations	7,143	7,508
Dividend income	6,698	2,893
Recovery for support services	312	331
Reimbursement of expenses recovered/recoverable by the Company	72	46
Reimbursement of expenses paid/payable by the Company *	0	1
Coforge DPA Australia Pty Ltd.		
Revenue from operations	7,746	5,142
Recovery for support services	181	215
Reimbursement of expenses recovered/recoverable by the Company	9	0
Reimbursement of expenses paid/payable by the Company	-	2
Coforge DPA NA Inc.		
Revenue from operations	5,029	2,744
Recovery for support services	84	110
Reimbursement of expenses recovered/recoverable by the Company	3	3
Reimbursement of expenses paid/payable by the Company	217	-
Dividend income	181	-
Coforge Inc.		
Revenue from operations	2,396	918
Coforge Limited (Thailand)		
Revenue from operations	57	56
Coforge AdvantageGo Limited		
Reimbursement of expenses recovered/recoverable by the Company	68	-
Coforge FZ LLC		
Reimbursement of expenses paid by the Company	-	5
Coforge BPM Inc.		
Dividend income	725	-
SLK Global Solutions Pvt. Ltd		
Reimbursement of expenses paid by the Company	1	-
Remuneration#		
Suresh Kumar Jagannathan	262	180

#As gratuity and compensated absences are computed for all the employees in aggregate, the amounts relating to the key managerial personnel cannot be individually identified.
*Nil due to rounding off to Lakhs.

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35. **Royalty tax credit**

The Company in the earlier year, under the voluntary rebate scheme introduced by the Australian Taxation Office (ATO) following the Tech Mahindra ruling, approached the ATO to offer its Australia-sourced income and lodge federal tax return on a voluntary basis for the periods FY 2015-16 to FY 2017-18. The same was done by applying Article 12(3)(g) of the India Australia Double Tax Avoidance Agreement (DTAA). Accordingly, the Company in FY 2018-19 had made a provision of Rs. 840 lakhs for FY 2015-16 till FY 2018-19 with a corresponding royalty tax credit receivable from Indian taxation authorities.

The payments made in the earlier years for FY 2016-17 to FY 2020-21 were claimed as Foreign Tax credit in the Income Tax returns filed by the Company for the respective assessment years.

The Company has also made provision of Rs. 923 lakhs for royalty tax liability for FY 2021-22 (FY 2020-21: Rs 203 lakhs) along with the corresponding tax credit of Rs. 774 lakhs (FY 2020-21: Rs 171 Lakhs) (netted off in the financial statement).

During the earlier year, the Company has filed the application u/s 155(14A) to Assistant Commissioner of Income Tax claiming refund of royalty tax of FY 2015-16 till FY2017-18. The royalty tax credit for FY 2015-16 is separately shown in the financials as Royalty tax credit amounting to Rs. 555 lakhs. There is no update in the current year for the application filed.

36. During the earlier year, the Company had received an assessment order dated 26 December 2019 passed under section 143(3) of the Act from the Income Tax department for AY 2017-18 stating tax demand of Rs. 52 lakhs disallowing certain expenditures/payments made by the Company including the foreign tax credit of Rs. 210 lakhs in respect of the aforesaid royalty tax credit for the said assessment year on account of non-submission of relevant details/documents. The Company had filed an appeal with the CIT (A) and has deposited an amount of Rs. 10 lakhs under protest and believes that it will be able to substantiate its claim before the appellate authorities with proper documents/ explanation / evidences / calculations and therefore believes that no provision is required in the books of accounts against such disallowance. There is no update in the current year for the appeal filed.

37. During the previous year, the Company had received an assessment order dated 25 March 2021 passed under section 143(3) read with sections 143(3A) & 143(3B) of the Income Tax Act, 1961 ('the Act') from the Income Tax department for AY 2018-19 stating tax demand of Rs. 309 lakhs arising due to adoption of higher Net Profit ratio and disallowing certain expenditures/payments made by the Company including the foreign tax credit of Rs. 88 lakhs in respect of the royalty tax credit for the said assessment year on account of non-submission of relevant details/documents. The Company had filed an appeal with the CIT (A) and believes that it will be able to substantiate its claim before the appellate authorities with proper documents/ explanation / evidences / calculations and therefore believes that no provision is required in the books of accounts against such disallowance. There is no update in the current year for the appeal filed.

38. **Significant accounting judgements estimates and assumptions**

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(i) **Defined benefit plan – Gratuity**

The cost of the defined gratuity plan and the present value of gratuity obligation are determined using actuarial assumptions that may differ from the actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.
The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

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(ii) Depreciation on property, plant and equipment

Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives and residual values of all its property, plant and equipment estimated by the management. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of property, plant and equipment, though these rates in certain cases are different from lives prescribed under Schedule II of the Companies Act, 2013.

(iii) Taxes

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(iv) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

(v) Impairment of investments

The Company reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

(vi) Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19)

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of these standalone financial statements including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has, at the date of approval of these financial statements, used internal and external sources of information including credit reports and related information and economic forecasts and expects that the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

39. In relation to the Supreme Court (SC) judgement on Provident Fund dated 28 February 2019, there were numerous interpretative issues and accordingly, the Company evaluated that there was no material impact of the above SC order if considered prospectively from the date of such order. The Company will create additional provision, on receiving further clarity on the subject.

40. Revenue from contracts with customers

a) Disaggregate revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

Vertical	For the year ended 31 March 2022	For the year ended 31 March 2021
Banking and financial services	8,722	2,501
Insurance	10,409	7,357
Travel, Transport and Logistics	233	19
Retail	4,853	9771
Others	8,965	3,763
Total revenue	**33,182**	**23,411**

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The table below presents disaggregated revenues from contracts with customers by geography:

Geography	For the year ended 31 March 2022	For the year ended 31 March 2021
Europe	7,040	7,508
Americas	11,391	7,108
Asia Pacific	7,761	5,198
India	6,990	3,597
Total revenue	33,182	23,411

b) **Contract balances**

	31 March 2022	31 March 2021
Trade receivables	14,647	9,120
Unbilled Revenue (Contract assets)	759	2,310
Deferred revenue (Contract liabilities)	-	10

Particulars about Contract assets (Unbilled revenue)

	31 March 2022	31 March 2021
Balance at the beginning	2,310	211
Unbilled revenue classified to trade receivable upon billing to customer out of opening unbilled revenue	2,310	94

Particulars about Contract liabilities (Deferred revenue)

	31 March 2022	31 March 2021
Balance at the beginning	10	-
Deferred revenue classified to trade receivable upon billing to customer out of opening deferred revenue	10	-

c) **Performance Obligations**

There is no remaining performance obligation as the contracts entered by the Company are typically those contracts where invoicing is on time and material basis.

41. Share-based stock payments

Expenses arising from share-based payment transactions:

Certain employees of the Company are entitled to stock options granted by Coforge Limited (the Company's Parent Company) under the Coforge Employee Stock Option Plan 2005 (erstwhile NIIT Technologies Employee Stock Option Plan 2005), in relation to services received by the Company. The Company accrues for the cost of employees stock option determined under the fair value method over the vesting period of the option, which is reimbursed to the Parent Company. During the year ended 31 March 2022 Rs. 33 lakhs (31 March 2021: Rs. Nil) was charged to the Company by the Parent Company and accordingly the expenses towards Coforge Employee Stock Option Plan 2005 for current year is Rs. 33 lakhs (31 March 2021: Rs. Nil).

42. Leases

The Company had a lease contract for buildings used in its operations which expired during the current year. The Company entered into a new lease contract for the period of 5 years with extension option for 10 years. For the new lease contract, the Company is reasonably certain to exercise the extension option.

The Company also elected to use the recognition exemption for lease contract that, at the commencement date, has a lease term of 12 months or less and do not contain a purchase option ("short-term lease").

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Set out below are the carrying amounts of right-of-use asset recognised and the movements during the year:

Particulars	Building Lease
As at 31 March 2020	580
Depreciation expense	(276)
Impact of rent concession	(75)
As at 31 March 2021	229
Depreciation expense	(229)
Addition	2994
As at 31 March 2022	2994

Set out below are the carrying amounts of lease liability (included under other financial liabilities) and the movements during the year:

Particulars	Building Lease
As at 31 March 2020	**781**
Accretion of interest	587
Payments	(364)
Addition	(75)
As at 31 March 2021	**399**
Accretion of interest	17
Payments	(416)
Addition	2925
As at 31 March 2022	**2925**

43. Social Security Code

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Coforge DPA Private Limited (formerly known as NIIT Incessant Private Limited)
CIN: U72200TG2007PTC056127
Notes to financial statements for the year ended 31 March 2022
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44. Ratio analysis and its elements

Ratio	Numerator	Denominator	31-Mar-22	31-Mar-21	% change	Reason for variance
Current ratio	Current Assets	Current Liabilities	6.31	3.94	59.94%	Refer note (a)
Debt- Equity Ratio	Total Debt	Shareholder's Equity	0.10	0.02	512.67%	Refer note (b)
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	42	31	37.20%	Refer note (b)
Return on Equity ratio	Net Profits after taxes - Preference Dividend	Average Shareholder's Equity	56.20%	40.20%	39.82%	Refer note (a)
Inventory Turnover ratio	Cost of goods sold	Average Inventory	NA	NA	NA	Refer note (c)
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	2.79	3.65	-23.48%	-
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	3.01	3.43	-12.19%	-
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	2.03	1.96	3.55%	-
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	0.51	0.45	12.53%	-
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Lease liabilities – Deferred tax liabilities	0.59	0.51	15.78%	-
Return on Investment	Interest (Finance Income)	Investment	NA	NA	NA	Refer note (c)

Note - a : Revenue growth along with higher efficiency on working capital improvement has resulted in an improvement in the ratio.
Note - b : Debt represents only lease liabilities and in the current year, the previous lease got expired and the Company has drawn a new lease agreement against which a lease liability was created
Note - c : These ratios are not applicable to the Company.

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45. **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. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 16 – Property Plant and equipment –

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

The effective date for adoption of this amendment is annual periods beginning on or after 01 April 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets - The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after 01 April 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

For S.R. Batliboi & Associates LLP
Firm Registration No.101049W/E300004

Chartered Accountants

Atin Bhargava

per Atin Bhargava
Partner
Membership No.: 504777

Place :
Date : 02 May 2022

S.R. BATLIBOI & ASSOCIATES LLP CHARTERED ACCOUNTANTS HYDERABAD

For and behalf of Board of Directors of
Coforge DPA Private Limited (formerly known as NIIT Incessant Private Limited)

Ajay Kalra

Ajay Kalra
Director
DIN: 03157214

Place : GURUGRAM
Date : 02 May 2022

Sanjeev Prasad
Director
DIN: 07490849

Place : GURUGRAM
Date : 02 May 2022

COFORGE DPA PVT. LTD Hyderabad T.S.