Preliminary Placement Document
Subject to Completion
Not for Circulation and Strictly Confidential
Serial Number: [●]

COFORGE LIMITED

The information in this Preliminary Placement Document is not complete and may be changed. The Issue is meant only for Eligible QIBs under Chapter VI of the SEBI ICDR Regulations, on a private placement basis and is not an offer to the public or to any other class of investors to purchase the Equity Shares. This Preliminary Placement Document is not an offer to sell any Equity Shares and is not soliciting an offer to subscribe to or buy the Equity Shares in any jurisdiction where such offer, sale or subscription is not permitted. It is being issued for the sole purpose of information or discussion relating to the Equity Shares that may be issued through the Placement Document.

Our Company was originally incorporated on May 13, 1992, under the Companies Act, 1956 as '*NIIT Investments Private Limited*', pursuant to a certificate of incorporation issued by the Registrar of Companies, Delhi and Haryana at New Delhi. The name of our Company was changed to '*NIIT Investments Limited*' pursuant to a fresh certificate of incorporation consequent to change of name issued by the Registrar of Companies, N.C.T of Delhi and Haryana at New Delhi on January 15, 2004. The name of our Company was further changed to '*NIIT Technologies Limited*' pursuant to a fresh certificate of incorporation consequent to change of name issued by the Registrar of Companies, N.C.T. of Delhi and Haryana at New Delhi on May 14, 2004. Subsequently, the name of our Company was changed to '*Coforge Limited*' pursuant to a fresh certificate of incorporation consequent to change of name issued by the Registrar of Companies, Delhi and Haryana at New Delhi on August 3, 2020. For further details regarding changes in the name and Registered and Corporate Office of our Company, please refer to the section titled "*General Information*" on page 272.

Registered Office: 8, Balaji Estate, Third Floor, Guru Ravi Das Marg, Kalkaji – 110 019, New Delhi, India
Corporate Office: Plot No. TZ-2 & 2A, Sector Tech Zone, Yamuna Expressway, Greater Noida – 201 308, Uttar Pradesh, India
Contact person: Barkha Sharma, Company Secretary and Compliance Officer
Telephone: +91 011 4102 9297; **E-mail**: investors@coforge.com; **Website**: www.coforge.com; **CIN**: L72100DL1992PLC048753

Issue of up to [●] equity shares of face value ₹ 10 each of our Company ("**Equity Shares**") at a price of ₹ [●] per Equity Share (the "**Issue Price**"), including a premium of ₹ [●] per Equity Share, aggregating up to ₹ [●] million (the "**Issue**"). For further details, please refer to the section titled "*Summary of the Issue*" on page 32.

THIS ISSUE IS BEING UNDERTAKEN IN RELIANCE UPON CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS") AND SECTION 42 AND SECTION 62 OF THE COMPANIES ACT, 2013 READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE "PAS RULES") AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER, EACH AS AMENDED (THE "COMPANIES ACT")

OUR COMPANY HAS PREPARED THIS PRELIMINARY PLACEMENT DOCUMENT SOLELY FOR PROVIDING INFORMATION IN CONNECTION WITH THE ISSUE. THE ISSUE AND THE DISTRIBUTION OF THIS PRELIMINARY PLACEMENT DOCUMENT IS BEING MADE TO ELIGIBLE QIBs (AS DEFINED HEREINAFTER) IN RELIANCE UPON SECTION 42 OF THE COMPANIES ACT, READ WITH RULE 14 OF THE PAS RULES AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT AND CHAPTER VI OF THE SEBI ICDR REGULATIONS. THIS PRELIMINARY PLACEMENT DOCUMENT IS PERSONAL TO EACH PROSPECTIVE INVESTOR. THE ISSUE DOES NOT CONSTITUTE AN OFFER OR INVITATION OR SOLICITATION OF AN OFFER TO THE PUBLIC OR TO ANY OTHER PROSPECTIVE INVESTOR OR CLASS OR CATEGORY OF INVESTORS WITHIN OR OUTSIDE INDIA OTHER THAN ELIGIBLE QIBs. THIS PRELIMINARY PLACEMENT DOCUMENT SHALL BE CIRCULATED ONLY TO SUCH ELIGIBLE QIBs WHOSE NAMES ARE RECORDED BY OUR COMPANY PRIOR TO MAKING AN INVITATION TO SUBSCRIBE TO THE EQUITY SHARES.

YOU MAY NOT AND ARE NOT AUTHORISED TO (1) DELIVER THIS PRELIMINARY PLACEMENT DOCUMENT TO ANY OTHER PERSON; OR (2) REPRODUCE THIS PRELIMINARY PLACEMENT DOCUMENT IN ANY MANNER WHATSOEVER; OR (3) RELEASE ANY PUBLIC ADVERTISEMENTS OR UTILISE ANY MEDIA, MARKETING OR DISTRIBUTION CHANNELS OR AGENTS TO INFORM THE PUBLIC AT LARGE ABOUT THE ISSUE. ANY DISTRIBUTION OR REPRODUCTION OF THIS PRELIMINARY PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS INSTRUCTION MAY RESULT IN VIOLATION OF THE COMPANIES ACT, THE SEBI ICDR REGULATIONS OR OTHER APPLICABLE LAWS OF INDIA AND OF OTHER JURISDICTIONS.

INVESTMENTS IN EQUITY SHARES INVOLVE A HIGH DEGREE OF RISK AND PROSPECTIVE INVESTORS SHOULD NOT INVEST IN THE ISSUE UNLESS THEY ARE PREPARED TO TAKE THE RISK OF LOSING ALL OR PART OF THEIR INVESTMENT. PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ THE SECTION "*RISK FACTORS*" ON PAGE 40 BEFORE MAKING AN INVESTMENT DECISION RELATING TO THE ISSUE, EACH PROSPECTIVE INVESTOR IS ADVISED TO CONSULT ITS OWN ADVISORS ABOUT THE PARTICULAR CONSEQUENCES OF AN INVESTMENT IN THE EQUITY SHARES TO BE ISSUED PURSUANT TO THIS PRELIMINARY PLACEMENT DOCUMENT AND THE PLACEMENT DOCUMENT (AS DEFINED HEREINAFTER). PROSPECTIVE INVESTORS SHALL CONDUCT THEIR OWN DUE DILIGENCE ON THE EQUITY SHARES AND OUR COMPANY. IF YOU DO NOT UNDERSTAND THE CONTENTS OF THIS PRELIMINARY PLACEMENT DOCUMENT AND/OR THE PLACEMENT DOCUMENT, YOU SHOULD CONSULT AN AUTHORISED FINANCIAL ADVISOR AND/OR LEGAL ADVISOR.

The Equity Shares are listed on BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**", and together with BSE, the "**Stock Exchanges**"). The closing price of the outstanding Equity Shares on BSE and NSE as on May 18, 2024 was ₹ 4,731.35 and ₹ 4,729.60 per Equity Share, respectively. Our Company has received in-principle approvals pursuant to Regulation 28(1)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**SEBI Listing Regulations**"), for listing of the Equity Shares to be issued pursuant to the Issue from BSE and NSE, each on May 21, 2024. Our Company shall make applications to the Stock Exchanges for obtaining the final listing and trading approvals for the Equity Shares to be issued pursuant to this Issue. The Stock Exchanges assume no responsibility for the correctness of any statements made, opinions expressed, or reports contained herein. Admission of the Equity Shares to be issued pursuant to this Issue for trading on the Stock Exchanges should not be taken as an indication of the merits of our Company or of the Equity Shares.

A copy of this Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4 (as defined hereinafter)) has been delivered to the Stock Exchanges and a copy of the Placement Document (which shall also include disclosures prescribed under Form PAS-4) will be delivered to the Stock Exchanges in due course. Our Company shall also make requisite filings with the RoC (as defined hereinafter), within the stipulated timeframe prescribed under the Companies Act and the PAS Rules. This Preliminary Placement Document has not been reviewed by the Securities and Exchange Board of India ("**SEBI**"), the Stock Exchanges, the RoC or any other regulatory or listing authority and is intended only for use by Eligible QIBs (as defined hereinafter). This Preliminary Placement Document has not been and will not be filed as a prospectus with the RoC, will not be circulated or distributed to the public in India or any other jurisdiction, and the Issue will not constitute a public offer in India or any other jurisdiction.

Invitations, offers and sales of Equity Shares to be issued pursuant to the Issue shall only be made pursuant to this Preliminary Placement Document together with the Application Form, the Placement Document and the Confirmation of Allocation Note (as defined hereinafter). For further details, please refer to the section titled "*Issue Procedure*" on page 216. The distribution of this Preliminary Placement Document or the disclosure of its contents, without our Company's prior consent, to any person, other than Eligible QIBs and persons retained by Eligible QIBs to advise them with respect to their purchase of Equity Shares, is unauthorised and prohibited. Each prospective investor, by accepting delivery of this Preliminary Placement Document, agrees to observe the foregoing restrictions and to make no copies of this Preliminary Placement Document or any documents referred to in this Preliminary Placement Document.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or the securities laws of any state of the United States and, unless so registered, may not be offered, sold or delivered within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold (a) in the United States only to persons who are qualified institutional buyers (as defined in Regulation 144A under the U.S. Securities Act) ("**U.S. QIBs**") pursuant to Section 4(a)(2) or another available exemption from registration under the U.S. Securities Act, for avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Preliminary Placement Document as "QIBs", and (b) outside the United States, in "offshore transactions", as defined in and in reliance on Regulation S under the U.S. Securities Act ("**Regulation S**") and the applicable laws of the jurisdictions where those offers and sales are made. The Equity Shares are transferable only in accordance with the restrictions described in the sections titled "*Selling Restrictions*" and "*Purchaser Representations and Transfer Restrictions*" on pages 232 and 241, respectively.

The information on our Company's website or any website directly or indirectly linked to our Company's website or the websites of the BRLMs (as defined hereinafter) or any of their respective affiliates does not constitute or form a part of this Preliminary Placement Document and prospective investors should not rely on such information contained in, or available through, any such websites for their investment in this Issue.

This Preliminary Placement Document is dated May 21, 2024.

BOOK RUNNING LEAD MANAGERS	
IIFL SECURITIES LIMITED	HSBC SECURITIES AND CAPITAL MARKETS (INDIA) PRIVATE LIMITED

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NOTICE TO INVESTORS

Our Company has furnished and accepts full responsibility for all the information contained in this Preliminary Placement Document and confirms that to the best of our knowledge and belief, having made all reasonable enquiries, this Preliminary Placement Document contains all the information with respect to our Company, our Subsidiaries and the Equity Shares which is material in the context of the Issue. The statements contained in this Preliminary Placement Document relating to our Company, our Subsidiaries and the Equity Shares are, in all material respects, true, accurate and not misleading, and the opinions and intentions expressed in this Preliminary Placement Document with regard to our Company, our Subsidiaries and the Equity Shares are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions and information presently available to our Company and our Subsidiaries. There are no other facts in relation to our Company, our Subsidiaries and the Equity Shares, the omission of which would, in the context of the Issue, make any statement in this Preliminary Placement Document misleading in any material respect. Further, our Company has made all reasonable enquiries to ascertain such facts and to verify the accuracy of all such information and statements. Unless otherwise stated, all information in this Preliminary Placement Document is provided as of the date of this Preliminary Placement Document and neither our Company nor the Book Running Lead Managers has any obligation to update such information to a later date. The information contained in this Preliminary Placement Document has been provided by our Company and from other sources identified herein.

IIFL Securities Limited and HSBC Securities and Capital Markets (India) Private Limited (the "**Book Running Lead Managers**" or "**BRLMs**") have not separately verified all of the information contained in this Preliminary Placement Document (financial, legal or otherwise). Accordingly, neither the BRLMs nor any of their respective shareholders, employees, counsels, officers, directors, representatives, agents, associates or affiliates make any express or implied representation, warranty or undertaking, and no responsibility or liability is accepted by such persons, as to the accuracy or completeness of the information contained in this Preliminary Placement Document or any other information (financial, legal or otherwise) supplied in connection with our Company, our Subsidiaries and the Equity Shares or distribution of this Preliminary Placement Document. Each person receiving this Preliminary Placement Document acknowledges that such person has not relied either on the BRLMs or on any of their respective shareholders, employees, counsels, officers, directors, representatives, agents, associates or any other affiliates in connection with such person's investigation of the accuracy of such information or such person's investment decision, and each such person must rely on its own examination of our Company and our Subsidiaries and the merits and risks involved in investing in the Equity Shares offered in the Issue.

No person is authorised to give any information or to make any representation not contained in this Preliminary Placement Document and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of our Company or by or on behalf of the BRLMs. Neither the delivery of this Preliminary Placement Document nor any issue of Equity Shares made hereunder shall, under any circumstances, constitute a representation or create any implication that the information contained in this Preliminary Placement Document is correct as of any time subsequent to its date.

The Equity Shares have not been approved, disapproved or recommended by any regulatory authority in any jurisdiction, including the United States Securities and Exchange Commission ("SEC"), any other federal or state authorities in the United States, the securities authorities of any non-United States jurisdiction or any other United States or non-United States regulatory authority. No authority has passed on or endorsed the merits of the Issue or the accuracy or adequacy of this Preliminary Placement Document. Any representation to the contrary may be a criminal offence in certain jurisdictions.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any other applicable state securities laws of the United States and, unless so registered, may not be offered, sold or delivered within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (a) in the United States, only to persons who are "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act ("Rule 144A")) ("U.S. QIB(s)") pursuant to Section 4(a)(2) or another available exemption from registration under the U.S. Securities Act; for avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Preliminary Placement Document as "QIBs"; and (b) outside the United States, in offshore transactions in reliance upon Regulation S under the U.S. Securities Act ("Regulation S") and the applicable laws of the jurisdiction where those offers and sales are made.

Subscribers and purchasers of the Equity Shares offered in the Issue will be deemed to make the representations, warranties, acknowledgements and agreements set forth in, and the Equity Shares are transferable only in accordance with, the restrictions described in the sections titled "*Representations by Investors*", "*Selling Restrictions*" and "*Purchaser Representations and Transfer Restrictions*" beginning on pages 4, 232 and 241, respectively of this Preliminary Placement Document.

The distribution of this Preliminary Placement Document or the disclosure of its contents without the prior consent of our Company to any person, other than Eligible QIBs, whose names are recorded by our Company prior to the invitation to subscribe to the Issue, in consultation with the Book Running Lead Managers, or its representatives, and those retained by the Eligible QIBs to advise them with respect to their purchase of the Equity Shares, is unauthorised and prohibited. Each prospective investor, by accepting delivery of this Preliminary Placement Document, agrees to observe the foregoing restrictions and not further distribute or make any copies of this Preliminary Placement Document or any documents referred to in this Preliminary Placement Document. Any reproduction or distribution of this Preliminary Placement Document, in whole or in part, and any disclosure of its contents to any other person is prohibited.

The distribution of this Preliminary Placement Document and the issue of the Equity Shares may be restricted in certain jurisdictions under applicable laws. As such, this Preliminary Placement Document does not constitute, and may not be used for, or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. In particular, no action has been or will be taken by our Company and the Book Running Lead Managers which would permit an offering of the Equity Shares or distribution of this Preliminary Placement Document in any jurisdiction, other than India, where action for that purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Preliminary Placement Document, nor any offering material in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction, except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction.

In making an investment decision, the prospective investors must rely on their own examination of our Company, our Subsidiaries, the Equity Shares and the terms of the Issue, including the merits and risks involved. Prospective investors should not construe the contents of this Preliminary Placement Document as legal, business, tax, accounting or investment advice. Prospective investors should consult their own counsel and advisors as to business, investment, legal, tax, accounting and related matters concerning the Issue. In addition, our Company or the BRLMs are not making any representation to any prospective investor, purchaser, offeree or subscriber of the Equity Shares in relation to this Issue regarding the legality or suitability of an investment in the Equity Shares by such prospective purchaser under applicable legal, investment or similar laws or regulations. Prospective investors should conduct their own due diligence on the Equity Shares and our Company.

Each investor, purchaser, offeree or subscriber of the Equity Shares in the Issue is deemed to have acknowledged, represented and agreed that it is an Eligible QIB and is eligible to invest in India and in our Company under applicable law, including Chapter VI of the SEBI ICDR Regulations, Sections 42 and 62 of the Companies Act, read with Rule 14 of the PAS Rules and other provisions of the Companies Act, and that it is not prohibited by SEBI or any other regulatory, statutory or judicial authority, in India or any other jurisdiction, from buying, selling or dealing in securities, including the Equity Shares or otherwise accessing the capital markets in India. Each investor, purchaser, offeree or subscriber of the Equity Shares in the Issue also acknowledges that it has been afforded an opportunity to request from our Company and review information relating to our Company and the Equity Shares.

This Preliminary Placement Document contains summaries of certain terms of certain documents, which summaries are qualified in their entirety by the terms and conditions of such documents.

Our Company and the BRLMs are not liable for any amendment or modification or change to applicable laws or regulations that may occur after the date of this Preliminary Placement Document. QIBs (as defined hereinafter) are advised to make their independent investigations and satisfy themselves that they are eligible to apply. QIBs are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Preliminary Placement Document. Further, QIBs are required to satisfy themselves that their Bids would not eventually result in triggering a tender offer under the Takeover Regulations (as defined hereafter) and the QIBs shall be solely responsible for compliance with the provisions of the Takeover Regulations, SEBI Insider Trading Regulations (as defined hereafter) and other applicable laws, rules, regulations, guidelines and circulars.

The information on our Company's website, www.coforge.com, or any website directly or indirectly linked to the website of our Company or on the websites of the BRLMs or any of their respective affiliates or agents, other than this Preliminary Placement Document, does not and shall not constitute nor form part of this Preliminary Placement Document. Prospective investors should not rely on any such information contained in, or available through, any such websites.

Our Company agrees to comply with any undertakings given by it from time to time in connection with the Equity Shares to the Stock Exchanges and without prejudice to the generality of foregoing, shall furnish to the Stock Exchanges all such information as the rules of the Stock Exchanges may require in connection with the listing of the Equity Shares on the Stock Exchanges.

NOTICE TO INVESTORS IN CERTAIN OTHER JURISDICTIONS

This Preliminary Placement Document is not an offer to sell securities and is not soliciting an offer to subscribe to or buy securities in any jurisdiction where such offer, solicitation, sale or subscription is not permitted. For information relating to investors in certain other jurisdictions, please refer to the sections titled "*Selling Restrictions*" and "*Purchaser Representations and Transfer Restrictions*" on pages 232 and 241, respectively.

REPRESENTATIONS BY INVESTORS

All references to "you" or "your" in this section are to the Bidders in this Issue. By Bidding for and/or subscribing to any of the Equity Shares under this Issue, you are deemed to have represented, warranted, acknowledged undertaken, and agreed to the contents set forth in the sections titled "*Notice to Investors*", "*Selling Restrictions*" and "*Purchaser Representations and Transfer Restrictions*" on pages 1, 232 and 241, respectively, and to have represented, warranted, acknowledged and agreed to our Company and the BRLMs as follows:

1. You are a "**Qualified Institutional Buyer**" as defined in Regulation 2(1)(ss) of the SEBI ICDR Regulations and not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, having a valid and existing registration under applicable laws and regulations of India, and undertake to (i) acquire, hold, manage or dispose of any Equity Shares that are Allotted (hereinafter defined) to you in accordance with Chapter VI of the SEBI ICDR Regulations, the Companies Act, 2013 and all other applicable laws; and (ii) comply with the SEBI ICDR Regulations, the Companies Act and all other requirements under applicable law in this relation, including reporting obligations, requirements/ making necessary filings, if any, in connection with the Issue or otherwise accessing capital markets;

2. You are eligible to invest in India under applicable law, including the FEMA Rules (as defined hereinafter) and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI, RBI or any other regulatory authority, statutory authority or otherwise, from buying, selling, or dealing in securities or otherwise accessing capital markets in India;

3. If you are not a resident of India, but a QIB, you are an Eligible FPI (and are not an individual, corporate body or a family office), having a valid and existing registration with SEBI under the applicable laws in India or a multilateral or bilateral development financial institution, and are eligible to invest in India under applicable law, including the SEBI FPI Regulations, FEMA Rules, and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI or any other regulatory authority, from buying, selling, dealing in securities or otherwise accessing the capital markets. You confirm that you are not an FVCI;

4. You will provide the information as required under the Companies Act, the PAS Rules and applicable SEBI ICDR Regulations and other applicable rules for record keeping by our Company, including your name, nationality, complete address, phone number, e-mail address, permanent account number (if applicable) and bank account details and such other details as may be prescribed or otherwise required even after the closure of the Issue;

5. You are eligible to invest and hold the Equity Shares of our Company in accordance with the FDI Policy (as defined hereinafter), read along with the press note no. 3 (2020 series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India, and the related amendments to the FEMA Rules, wherein if the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, foreign direct investments can only be made through the Government approval route, as prescribed in the FEMA Rules. You confirm that no government approval is required under the FEMA Rules, as mandated under the Companies (Share Capital and Debenture) Rules, 2014 and the Companies (Prospectus and Allotment of Securities) Rules, 2014, each as amended;

6. If you are Allotted Equity Shares pursuant to the Issue, you shall not, for a period of one year from the date of Allotment (as defined hereinafter), sell the Equity Shares so acquired, except on the floor of the Stock Exchanges and in accordance with any other resale restrictions applicable to you. You hereby make the representations, warranties, acknowledgements, undertakings and agreements in the sections titled "*Selling Restrictions*" and "*Purchaser Representations and Transfer Restrictions*" on pages 232 and 241, respectively;

7. You are aware that this Preliminary Placement Document and the Placement Document has not been and will not be filed as a prospectus with the RoC under the Companies Act, the SEBI ICDR Regulations or under any other law in force in India and no Equity Shares will be offered in India or overseas to the public or any members of the public in India or any other class of investors, other than Eligible QIBs. You acknowledge that this Preliminary Placement Document has not been reviewed, verified or affirmed by the RBI, SEBI, the Stock Exchanges, the RoC or any other regulatory or listing authority and is intended only for use by Eligible QIBs. This Preliminary Placement Document has been filed and the Placement Document will be filed with the Stock Exchanges for record purposes only and will be displayed on the websites of our Company and the Stock Exchanges;

8. You are permitted to subscribe for and acquire the Equity Shares under the laws of all relevant jurisdictions that apply to you and that you have fully observed such laws and you have necessary capacity, have obtained all necessary consents, governmental or otherwise and authorisations and complied and shall comply with all necessary formalities, to enable you to participate in the Issue and to perform your obligations in relation thereto (including, without limitation, in the case of any person on whose behalf you are acting, all necessary consents and authorisations to agree to the terms set out or referred to in this Preliminary Placement Document), and will honour such obligations;

9. You are aware that our Company, the BRLMs and their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates are not making any recommendations to you or advising you regarding the suitability of investing in the Equity Shares offered in the Issue and your participation in the Issue is on the basis that you are not, and will not, up to the Allotment, be a client of the BRLMs. You acknowledge that the BRLMs and their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates do not have any duties or responsibilities to you for providing the protection afforded to their clients or customers or for providing advice in relation to the Issue and are not, in any way, acting in any fiduciary capacity in relation to you;

10. You confirm that, either: (i) you have not participated in or attended any investor meetings or presentations by our Company or its agents (the "**Company Presentations**") with regard to our Company or the Issue; or (ii) if you have participated in or attended any Company Presentations: (a) you understand and acknowledge that the BRLMs may not have knowledge of the statements that our Company or its agents may have made at such Company Presentations and are therefore unable to determine whether the information provided to you at such Company Presentations may have included any material misstatements or omissions, and, accordingly you acknowledge that the BRLMs have advised you not to place undue reliance in any way on any information that was provided to you at such Company Presentations, and (b) confirm that you have not been provided any material or price sensitive information relating to our Company and the Issue that was not publicly available;

11. Your decision to subscribe to the Equity Shares to be issued pursuant to the Issue has not been made on the basis of any information, that is not set forth in this Preliminary Placement Document;

12. You are subscribing to the Equity Shares to be issued pursuant to the Issue in accordance with applicable laws and by participating in this Issue, you are not in violation of any applicable law, including but not limited to the SEBI Insider Trading Regulations, the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003, as amended, and the Companies Act;

13. You understand that the Equity Shares being issued pursuant to the Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association of our Company and will be credited as fully paid-up and will rank *pari passu* in all respects with the existing Equity Shares including the right to receive dividend and other distributions declared.

14. You acknowledge that all statements other than statements of historical fact included in this Preliminary Placement Document, including, without limitation, those regarding us or our financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to our business), are forward-looking statements. You are aware that, such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. You acknowledge that all forward-looking statements are based on numerous assumptions regarding our present and future business strategies and environment in which we will operate in the future. You shall not place undue reliance on forward-looking statements, which speak only as at the date of this Preliminary Placement Document. You acknowledge that none of our Company, the BRLMs or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates assume any responsibility to update any of the forward-looking statements contained in this Preliminary Placement Document;

15. You are aware and understand that the Equity Shares are being offered only to Eligible QIBs on a private placement basis and are not being offered to the general public, or any other category of investors other than

Eligible QIBs, and the Allotment of the same shall be at the sole discretion of our Company, in consultation with the BRLMs;

16. You are aware that in terms of the requirements of the Companies Act, upon Allocation, our Company will be required to disclose names and percentage of post-Issue shareholding of the proposed Allottees in the Placement Document, as applicable. You acknowledge that the disclosure of such details in relation to the proposed Allottees in the Placement Document will not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of our Company, in consultation with the BRLMs;

17. You are aware that the pre-Issue and post-Issue shareholding pattern of our Company, as required by the SEBI Listing Regulations, will be filed by our Company with the Stock Exchanges;

18. You are aware that if you together with any other Eligible QIBs belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares in the Issue, our Company shall be required to disclose your name and the number of the Equity Shares Allotted to you to the Stock Exchanges and the Stock Exchanges will make the same available on their website and you consent to such disclosures;

19. You have been provided a serially numbered copy of this Preliminary Placement Document and have read it in its entirety, including in particular, the section titled "*Risk Factors*" on page 40;

20. In making your investment decision, you have (i) relied on your own examination of us, the Equity Shares and the terms of the Issue, including the merits and risks involved, (ii) made and will continue to make your own assessment of us, the Equity Shares and the terms of the Issue, based solely on and in reliance of the information contained in this Preliminary Placement Document and no other disclosure or representation by our Company or any other party, (iii) consulted your own independent counsel and advisors or otherwise have satisfied yourself concerning, without limitation, the effects of local laws (including tax laws), (iv) received all information that you believe is necessary or appropriate in order to make an investment decision in respect of us and the Equity Shares, and (v) relied upon your own investigation and resources in deciding to invest in the Issue;

21. Neither our Company, the BRLMs nor any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates have provided you with any tax advice or otherwise made any representations regarding the tax consequences of purchase, ownership and disposal of the Equity Shares (including the Issue and the use of proceeds from the Equity Shares) offered in the Issue;

22. You will obtain your own independent tax advice from a service provider and will not rely on the BRLMs or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates when evaluating the tax consequences in relation to the Equity Shares (including in relation to limited to the Issue and the use of the proceeds from the Equity Shares). You waive, and agree not to assert any claim against us or the BRLMs or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates with respect to the tax aspects of the Equity Shares or as a result of any tax audits by tax authorities, wherever situated;

23. You are a sophisticated investor and have such knowledge and experience in financial, business and investment matters as to be capable of evaluating the merits and risks of an investment in the Equity Shares. You are experienced in investing in private placement transactions of securities of companies in a similar nature of business, similar stage of development and in similar jurisdictions. You and any managed accounts for which you are subscribing for the Equity Shares (i) are aware that an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment and are each able to bear the economic risk of the investment in the Equity Shares including the complete loss on the investment in the Equity Shares; (ii) will not look to our Company and/or the BRLMs or any of their respective shareholders, directors, officers, employees, counsels, advisors, representatives, agents or affiliates for all or part of any such loss or losses that may be suffered in connection with the Issue, including losses arising out of non-performance by our Company of any of its respective obligations or any breach of any representations and warranties by our Company, whether to you or otherwise; (iii) have no need for liquidity with respect to the investment in the Equity Shares; and (iv) you are seeking to subscribe to the Equity Shares in the Issue for your investment purposes and not with a view to resell or distribute such Equity Shares and have no reason to anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Equity Shares;

24. If you are within the United States, you are a U.S. QIB, who is acquiring the Equity Shares for your own account or for the account of an institutional investor who also meets the requirements of a U.S. QIB, for investment purposes only, and not with a view to, or for reoffer or resale in connection with, the distribution (within the meaning of any United States securities laws) thereof, in whole or in part;

25. If you are outside the United States, you are subscribing for the Equity Shares in an "offshore transaction" as defined in and in reliance on Regulation S and the applicable laws of the jurisdiction where those offers and sales are made;

26. You are not acquiring or subscribing for the Equity Shares as a result of any "general solicitation" or "general advertising" (as those terms are defined in Regulation D under the U.S. Securities Act) or "directed selling efforts" (as defined in Regulation S) and you understand and agree that offers and sales (a) in the United States, are being made in reliance on an exemption to the registration requirements of the U.S. Securities Act provided by Section 4(a)(2) or another available exemption from registration under the U.S. Securities Act, and the Equity Shares may not be eligible for resale under Rule 144A thereunder; and (b) outside the United States, are being made in "offshore transactions" as defined in and in reliance on Regulation S and the applicable laws of the jurisdiction where those offers and sales are made. You understand and agree that the Equity Shares are transferable only in accordance with the restrictions described in the sections titled "*Selling Restrictions*" and "*Purchaser Representations and Transfer Restrictions*" on pages 232 and 241, respectively;

27. You represent and agree that you will only reoffer, resell, pledge or otherwise transfer the Equity Shares (A) (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a U.S. QIB in transactions exempt from the registration requirements of the U.S. Securities Act or; (ii) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S under the U.S. Securities Act; and (B) in accordance with the applicable laws of the jurisdictions where those offers and sales are made;

28. You understand that our Company has not been and will not be registered under the U.S. Investment Company Act of 1940, as amended ("**Investment Company Act**") and you will not be entitled to the benefits of the Investment Company Act;

29. You are not a 'promoter' of our Company (as defined under Section 2(69) of the Companies Act, 2013 and under Regulation 2(oo) of the SEBI ICDR Regulations), and are not a person related to our Promoter, either directly or indirectly, and your Bid (hereinafter defined) does not directly or indirectly represent the Promoter or members of the Promoter Group (as defined under the SEBI ICDR Regulations) of our Company or persons or entities related thereto;

30. You have no rights under a shareholders' agreement or voting agreement entered into with the Promoter or members of the Promoter Group, no veto rights or right to appoint any nominee director on the Board of Directors of our Company, other than the rights, if any, acquired in the capacity of a lender not holding any Equity Shares (a QIB who does not hold any Equity Shares and who has acquired the said rights in the capacity of a lender shall not be deemed to be a person related to our Promoter);

31. You agree that in terms of Section 42 of the Companies Act and Rule 14 of the PAS Rules, we shall file the list of Eligible QIBs (to whom this Preliminary Placement Document will be circulated) along with other particulars including your name, complete address, phone number, e-mail address, permanent account number and bank account details, including such other details as may be prescribed or otherwise required even after the closure of the Issue with the RoC and SEBI within 30 days of circulation of this Preliminary Placement Document and other filings required under the Companies Act, 2013;

32. You acknowledge that you will have no right to withdraw your Application Form or revise your Bid downwards after the Bid/ Issue Closing Date (as defined hereinafter);

33. You are eligible to Bid for and hold the Equity Shares so Allotted, together with any Equity Shares held by you prior to the Issue. You further confirm that your aggregate holding after the Allotment of the Equity Shares shall not exceed the level permissible as per any applicable law;

34. The Bid made by you would not ultimately result in triggering an open offer under the Takeover Regulations (as defined herein) and you shall be solely responsible for compliance with all other applicable provisions of the Takeover Regulations;

35. Your aggregate equity shareholding in our Company, together with other Eligible QIBs that belong to the same group or are under common control as you, pursuant to the Allotment under the Issue shall not exceed 50.00% of the Issue Size. For the purposes of this representation:

    a) Eligible QIBs "belonging to the same group" shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15.00% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and independent directors, amongst an Eligible QIB, its subsidiary or holding company and any other Eligible QIBs; and

    b) 'Control' shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the Takeover Regulations;

36. You shall not undertake any trade in the Equity Shares credited to your beneficiary account until such time that the final listing and trading approvals for such Equity Shares to be issued pursuant to this Issue are issued by the Stock Exchanges;

37. You understand and agree that the Equity Shares are transferable only in accordance with the restrictions described in "*Purchaser Representations and Transfer Restrictions*" on page 241;

38. You are aware that (i) applications for in-principle approval, in terms of Regulation 28(1)(a) of the SEBI Listing Regulations, for listing and admission of the Equity Shares to be issued pursuant to the Issue and for trading on the Stock Exchanges, were made and an in-principle approval has been received by our Company from each of the Stock Exchanges, and (ii) the application for the final listing and trading approval will be made only after Allotment. There can be no assurance that the final listing and trading approvals for listing of the Equity Shares, to be issued pursuant to this Issue, will be obtained in time or at all. Neither our Company nor the BRLMs nor any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates shall be responsible for any delay or non-receipt of such final listing and trading approvals or any loss arising from such delay or non-receipt;

39. You are aware and understand that the BRLMs have entered into a Placement Agreement with our Company whereby the BRLMs have, subject to the satisfaction of certain conditions set out therein, undertaken to use its reasonable efforts to procure subscription for the Equity Shares on the terms and conditions set forth therein;

40. You understand that the contents of this Preliminary Placement Document are exclusively the responsibility of our Company, and that neither the BRLMs nor any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates nor any person acting on its or their behalf or any of the counsels or advisors to the Issue has or shall have any liability for any information, representation or statement contained in this Preliminary Placement Document or any information previously published by or on behalf of our Company and will not be liable for your decision to participate in the Issue based on any information, representation or statement contained in this Preliminary Placement Document or otherwise. By accepting a participation in the Issue, you agree to the same and confirm that the only information you are entitled to rely on, and on which you have relied in committing yourself to acquire the Equity Shares is contained in this Preliminary Placement Document, such information being all that you deem necessary to make an investment decision in respect of the Equity Shares, you have neither received nor relied on any other information, representation, warranty or statement made by or on behalf of the BRLMs or our Company or any other person, and the BRLMs or our Company or any of their respective affiliates, including any view, statement, opinion or representation expressed in any research published or distributed by them, the BRLMs and their respective affiliates will not be liable for your decision to accept an invitation to participate in the Issue based on any other information, representation, warranty, statement or opinion;

41. You understand that the BRLMs or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates do not have any obligation to purchase or acquire all or any part of the Equity Shares purchased by you in the Issue or to support any losses directly or indirectly sustained or incurred by you for any reason whatsoever in connection with the Issue, including the non-performance by our Company or any of its obligations or any breach of any representations or warranties by us, whether to you or otherwise;

42. You are able to purchase the Equity Shares offered in the Issue in accordance with the restrictions described in "*Selling Restrictions*" on page 232 and you have made, or are deemed to have made, as applicable, the representations, warranties, acknowledgements, undertakings and agreements in "*Selling Restrictions*" on page 232;

43. You agree that any dispute arising in connection with the Issue shall be governed by and construed in accordance with the laws of Republic of India, and the courts in Mumbai, India shall have exclusive jurisdiction to settle any disputes that may arise out of or in connection with this Preliminary Placement Document, the Placement Document and this Issue;

44. You acknowledge that this Preliminary Placement Document does not, and the Placement Document shall not confer upon or provide you with any right of renunciation of the Equity Shares offered through the Issue in favour of any person;

45. You will make the payment for subscription to the Equity Shares pursuant to this Issue from your own bank account. In case of joint holders, the monies shall be paid from the bank account of the person whose name appears first in the application;

46. You are aware that in terms of the SEBI FPI Regulations and the FEMA Rules, the total holding by each FPI including its investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than fifty percent or common control) shall be below 10% of the total paid-up equity share capital of our Company on a fully diluted basis and the total holdings of all FPIs put together shall not exceed the sectoral cap applicable to our Company. In terms of the FEMA Rules, for calculating the total holding of FPIs in a company, holding of all registered FPIs shall be included. Hence, Eligible FPIs may invest in such number of Equity Shares in this Issue such that (i) the individual investment of the FPI in our Company does not exceed 10% of the post-Issue paid-up Equity Share capital of our Company on a fully diluted basis and (ii) the aggregate investment by FPIs in our Company does not exceed the sectoral cap applicable to our Company. In case the holding of an FPI together with its investor group increases to 10% or more of the total paid-up Equity Share capital, on a fully diluted basis, such FPI together with its investor group shall divest the excess holding within a period of five trading days from the date of settlement of the trades resulting in the breach. If however, such excess holding has not been divested within the specified period of five trading days, the entire shareholding of such FPI together with its investor group will be re-classified as FDI, subject to the conditions as specified by SEBI and the RBI in this regard and compliance by our Company and the investor with applicable reporting requirements and the FPI and its investor group will be prohibited from making any further portfolio investment in our Company under the SEBI FPI Regulations;

47. You represent that you are not an affiliate of our Company or the BRLMs or a person acting on behalf of such affiliate;

48. You are aware and understand that you are allowed to place a Bid for Equity Shares. Please note that submitting a Bid for Equity Shares should not be taken to be indicative of the number of Equity Shares that will be Allotted to a successful Bidder. Allotment of Equity Shares will be undertaken by our Company, in its absolute discretion, in consultation with the BRLMs;

49. Each of the representations, warranties, acknowledgements and agreements set out above shall continue to be true and accurate at all times up to and including the Allotment, listing and trading of the Equity Shares in the Issue;

50. You agree to indemnify and hold our Company, the BRLMs and their respective directors, officers, employees, affiliates, associates, controlling persons and representatives harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the foregoing representations, warranties, acknowledgements and undertakings made by you in this Preliminary Placement Document. You agree that the indemnity set out in this paragraph shall survive the resale of the Equity Shares by, or on behalf of, the managed accounts;

51. You will make all necessary filings with appropriate regulatory authorities, including the RBI, as required pursuant to applicable laws;

52. You acknowledge that our Company, the BRLMs, their respective affiliates, directors, officers, counsels, employees, shareholders, representatives, agents, controlling persons and others will rely on the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings, and that they are irrevocable;

53. If you are acquiring the Equity Shares to be issued pursuant to this Issue for one or more managed accounts, you represent and warrant that you are authorised in writing, by each such managed account to acquire such Equity Shares for each managed account and hereby make the representations, warranties, acknowledgements, undertakings and agreements herein for and on behalf of each such account, reading the reference to "you" to include such accounts; and

54. It is agreed that if any of such representations, warranties, acknowledgements and undertakings are no longer accurate, you will promptly notify our Company and the BRLMs.

OFFSHORE DERIVATIVE INSTRUMENTS

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an Eligible FPI including affiliates of the BRLMs, which is registered as a Category I FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying, and all such offshore derivative instruments are referred to herein as "**P-Notes**"), and persons who are eligible for registration as Category I FPIs can subscribe to or deal in such P-Notes provided that in the case of an entity that has an investment manager who is from the Financial Action Task Force member country, such investment manager shall not be required to be registered as a Category I FPI. The above-mentioned category I FPIs may receive compensation from the purchasers of such instruments. An FPI will collect the regulatory fee of USD 1,000 or any other amount, as may be specified by SEBI from time to time, from every subscriber of offshore derivative instrument issued by it and deposit such regulatory fee with SEBI by way of electronic transfer in the designated bank account of SEBI.

In terms of Regulation 21 of SEBI FPI Regulations, P-Notes may be issued only by such persons who are registered as Category I FPIs and they may be issued only to persons eligible for registration as Category I FPIs, subject to exceptions provided in the SEBI FPI Regulations and compliance with 'know your client' requirements, as specified by SEBI and subject to payment of applicable regulatory fee and in compliance with such other conditions as may be specified by SEBI from time to time. An Eligible FPI shall also ensure that no transfer of any instrument referred to above is made to any person unless such FPIs are registered as Category I FPIs and such instrument is being transferred only to person eligible for registration as Category I FPIs subject to requisite consents being obtained in terms of Regulation 21 of SEBI FPI Regulations. P-Notes have not been and are not being offered or sold pursuant to this Preliminary Placement Document. This Preliminary Placement Document does not contain any information concerning P-Notes or the issuer(s) of any P-Notes, including without limitation, any information regarding any risk factors relating thereto.

For further details relating to investment limits of FPIs, please refer to the section titled "*Issue Procedure*" on page 216. P-Notes may be issued only in favour of those entities which meet the eligibility criteria as laid down in Regulation 4 of the SEBI FPI Regulations. Pursuant to its circular dated June 10, 2016, SEBI has introduced additional requirements applicable to P-Notes, including (i) KYC norms for issuers of P-Notes which require identification and verification of beneficial owners of entities subscribing to the P-Note holding more than a prescribed threshold; (ii) the requirement for issuers to file suspicious transaction reports with the Indian Financial Intelligence Unit; and (iii) the requirement for the issuer to report details of intermediate transfers in the monthly reports on P-Notes submitted to SEBI. An Eligible FPI shall also ensure that no further issue or transfer of any instrument referred to above is made by or on behalf of it to any person other than such entities regulated by appropriate foreign regulatory authorities.

Subject to certain relaxations provided under Regulation 22(4) of the SEBI FPI Regulations, investment by a single FPI including its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50% or common control,) is not permitted to be 10% or above of our post-Issue Equity Share capital on a fully diluted basis ("**Investment Restrictions**"). The SEBI has, *vide* a circular dated November 5, 2019, issued the operational guidelines for FPIs, designated depository participants and eligible foreign investors (the "**FPI Operational Guidelines**"), to facilitate implementation of the SEBI FPI Regulations. In terms of such FPI Operational Guidelines, the Investment Restrictions shall also apply to subscribers of P-Notes and two or more subscribers of P-Notes having common ownership, directly or indirectly, of more than 50% or common control shall be considered together as a single subscriber of the P-Notes. Further, in the event a prospective investor has investments as an FPI and as a subscriber of P-Notes, the Investment Restrictions shall apply on the aggregate of the FPI investments and P-Notes positions held in the underlying company.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, read with the FDI Policy, issued by the Department for Promotion of Industry and Internal Trade, Government of India, investments where the entity is of a country which shares land border with India or where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed in the FDI Policy and FEMA Rules. These investment restrictions shall also apply to subscribers of P-Notes.

Affiliates of the BRLMs who are Eligible FPIs may purchase, to the extent permissible under law, the Equity Shares in the Issue, and may issue P-Notes in respect thereof. Any P-Notes that may be issued are not securities of our Company and do not constitute any obligation of, claims on or interests in our Company. Our Company has not participated in any offer of any P-Notes, or in the establishment of the terms of any P-Notes, or in the preparation of any disclosure related to any P-Notes. Any P-Notes that may be offered are issued by, and are the sole obligations of, third parties that are unrelated to our Company. Our Company and the BRLMs do not make any recommendation as to any investment in P-Notes and do not accept any responsibility whatsoever in connection with any P-Notes. Any P-Notes that may be issued are not securities of the BRLMs and does not constitute any obligations of or claims on the BRLMs.

Prospective investors interested in purchasing any P-Notes have the responsibility to obtain adequate disclosures as to the issuer(s) of such P-Notes and the terms and conditions of any such P-Notes from the issuer(s) of such P-Notes. Neither SEBI nor any other regulatory authority has reviewed or approved any P-Notes or any disclosure related thereto. Prospective investors are urged to consult their own financial, legal, accounting and tax advisors regarding any contemplated investment in P-Notes, including whether P-Notes are issued in compliance with applicable laws and regulations.

Also please refer to the sections titled "*Selling Restrictions*" and "*Purchaser Representations and Transfer Restrictions*" beginning on pages 232 and 241, respectively.

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DISCLAIMER CLAUSE OF THE STOCK EXCHANGES

As required, a copy of this Preliminary Placement Document has been submitted to each of the Stock Exchanges. The Stock Exchanges do not in any manner:

1. warrant, certify or endorse the correctness or completeness of the contents of this Preliminary Placement Document; or

2. warrant that the Equity Shares to be issued pursuant to this Issue, will be listed or will continue to be listed on the Stock Exchanges; or

3. take any responsibility for the financial or other soundness of our Company, our Subsidiaries, our Promoter, our management or any scheme or project of our Company.

It should not, for any reason be deemed or construed to mean that this Preliminary Placement Document has been cleared or approved by the Stock Exchanges. Every person who desires to apply for or otherwise acquires any Equity Shares may do so pursuant to an independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchanges whatsoever, by reason of any loss which may be suffered by such person consequent to or in connection with, such subscription/acquisition, whether by reason of anything stated or omitted to be stated herein, or for any other reason whatsoever.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Certain conventions

In this Preliminary Placement Document, unless otherwise specified or the context otherwise indicates or implies, references to 'you', 'bidder', 'your', 'offeree', 'purchaser', 'subscriber', 'recipient', 'investor(s)', 'prospective investors' and 'potential investor' are to the Eligible QIBs who are the prospective investors in the Equity Shares issued pursuant to the Issue, references to "our Company", "the Company" or the "Issuer" are to Coforge Limited on a standalone basis and references to 'we', 'us', 'our' or the 'Group' are to Coforge Limited together with our Subsidiaries, on a consolidated basis.

Currency and units of presentation

In this Preliminary Placement Document, (i) references to '₹', 'INR', 'Rs.', 'Indian Rupees' and 'Rupees' are to the legal currency of the Republic of India; (ii) references to 'US$', 'USD' and 'U.S. dollars' are to the legal currency of the United States of America; (iii) references to "EUR" or "€" are to Euro, the legal currency of the European Union; (iv) references to "SGD" are to Singapore Dollar, the legal currency of the Republic of Singapore; (v) references to "GBP" are to pound sterling, the legal currency of the United Kingdom; and (vi) references to "AED" are to United Arab Emirates Dirham, the legal currency of the United Arab Emirates. All references herein to the 'US' or 'U.S.' or the 'United States' are to the United States of America and its territories and possessions. All references herein to "India" are to the Republic of India and its territories and possessions and all references herein to the 'Government' or 'GoI' or the 'Central Government' or the 'State Government' are to the Government of India, central or state, as applicable.

References to the singular also refer to the plural and one gender also refers to any other gender, wherever applicable.

Figures in this Preliminary Placement Document have been presented in millions or in whole numbers where the numbers have been too small to present in million, unless stated otherwise. Further, certain figures in the "*Industry Overview*" section of this Preliminary Placement Document have been presented in billion and trillion. Figures in our Audited Consolidated Financial Statements and the Unaudited Pro Forma Condensed Combined Financial Statements are presented in millions. Further, in this Preliminary Placement Document, unless the context requires otherwise or unless stated otherwise, all financial information related to our Company for Fiscals 2022, 2023 and 2024 is derived from the Audited Consolidated Financial Statements.

In this Preliminary Placement Document, references to "crore(s)" represents "1,00,00,000", "million" represents "0.1 crore" or "1,000,000", "lakh(s)" represents "1,00,000" or "0.1 million", "billion" represents "1,000,000,000" or "1,000 million" or "100 crore" and "trillion" represents "1,000,000,000,000" or "1,000,000 million" or "100,000 crore".

Unless otherwise specified, all financial numbers in parentheses represent negative figures.

Page numbers

Unless otherwise stated, all references to page numbers in this Preliminary Placement Document are to page numbers of this Preliminary Placement Document.

Financial data and other information

Our Company publishes its financial statements in Indian Rupees. The financial year of our Company commences on April 1 of each calendar year and ends on March 31 of the following calendar year, and, unless otherwise specified or if the context requires otherwise, all references to the terms "Fiscal", "Fiscals" or "Fiscal year", "FY", refer to the 12-month period ending March 31 of that particular year and references to a 'year' are to the calendar year ending on December 31 of that year.

As required under the applicable regulations, and for the convenience of prospective investors, we have included the following in this Preliminary Placement Document:

i. audited consolidated financial statements of our Company as at and for Fiscals 2024, 2023 and 2022, prepared in accordance with the Indian Accounting Standards ("**Ind AS**") notified under Section 133 of the Companies Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and other relevant provisions of the Companies Act (collectively, the "**Audited Consolidated Financial Statements**");

ii. the unaudited pro forma condensed combined financial statements of our Company, based on the consolidated balance sheet and the consolidated statement of profit and loss of our Company as at and for the year ended March 31, 2024, and the the consolidated balance sheet and consolidated statement of profit and loss of Cigniti as at and for the year ended March 31, 2024, and related notes, that have been prepared to illustrate the impact on the results of operations for the year ended March 31, 2024 that would have resulted had the Proposed Acquisition been completed at April 1, 2023 and the financial position as at March 31, 2024 had the Proposed Acquisition been completed as at March 31, 2024 (the "**Unaudited Pro Forma Condensed Combined Financial Statements**"); and

iii. audited consolidated financial statements of Cigniti as at and for Fiscal 2024, prepared in accordance with the Indian Accounting Standards ("**Ind AS**") notified under Section 133 of the Companies Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and other relevant provisions of the Companies Act (the "**Cigniti Audited Consolidated Financial Statements**")

The Audited Consolidated Financial Statements the Cigniti Audited Consolidated Financial Statements should be read along with the respective audit reports issued thereon. For further information, please refer to the sections titled "*Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 270 and 110, respectively.

Ind AS differs from accounting principles with which prospective investors may be familiar in other countries, including U.S. GAAP or IFRS. Our Company does not attempt to quantify the impact of U.S. GAAP or IFRS on the financial data included in this Preliminary Placement Document, nor does our Company provide a reconciliation of its audited consolidated financial statements to IFRS or U.S. GAAP. Accordingly, the degree to which the financial information included in this Preliminary Placement Document will provide meaningful information is entirely dependent on the reader's familiarity with the respective Indian accounting policies and practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Preliminary Placement Document should accordingly be limited. Prospective investors are advised to consult their advisors before making any investment decision. Also, please refer to the section titled "*Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which investors outside India may be more familiar with and may consider material to their assessment of our results of operations, financial condition and cash flows*." on page 71.

Certain figures contained in this Preliminary Placement Document, including financial information, have been subject to rounding adjustments. Any discrepancies in any table between the totals and the sum of the amounts listed are due to rounding off. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given, and (ii) the sum of the figures in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Unless stated otherwise or context requires otherwise, all figures from or derived from the Audited Consolidated Financial Statements of the Company and the Cigniti Audited Consolidated Financial Statements are in decimals and have been rounded off to two decimal points. Certain operational numbers may have been rounded off to one decimal point in some instances. Unless otherwise specified, all financial numbers in parenthesis represent negative figures. Further, any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

Our Statutory Auditors have provided no assurance or services related to any prospective financial information in this Preliminary Placement Document.

Non-GAAP Measures

We have included certain non-GAAP measures such as EBITDA, EBITDA Margin, PAT Margin and Return on Equity (together, "**Non-GAAP Measures**" and each, a "**Non-GAAP Measure**"), presented in this Preliminary Placement Document are supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind

AS, Indian GAAP, IFRS or US GAAP. In addition, these Non-GAAP Measures are not standardised terms, hence a direct comparison of these Non-GAAP Measures between companies may not be possible. Other companies may calculate these Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Although such Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our management believes that such Non-GAAP Measures provide investors with additional information about our performance, as well as ability to incur and service debt and make capital expenditures and are measures commonly used by investors, securities analysts, and others to evaluate the operational performance of the information technology businesses, many of which provide such Non-GAAP Measures and other statistical and operational information when reporting their financial information. The Non-GAAP Measures described herein are not a substitute for Ind AS (or IFRS) measures of earnings and may not be comparable to similarly titled *measures* reported by other companies due to differences in the way these measures are calculated. In addition, you should note, that other companies in the same industry as ours may calculate and present these data in a different manner and, therefore, you should use caution in comparing our data with data presented by other companies, as the data may not be directly comparable. Also, please refer to the section titled "*Risk Factors – This Preliminary Placement Document includes certain non-GAAP financial measures and certain other selected statistical information related to our operations and financial performance. These non-GAAP measures and statistical information may vary from any standard methodology that is applicable across the IT services industry, and therefore may not be comparable with financial or statistical information of similar nomenclature computed and presented by other broking companies*." on page 66.

INDUSTRY AND MARKET DATA

Information regarding market size, market share, market position, growth rates and other industry data pertaining to our business contained in this Preliminary Placement Document consists of estimates based on data reports compiled by governmental bodies, professional organisations and analysts and on data from other external sources, and on our knowledge of markets in which we compete.

Unless stated otherwise, statistical information, industry and market data used throughout this Preliminary Placement Document has been obtained from the report titled "Assessment of IT Services and IT Enabled Services Industries in India" dated May 2024 prepared by CRISIL Market Intelligence & Analytics, a division of CRISIL Limited ("**CRISIL Report**"), which is a report commissioned and paid for by us, exclusively in connection with the Issue.

References to IT services and IT enabled services in the CRISIL Report and information derived therefrom, are in accordance with the presentation, analysis and categorization in the CRISIL Report.

Our segment reporting in the financial statements is based on the criteria set out in Ind AS 108 – Operating segments and accordingly, we do not prepare our financial statements as per the segments outlined in the CRISIL Report.

The CRISIL Report contains the following disclaimer:

"*CRISIL Market Intelligence & Analytics (CRISIL MI&A), a division of CRISIL Limited (CRISIL) has taken due care and caution in preparing this report (Report) based on the information obtained by CRISIL from sources which it considers reliable (Data). Forecasts, estimates and other forward-looking statements contained in this Report are inherently uncertain and could fluctuate due to changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements. This Report is not a recommendation to invest/disinvest in any entity covered in the Report and no part of this Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. Without limiting the generality of the foregoing, nothing in the Report is to be construed as CRISIL providing or intending to provide any services in jurisdictions where CRISIL does not have the necessary permission and/or registration to carry out its business activities in this regard. Coforge Limited will be responsible for ensuring compliances and consequences of non-compliances for use of the Report or part thereof outside India. CRISIL MI&A operates independently of and does not have access to information obtained by CRISIL Ratings Limited, which may, in its regular operations, obtain information of a confidential nature. The views expressed in this Report are that of CRISIL MI&A and not of CRISIL Ratings Limited. No part of this Report may be published/reproduced/extracted in any form without CRISIL's prior written approval.*"

This information is subject to change and cannot be certified with complete certainty due to limits on the availability and reliability of raw data and other limitations and uncertainties inherent in any statistical survey. The extent to which the market and industry data used in this Preliminary Placement Document is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. Further, the calculation of certain statistical and/ or financial information/ ratios specified in the sections titled "*Our Business*", "*Risk Factors*" and "*Management's Discussions and Analysis of Results of Operations and Financial Condition*" on pages 181, 40, and 110, respectively, and otherwise in this Preliminary Placement Document may vary from the manner such information is calculated under and for purposes of, and as specified in, the CRISIL Report. Data from these sources may also not be comparable.

Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. Such information involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors – Industry information included in this Preliminary Placement Document has been derived from an industry report prepared by CRISIL exclusively commissioned and paid for by us for such purpose*." on page 65.

AVAILABLE INFORMATION

Our Company has agreed that, for so long as any Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act, our Company will, during any period in which it is neither subject to Section 13 or 15(d) of the U.S. Securities Exchange Act of 1934, as amended, nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, provide to any holder or beneficial owner of such restricted securities or to any prospective purchaser of such restricted securities designated by such holder or beneficial owner, upon the request of such holder, beneficial owner or prospective purchaser, the information required to be provided by Rule 144A(d)(4) under the U.S. Securities Act, subject to compliance with the applicable provisions of Indian law.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Preliminary Placement Document that are not statements of historical fact constitute "forward-looking statements." Investors can generally identify forward-looking statements by terminology such as "aim", "anticipate", "believe", "continue", "could", "estimate", "expect", "intend", "can", "could", "may", "objective", "plan", "potential", "project", "pursue", "shall", "should", "will", "would", "will likely result", "is likely", "are likely", "believe", "expect", "expected to", "will continue", "will pursue", "will achieve", or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements. All statements regarding the intentions, beliefs or current expectations of our Company concerning, amongst other things, the expected results of operations, financial condition, liquidity, prospects, growth, revenue, profitability (including, without limitation, any financial or operating projections or forecasts), business strategies and dividend policy of our Company and the industry in which we operate, and other matters discussed in this Preliminary Placement Document are forward-looking statements.

These forward-looking statements and any other projections contained in this Preliminary Placement Document (whether made by our Company or any third party) are based on our current plans, estimates, presumptions and expectations are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements or other projections.

Important risk factors that could cause our actual results, performances and achievements to be materially different from any of the forward-looking statements include, among others:

1. Completion of the Proposed Acquisition subject to a number of conditions being not fulfilled or waived;
2. Inability to raise capital to fund the Proposed Acquisition;
3. The dependency of our business on the ability to attract and retain highly skilled professionals;
4. Global and domestic market conditions that might affect the industries we provide our services to, i.e. insurance, banking and financial services, and travel, transportation and hospitality industries;
5. Dependency of our revenues on clients primarily located in the Americas and Europe, Middle East and Africa and worsening economic conditions in such geographies; and
6. The effect of changing immigration regulations on our ability to deploy personnel around the world.

Additional factors that could cause our actual results, performance or achievements to differ include but are not limited to, those discussed in "*Risk Factors*", "*Our Business*", "*Industry Overview*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 40, 181, 145 and 110, respectively.

By their nature, certain market risk disclosures are only estimates and could be materially different from what occurs in the future. As a result, actual future gains, losses or impact on revenue or income could materially differ from those that have been estimated, expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

The forward-looking statements contained in this Preliminary Placement Document are based on the beliefs of the management, as well as the assumptions made by and information currently available to the management. Although we believe that the expectations reflected in such forward-looking statements are reasonable at this time, we cannot assure investors that such expectations will prove to be correct. Given these uncertainties, the prospective investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as of the date of this Preliminary Placement Document or the respective dates indicated in this Preliminary Placement Document, and neither we, the BRLMs nor any of their respective affiliates undertake any obligation to update or revise any of them, whether as a result of new information, future events, changes in assumptions or changes in factors affecting these forward-looking statements or otherwise.

If any of these risks and uncertainties materialize, or if any of our underlying assumptions prove to be incorrect, our actual results of operations or cash flows or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to us are expressly qualified in their entirety by reference to these cautionary statements.

ENFORCEMENT OF CIVIL LIABILITIES

Our Company is a limited liability company incorporated under the laws of India. Few of our Directors, and all of our Key Managerial Personnel and members of the Senior Management named in this Preliminary Placement Document, are residents of India and a significant portion of the assets of our Company are located in India. As a result, it may be difficult or may not be possible for the prospective investors outside India to affect service of process upon our Company or such persons in India, or to enforce against them judgments of courts outside India.

India is not a signatory to any international treaty in relation to the recognition or enforcement of foreign judgments. However, recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A, respectively, of the Civil Code. Section 13 of the Civil Code provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon between the same parties or between parties under whom they or any of them claim litigating under the same title, except:

1. where the judgment has not been pronounced by a court of competent jurisdiction;

2. where the judgment has not been given on the merits of the case;

3. where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognise the law of India in cases in which such law is applicable;

4. where the proceedings in which the judgment was obtained were opposed to natural justice;

5. where the judgment has been obtained by fraud; and

6. where the judgment sustains a claim founded on a breach of any law then in force in India.

A foreign judgment which is conclusive under Section 13 of the Civil Code may be enforced either by a fresh suit upon the judgment or by proceedings in execution. Section 44A of the Civil Code provides that a foreign judgment rendered by a superior court (within the meaning of that section) in any jurisdiction outside India which the Government has by notification declared to be a reciprocating territory, may be enforced in India by proceedings in execution as if the judgment had been rendered by a competent court in India. Under Section 14 of the Civil Code, a court in India will, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the foreign judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record, but such presumption may be displaced by proving want of jurisdiction. However, Section 44A of the Civil Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalties and does not include arbitration awards (even if such an award is enforceable as a decree or judgement).

The following territories have been declared to be reciprocating territories within the meaning of Section 44A of the Civil Code by the Government: the United Kingdom; Aden; Fiji; Republic of Singapore; Federation of Malaysia; Trinidad and Tobago; New Zealand, the Cook Islands (including Niue) and the Trust Territories of Western Samoa; Hong Kong; Papua New Guinea; Bangladesh; and United Arab Emirates. The United States has not been declared by the Government of India to be a reciprocating territory for the purposes of Section 44A of the Civil Code. A foreign judgment of a court in a jurisdiction which is not a reciprocating territory may be enforced only by a fresh suit upon the foreign judgment and not by proceedings in execution. The suit must be filed in India within three years from the date of the foreign judgment in the same manner as any other suit filed to enforce a civil liability in India. Accordingly, a judgment of a court in the United States may be enforced only by a fresh suit upon the foreign judgment and not by proceedings in execution.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it views the amount of damages awarded as excessive or inconsistent with public policy of India and it is uncertain whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. Further, any judgment or award denominated in a foreign currency would be converted into Indian Rupees on the date of such judgment or award and not on the date of payment. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to repatriate outside India any amount recovered, pursuant to the execution of such foreign judgement, and we cannot assure that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approvals would be acceptable and additionally, any such amount may be subject to income tax pursuant to execution of such a judgment in accordance with applicable laws. It is unlikely that an

Indian court would enforce foreign judgments that would be contrary to or in violation of Indian law. Our Company and the Book Running Lead Managers cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

EXCHANGE RATES INFORMATION

Fluctuations in the exchange rate between the Rupee and foreign currencies will affect the foreign currency equivalent of the Rupee price of the Equity Shares traded on the Stock Exchanges. These fluctuations will also affect the conversion into foreign currencies of any cash dividends paid in Rupees on the Equity Shares.

The following table sets forth information, for the period indicated with respect to the exchange rates between the Rupee and other foreign currencies, for the periods indicated. The exchange rates are based on the reference rates released by the RBI and Financial Benchmark India Private Limited ("**FBIL**"), which are available on the website of the RBI and FBIL. No representation is made that any Rupee amounts could have been, or could be, converted into U.S. Dollars, Singapore Dollar, Euro, Pound Sterling or United Arab Emirate Dirham, at any particular rate, the rates stated below, or at all.

1. U.S. Dollar

(₹ per US$)

	Period end(1)	Average(2)	High(3)	Low(4)
Fiscal ended^				
March 31, 2024	83.38	82.79	83.60	81.69
March 31, 2023	82.22	80.39	83.20	75.39
March 31, 2022	75.81	74.51	76.92	72.48
Month ended^				
April 30, 2024	83.52	83.41	83.52	83.23
March 31, 2024	83.37	83.00	83.37	82.68
February 29, 2024	82.92	82.96	83.09	82.84
January 31, 2024	83.08	83.12	83.33	82.85
December 31, 2023	83.12	77.12	83.92	73.05
November 30, 2023	83.35	77.01	82.88	73.80

(Source: www.rbi.org.in and www.fbil.org.in)

Notes:

(1) The price for the period end refers to the price as on the last trading day of the respective fiscal year or monthly period.
(2) Represents the average of the official rate for each working day of the relevant period.
(3) Maximum of the official rate for each Working Day of the relevant period.
(4) Minimum of the official rate for each Working Day of the relevant period.
Period end, high, low and average rates are based on the FBIL reference rates and rounded off to two decimal places.
^If the RBI/ FBIL reference rate is not available on a particular date due to a public holiday, exchange rates of the previous working day have been disclosed. The RBI/ FBIL reference rates are rounded off to two decimal places.

2. Singapore Dollar

(₹ per SGD)

	Period end(1)	Average(2)	High(3)	Low(4)
Fiscal ended^				
March 31, 2024	61.81	61.97	62.21	61.77
March 31, 2023	61.75	58.50	62.61	55.22
March 31, 2022	56.02	55.24	56.77	54.28
Month ended^				
April 30, 2024	61.15	61.46	61.94	61.15
March 31, 2024	61.81	61.97	62.21	61.77
February 29, 2024	61.61	61.68	62.05	61.49
January 31, 2024	62.00	62.22	63.05	61.88
December 31, 2023	63.08	58.53	63.10	54.77
November 30, 2023	62.34	57.66	62.67	54.47

(Source: https://www.currency-converter.org.uk/currency-rates/historical/table/SGD-INR.html)

Notes:

(1) The price for the period end refers to the price as on the last trading day of the respective annual or monthly periods.
(2) Average of the official rate for each Working Day of the relevant period.
(3) Maximum of the official rate for each Working Day of the relevant period.
(4) Minimum of the official rate for each Working Day of the relevant period.
High, low and average are based on the RBI reference rates and rounded off to two decimal places.
^ In case of holidays, the exchange rate on the last traded day of the month has been considered as the rate for the period end.

3. Euro

(in ₹ per Euro)

	Period end(1)	Average(2)	High(3)	Low(4)
Fiscal ended^				
March 31, 2024	90.22	89.80	92.45	87.07
March 31, 2023	89.61	83.72	90.26	78.34

	Period end(1)	Average(2)	High(3)	Low(4)
March 31, 2022	84.66	86.56	90.51	83.48
Month ended^				
April 30, 2024	89.34	89.44	90.49	88.56
March 31, 2024	90.22	90.27	90.91	89.58
February 29, 2024	89.86	89.55	90.13	89.06
January 31, 2024	89.88	90.77	91.92	89.88
December 31, 2023	92.00	87.31	90.31	84.05
November 30, 2023	91.48	85.31	88.33	80.72

(*Source: www.fbil.org.in and www.rbi.org*)

Notes:

(1) The price for the period end refers to the price as on the last trading day of the respective fiscal year or monthly periods.

(2) Average of the official rate for each Working Day of the relevant period.

(3) Maximum of the official rate for each Working Day of the relevant period.

(4) Minimum of the official rate for each Working Day of the relevant period.

High, low and average are based on the RBI reference rates and rounded off to two decimal places.

^ In the event that the RBI reference rate is not available on a particular date due to a public holiday, exchange rates for the previous Working Day have been considered.

4. Pound Sterling

(₹ per GBP)

	Period end(1)	Average(2)	High(3)	Low(4)
Fiscal ended^				
March 31, 2024	105.29	104.07	107.64	100.39
March 31, 2023	101.87	96.83	102.23	86.62
March 31, 2022	99.55	101.78	104.58	99.36
Month ended^				
April 30, 2024	104.64	104.38	105.60	102.88
March 31, 2024	105.29	105.54	106.36	104.65
February 29, 2024	105.03	104.80	105.63	104.25
January 31, 2024	105.31	105.60	106.10	104.74
December 31, 2023	106.11	99.86	102.23	98.00
November 30, 2023	105.87	98.01	102.48	92.59

(*Source: www.fbil.org.in and www.rbi.org*)

Notes:

(1) The price for the period end refers to the price as on the last trading day of the respective fiscal year or monthly periods.

(2) Average of the official rate for each Working Day of the relevant period.

(3) Maximum of the official rate for each Working Day of the relevant period.

(4) Minimum of the official rate for each Working Day of the relevant period.

High, low and average are based on the RBI reference rates and rounded off to two decimal places.

^ In the event that the RBI reference rate is not available on a particular date due to a public holiday, exchange rates for the previous Working Day have been considered.

5. United Arab Emirate Dirham

(₹ per AED)

	Period end(1)	Average(2)	High(3)	Low(4)
Fiscal ended^				
March 31, 2024	22.72	22.55	22.77	22.25
March 31, 2023	22.38	21.88	22.62	20.54
March 31, 2022	20.68	20.30	21.00	19.71
Month ended^				
April 30, 2024	22.75	22.72	22.78	22.66
March 31, 2024	22.72	22.62	22.77	22.53
February 29, 2024	22.65	22.64	22.68	22.56
January 31, 2024	22.66	22.67	22.73	22.57
December 31, 2023	22.70	22.68	22.72	22.63
November 30, 2023	22.69	22.67	22.73	22.60

(Source: https://www.currency-converter.org.uk/currency-rates/historical/table/SGD-INR.html)

Notes:

(1) The price for the period end refers to the price as on the last trading day of the respective annual or monthly periods.

(2) Average of the official rate for each Working Day of the relevant period.

(3) Maximum of the official rate for each Working Day of the relevant period.

(4) Minimum of the official rate for each Working Day of the relevant period.

High, low and average are based on the RBI reference rates and rounded off to two decimal places.

^In case of holidays, the exchange rate on the last traded day of the month has been considered as the rate for the period end.

DEFINITIONS AND ABBREVIATIONS

This Preliminary Placement Document uses the definitions and abbreviations set forth below which you should consider when reading the information contained herein. The following list of certain capitalised terms used in this Preliminary Placement Document is intended for the convenience of the reader / prospective investor only and is not exhaustive.

Unless otherwise specified, the capitalised terms used in this Preliminary Placement Document shall have the meaning as defined hereunder. Further, any references to any statute, rules, guidelines, regulations, agreement, document or policies shall include amendments made thereto, from time to time.

The words and expressions used in this Preliminary Placement Document but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act, or the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in the section "Industry Overview", "Taxation", "Legal Proceedings" and "Financial Information" on pages 145, 254, 264 and 270, respectively, shall have the meaning given to such terms in such sections.

General terms

Term	Description
"our Company" or "the Company" or "the Issuer" or "Coforge"	Coforge Limited, a company incorporated in India under the Companies Act, 1956
"the Group" or "us" or "we" or "our"	Coforge Limited together with its Subsidiaries on a consolidated basis, unless otherwise specified or the context otherwise requires

Company related terms

Term	Description
"Articles" or "Articles of Association" or "AoA"	The articles of association of our Company, as amended from time to time
Audit Committee	The audit committee of our Company, as disclosed in the section titled "*Board of Directors and Senior Management*" on page 206
Audited Consolidated Financial Statements	The audited consolidated financial statements of our Company and our Subsidiaries as at and for the financial years ended March 31, 2022, March 31, 2023 and March 31, 2024 prepared in accordance with Ind AS, which comprises the consolidated statement of assets and liabilities, the consolidated statement of profit and loss, including other comprehensive income, the consolidated statement of cash flows and the statement of changes in equity, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information, as prescribed under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
"Auditors" or "Statutory Auditors"	The current statutory auditors of our Company, M/s S.R. Batliboi & Associates LLP, Chartered Accountants
"Board of Directors" or "Board" or "our Board"	The board of directors of our Company or a committee thereof
Chairperson	The chairperson of our Company being Basab Pradhan
Chief Executive Officer and Executive Director	The chief executive officer and executive director of our Company, namely, Sudhir Singh
Chief Financial Officer	The chief financial officer of our Company, namely Saurabh Goel
Cigniti	Cigniti Technologies Limited, a public listed company having its registered office at Suite No.106 & 107, 6 - 3 - 456 / C, MGR Estates, Dwarakapuri Colony, Punjagutta, Hyderabad – 500 082, Telangana, India, which our Company proposes to acquire by means of the Proposed Acquisition
Cigniti Audited Consolidated Financial Statements	Audited consolidated financial statements of Cigniti as at and for Fiscal 2024, prepared in accordance with the Indian Accounting Standards ("**Ind AS**") notified under Section 133 of the Companies Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and other relevant provisions of the Companies Act
Company Secretary and Compliance Officer	The company secretary and compliance officer of our Company, namely Barkha Sharma
Corporate Office	The corporate office of our Company, located at Plot No. TZ-2 & 2A, Sector Tech Zone, Yamuna Expressway, Greater Noida – 201 308, Uttar Pradesh, India
Corporate Social Responsibility Committee	The corporate social responsibility committee of our Company, as disclosed in the section titled "*Board of Directors and Senior Management*" on page 206

Term	Description
CRISIL	CRISIL Limited
CRISIL Report	Report titled "Assessment of IT Services and IT Enabled Services Industries in India" dated May 2024 prepared by CRISIL Market Intelligence & Analytics, a division of CRISIL Limited, commissioned and paid for by us, exclusively in connection with the Issue
Director(s)	Director(s) on the Board of our Company, unless otherwise specified
Direct Subsidiaries	The direct subsidiaries of our Company, as on date of this Preliminary Placement Document, as disclosed in the section titled "*Organisational Structure of our Company*" on page 209 For the purpose of the Audited Consolidated Financial Statements, direct subsidiaries would mean subsidiaries as at and during the relevant fiscal year
Equity Shares	The equity Shares of our Company of face value of ₹ 10 each
ESOP 2005	Coforge Limited Employee Stock Options Plan 2005
Independent Director(s)	The non-executive, independent director(s) of our Company, as disclosed in the section titled "*Board of Directors and Senior Management*" on page 201
"Key Managerial Personnel" or "KMP(s)"	Key managerial personnel of our Company in terms of Section 2(51) of the Companies Act, as disclosed in the section titled "*Board of Directors and Senior Management*" on page 207
Material Subsidiaries	The material subsidiaries of our Company, namely, Coforge Inc. and Coforge U.K. Limited
"Memorandum of Association" or "Memorandum" or "MoA"	The memorandum of association of our Company, as amended from time to time
Nomination and Remuneration Committee	The nomination and remuneration committee of our Company, as disclosed in the section titled "*Board of Directors and Senior Management*" on page 206
Non-Executive Director(s)	The non-executive directors on our Board comprising non-independent and independent directors of our Company, as disclosed in the section titled "*Board of Directors and Senior Management*" on page 201
Promoter	The promoter of our Company in terms of the SEBI ICDR Regulations, and the Companies Act, 2013, namely, Hulst B.V.
Promoter Group	The entities constituting our promoter group pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations
Proposed Acquisition	The proposed acquisition of Cigniti by our Company, subject to applicable laws and regulations, pursuant to the SPAs
Registered Office	The registered office of our Company, located at 8, Balaji Estate, Third Floor, Guru Ravi Das Marg, Kalkaji, New Delhi – 110 019, India
"Registrar of Companies" or "RoC"	The registrar of companies, Delhi and Haryana at New Delhi
Risk Management Committee	The risk management committee of our Company, as disclosed in the section titled "*Board of Directors and Senior Management*" beginning on page 206
Senior Management	Members of the senior management of our Company as determined in accordance with the Regulation 2(1)(bbbb) of the SEBI ICDR Regulations, and as disclosed in the section titled "*Board of Directors and Senior Management*" on page 207
Shareholders	The holder(s) of Equity Shares from time to time, unless otherwise specified in the context thereof
SPA1	The share purchase agreement dated May 2, 2024 entered into by our Company with Cigniti, its promoters and members of its promoter group to acquire 8,945,295 equity shares constituting 32.47% of the paid up share capital of Cigniti, on a fully diluted basis
SPA 2	The share purchase agreement dated May 2, 2024 entered into by our Company with certain identified public shareholders of Cigniti to acquire 4,884,796 equity shares constituting 17.73% of the paid up share capital of Cigniti, on a fully diluted basis
SPAs	Collectively, the SPA 1 and SPA 2
Stakeholders' Relationship Committee	The stakeholders' relationship committee of our Company, as disclosed in the section titled "*Board of Directors and Senior Management*" on page 206
Step-Down Subsidiaries	The step-down subsidiaries of our Company, as on date of this Preliminary Placement Document, as disclosed in the section titled "*Organisational Structure of our Company*" on page 209 For the purpose of the Audited Consolidated Financial Statements, step-down subsidiaries would mean subsidiaries as at and during the relevant fiscal year
Subsidiaries	Collectively, our Direct Subsidiaries and Step-Down Subsidiaries
Unaudited Pro Forma Condensed Combined Financial Statements	The unaudited pro forma condensed combined financial statements of our Company, based on the consolidated balance sheet and the consolidated statement of profit and loss of our Company as at and for the year ended March 31, 2024, and the consolidated balance sheet and consolidated statement of profit and loss of Cigniti as at and for the year ended March 31, 2024, and related notes, that have

Term	Description
	been prepared to illustrate the impact on the results of operations for the year ended March 31, 2024 that would have resulted had the Proposed Acquisition been completed at April 1, 2023 and the financial position as at March 31, 2024 had the Proposed Acquisition been completed as at March 31, 2024

Issue related terms

Term	Description
"Allocated" or "Allocation"	The allocation of Equity Shares following the determination of the Issue Price to investors on the basis of Application Forms submitted by them, in consultation with the BRLMs and in compliance with Chapter VI of the SEBI ICDR Regulations
"Allot" or "Allotment" or Allotted"	The issue and allotment of Equity Shares pursuant to this Issue
Allottee(s)	Bidders who are Allotted Equity Shares of our Company pursuant to this Issue
Application Form	The form (including any revisions thereof) pursuant to which a Bidder indicates its interest to subscribe for the Equity Shares of our Company pursuant to the Issue
Bid(s)	An indication of interest by an Eligible QIB, including all revisions and modifications of interest, as provided in the Application Form, to subscribe for Equity Shares to be issued pursuant to this Issue. The term "Bidding" shall be construed accordingly.
Bid Amount	The price per Equity Share indicated in the Bid multiplied by the number of Equity Shares Bid for by a Bidder and payable by the Bidder in the Issue on submission of the Application Form
Bidder(s)	Any prospective investor, being an Eligible QIB who makes a Bid pursuant to the terms of this Preliminary Placement Document and the Application Form
"Bidding Period" or "Issue Period"	The period between the Issue Opening Date and Issue Closing Date, inclusive of both dates, during which Bidders can submit their Bids including any revision and/or modifications thereof
"Book Running Lead Managers" or "BRLMs"	IIFL Securities Limited and HSBC Securities and Capital Markets (India) Private Limited
"CAN" or "Confirmation of Allocation Note"	Note or advice or intimation to Bidders confirming the Allocation of Equity Shares to such Eligible QIBs after determination of the Issue Price, and requesting payment for the entire applicable Issue Price for all the Equity Shares Allocated to such Eligible QIBs
Closing Date	The date on which the Allotment of the Equity Shares offered pursuant to this Issue shall be made, i.e., on or about [●], 2024
Cut-off Price	The Issue Price of the Equity Shares to be issued pursuant to the Issue which shall be finalised by our Company in consultation with the BRLMs
Designated Date	The date of credit of Equity Shares pursuant to the Issue to the Allottees' demat accounts, as applicable to the relevant Allottees
Eligible FPI(s)	Foreign portfolio investors that are eligible to participate in this Issue in terms of applicable law, other than individuals, corporate bodies and family offices
Eligible QIB(s)	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations that are eligible to participate in the Issue and which are not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations and are not restricted from participating in the Issue under applicable law.
Escrow Account	A non-interest bearing, no-lien, current bank account without any cheques or overdraft facilities, opened with the Escrow Bank, subject to the terms of the Escrow Agreement, into which the Application Amount shall be deposited by Eligible QIBs and refunds, if any, shall be remitted to unsuccessful Bidders as set out in the Application Form
Escrow Bank	ICICI Bank Limited
Escrow Agreement	The escrow agreement dated May 21, 2024 entered into amongst our Company, the Escrow Bank and the BRLMs for collection of the Bid Amounts and remitting refunds, if any, of the amounts collected, to the Bidders in relation to the Issue
Fund Raising Committee	The fund raising committee of our Board constituted pursuant to the resolution passed by our Board on March 16, 2024, to facilitate the Issue
Floor Price	The floor price ₹ 4,531.40 per Equity Share, which has been calculated in accordance with Chapter VI of the SEBI ICDR Regulations. Our Company may offer a discount of not more than 5% on the floor price in accordance with a special resolution passed by the Shareholders at the extra-ordinary general meeting held on April 12, 2024 and in terms of Regulation 176(1) of the SEBI ICDR Regulations.
Gross Proceeds	The gross proceeds from the Issue aggregating to ₹ [●] million

Term	Description
Issue	The offer, issue and Allotment of [•] Equity Shares each at a price of ₹ [•] per Equity Share, including a premium of ₹ [•] per Equity Share, aggregating ₹ [•] million pursuant to Chapter VI of the SEBI ICDR Regulations and other applicable provisions of the Companies Act, 2013 and the rules made thereunder
Issue Closing Date	[•] the last date up to which the Application Forms and the Bid Amount shall be accepted by our Company (or the BRLMs, on behalf of our Company)
Issue Opening Date	May 21, 2024, the date on which the acceptance of the Application Forms and the Bid Amount shall have commenced by our Company (or the BRLMs, on behalf of our Company)
Issue Price	A price per Equity Share of ₹ [•]
Issue Size	The aggregate size of the Issue, up to [•] Equity Shares aggregating up to ₹ [•] million
Monitoring Agency	CRISIL Ratings Limited
Monitoring Agency Agreement	Agreement dated May 21, 2024 entered into by and between our Company and the Monitoring Agency in relation to the responsibilities and obligations of the Monitoring Agency for monitoring the utilisation of the net proceeds of the Issue, after deducting fees, commissions and expenses of the Issue
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended
Mutual Fund Portion	10% of the Equity Shares proposed to be Allotted in the Issue, which is available for Allocation to Mutual Funds
Net Proceeds	The net proceeds from the Issue, after deducting fees, commissions and expenses of the Issue
Pay-In Date	Last date specified in the CAN for the payment of application monies by Bidders in the Issue
Placement Agreement	The placement agreement dated May 21, 2024 between our Company and the BRLMs
Placement Document	The placement document to be issued in accordance with Chapter VI of the SEBI ICDR Regulations and other applicable provisions of the Companies Act, 2013 and the rules made thereunder
Preliminary Placement Document	This preliminary placement document dated May 21, 2024 issued in accordance with Chapter VI of the SEBI ICDR Regulations and other applicable provisions of the Companies Act, 2013 and the rules made thereunder
“QIBs” or “Qualified Institutional Buyers”	A qualified institutional buyer as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
QIP	Qualified institutions placement, being a private placement to Eligible QIBs under Chapter VI of the SEBI ICDR Regulations and applicable sections of the Companies Act, 2013, read with applicable provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014
Refund Amount	The aggregate amount to be returned to the Bidders who have not been Allocated Equity Shares for all or part of the Bid Amount submitted by such Bidder pursuant to the Issue
Relevant Date	May 21, 2024 which is the date of the meeting wherein the Board of Directors, or a duly authorised committee, decides to open the Issue
Stock Exchanges	Together, BSE and NSE
Successful Bidders	The Bidders who have Bid at or above the Issue Price, duly paid the Application Amount along with the Application Form and who will be Allocated Equity Shares pursuant to the Issue
Working Day	Any day other than second and fourth Saturday of the relevant month or a Sunday or a public holiday or a day on which scheduled commercial banks are authorised or obligated by law to remain closed in Mumbai, India

Conventional and general terms/abbreviations

Term	Description
AED	United Arab Emirate Dirham
AGM	Annual general meeting
AIF(s)	Alternative investment funds, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CCI	Competition Commission of India
CDSL	Central Depository Services (India) Limited

Term	Description
CIN	Corporate identity number
Civil Code	The Indian Code of Civil Procedure, 1908, as amended
“Companies Act” or “Companies Act, 2013”	The Companies Act, 2013, along with the relevant rules made and clarifications issued thereunder
Companies Act, 1956	The Companies Act, 1956 along with the relevant rules issued thereunder
Competition Act	The Competition Act, 2002, as amended
Consolidated FDI Policy	The consolidated FDI Policy, issued by the Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
CrPC	The Code of Criminal Procedure, 1973, as amended
CSR	Corporate social responsibility
CY	Calendar year
Depositories Act	The Depositories Act, 1996, as amended
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, as amended
“DP” or “Depository Participant”	A depository participant as defined under the Depositories Act
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (formerly Department of Industrial Policy and Promotion), Government of India
DIN	Director Identification Number
EBITDA	EBITDA is calculated as net profit after tax, plus finance cost, depreciation, amortization and impairment expenses and tax expenses, and less other income
EBITDA Margin	EBITDA divided by revenue from operations
EGM	Extraordinary general meeting
FBIL	Financial Benchmark India Private Limited
FDI	Foreign Direct Investment
FDI Policy	Consolidated FDI Policy issued by the Department for Promotion of Industry and Internal Trade (Formerly Department of Industrial Policy and Promotion), Ministry of Commerce and Industry, GoI by circular DPIIT file number 5(2)/2020-FDI Policy, with effect from October 15, 2020
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
FC-GPR	Foreign currency gross provisional return
“Financial Year” or “Fiscal Year” or “Fiscal” or “FY”	A period of 12 months ending March 31, unless otherwise stated
FLA	Foreign liabilities and assets
Form PAS-4	Form PAS-4 prescribed under the Companies (Prospectus and Allotment of Securities) Rules, 2014
“FPI” or “Foreign Portfolio Investor(s)”	Foreign portfolio investors as defined under the SEBI FPI Regulations and includes a person who has been registered under the SEBI FPI Regulations.
FVCI	Foreign venture capital investors as defined under and registered with SEBI pursuant to the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended
GAAP	Generally accepted accounting principles
GAAR	General Anti-Avoidance Rules
GBP	Great British Pound
GDP	Gross domestic product
“GoI” or “Government”	Government of India
GST	Goods and Services Tax
IAS Rules	The Companies (Indian Accounting Standards) Rules, 2015, as amended
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Ind AS	Indian accounting standards as notified by the MCA pursuant to Section 133 of the Companies Act read with the IAS Rules
Income-tax Act	The Income-tax Act, 1961, as amended
IT	Information Technology
IT Act	The Information Technology Act, 2000, as amended
Ltd.	Limited
MCA	Ministry of Corporate Affairs
Net worth	Paid up share capital plus all reserves and surplus (excluding revaluation reserves)
“Non-Resident Indian(s)” or “NRI”	Non-Resident Indian, as defined under Foreign Exchange Management (Deposit) Regulations, 2016, as amended
NSDL	National Securities Depository Limited

Term	Description
NSE	National Stock Exchange of India Limited
ODI Regulations	Collectively, the Foreign Exchange Management (Overseas Investment) Regulations, 2022 notified by the Reserve Bank vide Notification No. FEMA 400/2022-RB dated August 22, 2022,; and (ii) Foreign Exchange Management (Transfer or Issue of any Foreign Security) (Amendment) Regulations, 2004 and Foreign Exchange Management (Acquisition and Transfer of Immovable Property Outside India) Regulations, 2015
"P.A." or "p.a."	Per annum
PAN	Permanent account number
PAS Rules	The Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended
PAT	Profit after tax / profit for the respective period / year
PBT	Profit before tax
PF	Provident fund
P-Notes	Offshore derivative instruments, by whatever name called, which are issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India or unlisted debt securities or securitized debt instruments, as its underlying
RBI	The Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
"Rs." or "Rupees" or "Indian Rupees" or "INR" or "₹"	The legal currency of India
Rule 144A	Rule 144A under the U.S. Securities Act
SCRA	The Securities Contracts (Regulation) Act, 1956, as amended
SCRR	The Securities Contracts (Regulation) Rules, 1957, as amended
SEBI	Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended
SEBI FVCI Regulations	The Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SGD	Singapore Dollar
Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
U.S. GAAP	Generally accepted accounting principles in the United States of America
"U.S.$" or "USD" or "U.S. dollar"	United States Dollar, the legal currency of the United States of America
U.S. QIBs	Qualified institutional buyers as defined in Rule 144A
U.S. Securities Act	United States Securities Act of 1933, as amended
"USA" or "U.S." or "United States"	The United States of America
VCF	Venture capital fund as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be
Wilful Defaulter or Fraudulent Borrower	Wilful defaulter or fraudulent borrower as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations

Business, technical and industry related terms

Term	Description
BPM	Business process management
BFS	Banking and financial services
TTH	Travel, transportation and hospitality
Americas	Collectively, United States of America, Canada, Mexico and Brazil
EMEA	Europe and the Middle East
AI	Artificial intelligence
ML	Machine learning
EC	Engineering Convergence
RPA	Robotic process automation

Term	Description
IPA	Intelligent process automation
ETL	Extract, transform, load
MVPs	Minimum viable products
MSA	Master service agreement
SOW	Statement of work

SUMMARY OF BUSINESS

We are a global enterprise IT solutions and services company offering clients comprehensive capabilities in product engineering services, intelligent automation services, data and integration services, cloud and infrastructure management services, software engineering services and business process management ("**BPM**") services. Leveraging our global footprint and network of 24,726 IT professionals as of March 31, 2024, we serve clients across three primary verticals – insurance; banking and financial services ("**BFS**"); and travel, transportation and hospitality ("**TTH**"). Having established an entrenched presence in our core verticals, we have increasingly also focused on the retail, healthcare, hi-tech, manufacturing and government (outside India) verticals, which we classify as 'others' for operational convenience. We offer solutions and services that enable our clients to undertake digital transformation, develop better products, establish new markets and improve efficiency and quality, thereby creating real-world business impact.

We are aided in our growth by our continued focus on diversifying our revenues across industries, service offerings and geography. While our primary geographic markets are the Americas and EMEA, our global delivery platform has a presence across 21 countries, with 23 delivery centers in 11 countries supported by sales offices in 35 cities worldwide, as of March 31, 2024. We also have three branches in the United States, Switzerland and Belgium. We are able to service our client base of over 250 clients as of March 31, 2024, through our breadth of services, knowledge of the industries we serve, client-centric approach and our committed employee pool, who engineer, design, consult, operate and modernize clients across the world. We leverage the collective experience of 24,726 employees with whom we are associated, as of March 31, 2024.

Our products and solutions across verticals are powered by a strong partnership with prominent software providers. Our teams collaborate with such providers to design and implement digital IT solutions, with the goal of assisting clients achieve digital transformation and efficiency. Consequently, we have developed proven capabilities in product engineering, digital solutions, data analytics, artificial intelligence/machine learning ("**AI/ML**"), cloud business process re-engineering, digital process automation and low code/ no code platforms.

Led by a dynamic and professional leadership team with extensive experience in the IT services industry, in-depth understanding of managing complex projects and a proven performance track record, we have been able to achieve strong financial and operational performance. We believe that we have established operational drivers that have helped deliver us growth in terms of revenue and profitability. The following table sets forth certain financial information for the years indicated:

Particulars	As at/ For the year ended March 31,		
	2022	2023	2024
Revenue from Operations (₹ million)	64,320	80,146	91,790
Total Income (₹ million)	64,838	80,765	92,404
Profit before tax (₹ million)	8,615	9,512	10,449
Total equity(1) (₹ million)	28,314	31,699	37,269
Earnings before interest, taxes, depreciation and amortisation expenses (EBITDA) (₹ million)(2)	11,154	13,250	14,791
EBITDA Margin (%)(3)	17.34%	16.53%	16.11%
Profit for the year (₹ million)	7,147	7,451	8,356
PAT Margin (%)(4)	11.11%	9.30%	9.10%
Return on Equity (%)(5)	26.98%	24.83%	24.23%

(1) *Total equity is aggregate of equity share capital, other equity and Non-controlling interest ("NCI").*

(2) *Earnings before interest, taxes, depreciation and amortisation expenses (EBITDA) is calculated by adding profit for the year, other income (net), depreciation and amortisation, total tax expense and exceptional items.*

(3) *EBITDA Margin is calculated as EBITDA, divided by revenue from operations.*

(4) *PAT Margin is calculated as profit for the year divided by revenue from operations.*

(5) *Return on Equity is calculated as profit for the year divided by average total equity. Total equity is calculated by adding equity share capital, other equity and non-controlling interests ("NCI"). Average total equity is calculated by adding the opening total equity and closing total equity and dividing by 2.*

For a reconciliation of EBITDA, EBITDA Margin, PAT Margin and Return on Equity, see "Management's Discussion and Analysis of Financial Condition and Results of Operations – Non-GAAP Measures- Reconciliation of Non-GAAP Measures" on pages 118 and 119.

Also see "*Our Business – Recent Developments – Acquisition of Cigniti*" on pages 183-186.

SUMMARY OF THE ISSUE

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Preliminary Placement Document, including the sections titled "*Risk Factors*", "*Use of Proceeds*", "*Placement and Lock-Up*", "*Issue Procedure*" and "*Description of the Equity Shares*" on pages 40, 80, 230, 216 and 249, respectively.

Issuer	Coforge Limited
Face value	₹ 10 per Equity Share
Issue Size	Issue of [●] Equity Shares, aggregating up to ₹ [●] million, including a premium of ₹ [●] each. A minimum of 10% of the Issue Size, i.e., at least [●] Equity Shares shall be available for Allocation to Mutual Funds only and the balance [●] Equity Shares shall be available for Allocation to all Eligible QIBs, including Mutual Funds. In case of under-subscription or no subscription in the portion available for Allocation only to Mutual Funds, such undersubscribed portion may be Allotted to other Eligible QIBs.
Issue Price	₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share)
Floor Price	₹ 4,531.40 per Equity Share, calculated on the basis of Regulation 176 in chapter VI of the SEBI ICDR Regulations. In terms of the SEBI ICDR Regulations, the Issue Price cannot be lower than the Floor Price. However, our Company may offer a discount of up to 5% on the Floor Price in accordance with the approval of the Shareholders accorded by way of a special resolution passed at the extra-ordinary general meeting held on April 12, 2024 and in terms of Regulation 176(1) of the SEBI ICDR Regulations.
Date of Board resolution authorizing the Issue	March 16, 2024
Date of Shareholders' resolution authorizing the Issue	April 12, 2024
Depositories	CDSL and NSDL
Dividend	Please refer to the sections titled "*Description of Equity Shares*" and "*Dividends*" on pages 249 and 109, respectively.
Eligible Investors	Eligible QIBs, to whom this Preliminary Placement Document and the Application Form are delivered and who are eligible to bid and participate in the Issue. For further details, please refer to the sections titled "*Issue Procedure*", "*Selling Restrictions*" and "*Purchaser Representations and Transfer Restrictions*" on pages 216, 232 and 241, respectively. The list of Eligible QIBs to whom this Preliminary Placement Document and Application Form is delivered has been determined by our Company in consultation with the BRLMs.
Equity Shares issued and outstanding immediately prior to the Issue	61,820,992 Equity Shares
Equity Shares issued and outstanding immediately after the Issue	[●] Equity Shares
Issue procedure	This Issue is being made only to Eligible QIBs in reliance on Section 42 of the Companies Act, read with Rule 14 of the PAS Rules, and all other applicable provisions of the Companies Act and Chapter VI of the SEBI ICDR Regulations. For further details, please refer to the section titled "*Issue Procedure*" on page 216.
Listing	Our Company has obtained in-principle approvals from the BSE and the NSE each on May 21, 2024 under Regulation 28(1)(a) of the SEBI Listing Regulations for listing of the Equity Shares to be issued pursuant to the Issue.
Trading	The trading of the Equity Shares would be in dematerialized form and only in the cash segment of each of the Stock Exchanges. Our Company will make applications to the respective Stock Exchanges to obtain final listing and trading approvals for the Equity Shares, to be issued

	pursuant to this Issue, after Allotment and credit of Equity Shares to the beneficiary account with the Depository Participant, respectively.
Lock-up	For details of the lock-up, please refer to the section titled "*Placement and Lock-up*" on page 230.
Transferability restrictions	The Equity Shares Allotted pursuant to this Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of the Stock Exchanges. Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. Also, please refer to the sections titled "*Issue Procedure*", "*Selling Restrictions*" and "*Purchaser Representations and Transfer Restrictions*" on pages 216, 232 and 241, respectively.
Use of proceeds	The gross proceeds from the Issue will be aggregating to approximately ₹ [●] million. The Net Proceeds from the Issue, after deducting fees, commissions and expenses of the Issue, is expected to be approximately ₹ [●] million. Also, please refer to the section titled "*Use of Proceeds*" on page 80 for further information regarding the use of the Net Proceeds.
Risk factors	Please refer to the section titled "*Risk Factors*" on page 40 for a discussion of risks you should consider before investing in the Equity Shares.
Indian taxation	For the statement of possible tax benefits available to our Company and our Shareholders and under the applicable laws in India, please refer to the section titled "*Taxation*" on page 254.
Closing Date	The Allotment of the Equity Shares is expected to be made on or about [●], 2024.
Status, ranking and dividends	The Equity Shares to be issued pursuant to the Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association and shall rank *pari passu* with the existing Equity Shares of our Company, including rights in respect of dividends. Our Shareholders who hold Equity Shares as on the relevant record date will be entitled to participate in dividends and other corporate benefits, if any, declared by our Company after the Closing Date, in compliance with the Companies Act, SEBI Listing Regulations and other applicable laws and regulations. Our Shareholders may attend and vote in shareholders' meetings in accordance with the provisions of the Companies Act. For further details, please refer to the sections titled "*Dividends*" and "*Description of the Equity Shares*" on pages 109 and 249, respectively.
Voting rights	Please refer to the section titled "*Description of the Equity Shares – Voting rights*" on page 251.
Security codes/ Symbols for the Equity Shares	**ISIN**: INE591G01017 **BSE Code**: 532541 **NSE Symbol**: COFORGE

SELECTED FINANCIAL INFORMATION

The following tables set forth our selected financial information and should be read together with the applicable financial statements included in the section titled "Financial Information" beginning on page 270.

This selected financial information should be read in conjunction with the sections titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Financial Information", on pages 110 and 270, respectively.

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SUMMARY OF CONSOLIDATED BALANCE SHEET

(in ₹ million)

Particulars	As at		
	March 31, 2022	March 31, 2023	March 31, 2024
ASSETS			
Non-current assets			
Property, plant and equipment	4,452	4,455	4,470
Right-of-use assets	1,476	2,365	2,927
Capital work-in-progress	86	46	232
Goodwill	10,708	11,665	11,738
Other intangible assets	4,031	4,634	4,395
Intangible assets under development	82	-	-
Financial assets			
Investments[#]	0	0	0
Trade receivables	1,691	1,772	1,464
Other financial assets	421	479	590
Income tax assets (net)	607	233	285
Deferred tax assets (net)	2,736	3,757	5,583
Other non-current assets	1,045	1,364	3,368
Total non-current assets	**27,335**	**30,770**	**35,052**
Current assets			
Contract assets	1,184	1,512	1,791
Financial assets			
Trade receivables	13,894	16,131	18,039
Cash and cash equivalents	4,468	5,699	3,213
Other bank balances	67	88	139
Other financial assets	662	187	178
Other current assets	1,934	2,447	2,665
Total current assets	**22,209**	**26,064**	**26,025**
TOTAL ASSETS	**49,544**	**56,834**	**61,077**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	609	611	618
Other equity	26,722	30,214	35,648
Equity attributable to owners of Coforge Limited	**27,331**	**30,825**	**36,266**
Non-controlling interests (“NCI”)	983	874	1,003
TOTAL EQUITY	**28,314**	**31,699**	**37,269**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	3,365	3,382	3,399
Lease liabilities	937	1,786	2,317
Trade payables	364	332	627
Other financial liabilities	2,908	324	253
Employee benefit obligations	1,047	1,276	1,304
Deferred tax liabilities	766	583	466
Other non-current liabilities	51	59	127
Total non- current liabilities	**9,438**	**7,742**	**8,493**
Current liabilities			
Financial liabilities			
Borrowings	180	-	967
Lease liabilities	414	454	577
Trade payables	6,160	6,481	8,062
Other financial liabilities	2,398	7,377	2,375
Employee benefit obligations	316	360	417

(in ₹ million)

Particulars	As at		
	March 31, 2022	**March 31, 2023**	**March 31, 2024**
Other current liabilities	2,324	2,721	2,917
Total current liabilities	**11,792**	**17,393**	**15,315**
TOTAL LIABILITIES	**21,230**	**25,135**	**23,808**
TOTAL EQUITY AND LIABILITIES	**49,544**	**56,834**	**61,077**

 # 0 represents that the amount is below the round off norm adopted by the Group.

SUMMARY OF CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(in ₹ million, unless otherwise stated)

Particulars	For the year ended		
	March 31, 2022	March 31, 2023	March 31, 2024
Revenue from operations	64,320	80,146	91,790
Other income	518	619	614
Total income	**64,838**	**80,765**	**92,404**
Expenses			
Purchases of stock-in-trade	1724	551	94
Employee benefits expense	38,346	48,280	55,069
Finance costs	650	806	1,256
Depreciation and amortisation expense	2,272	2,585	3,186
Other expenses	13,231	18,508	22,350
Total expenses	**56,223**	**70,730**	**81,955**
Profit before exceptional items and tax	**8,615**	**10,035**	**10,449**
Exceptional items	-	523	-
Profit before tax	**8,615**	**9,512**	**10,449**
Income tax expense:			
Current tax	1,774	2,492	2,493
Deferred tax	(306)	(431)	(400)
Total tax expense	**1,468**	**2,061**	**2,093**
Profit for the year	**7,147**	**7,451**	**8,356**
Other comprehensive income			
Items that may be reclassified to profit or loss			
Fair value changes on derivatives designated as cash flow hedge, net	21	(393)	279
Exchange differences on translation of foreign operations	231	556	125
Income tax relating to items that will be reclassified to profit or loss	(3)	95	(68)
	249	**258**	**336**
Items that will not be reclassified to profit or loss			
Remeasurement of post - employment benefit obligations (expenses) / income	13	69	147
Income tax relating to items that will not be reclassified to profit or loss	3	(11)	(37)
	16	**58**	**110**
Other comprehensive income for the year, net of tax	**265**	**316**	**446**
Total comprehensive income for the year	**7,412**	**7,767**	**8,802**
Profit is attributable to:			
Owners of Coforge Limited	6,617	6,938	8,080
Non-controlling interests	530	513	276
	7,147	**7,451**	**8,356**
Other comprehensive income is attributable to:			
Owners of Coforge Limited	248	303	436
Non-controlling interests	17	13	10
	265	**316**	**446**
Total comprehensive income is attributable to:			
Owners of Coforge Limited	6,865	7,241	8,516
Non-controlling interests	547	526	286
	7,412	**7,767**	**8,802**

(in ₹ million, unless otherwise stated)

Particulars	For the year ended		
	March 31, 2022	March 31, 2023	March 31, 2024
Earnings per equity share (of ₹ 10 each) attributable to owners of Coforge Limited			
Basic earnings per share (in ₹)	109.02	113.77	131.56
Diluted earnings per share (in ₹)	106.52	111.53	129.59

SUMMARY STATEMENT OF CASH FLOWS

(in ₹ million)

Particulars	Year ended		
	March 31, 2022	**March 31, 2023**	**March 31, 2024**
Cash flow from operating activities			
Profit before tax after exceptional items	8,615	9,512	10,449
Adjustments for			
Depreciation and amortisation expense	2,272	2,585	3,186
Loss on disposal of property, plant and equipment (net)	-	13	-
Interest and finance charges	609	768	1,205
Employee share-based payment expense	355	544	810
Impairment for trade receivables & contract assets (net)	16	72	104
Dividend and interest income	(31)	(46)	(124)
Realised and unrealised loss/ (gain) on investments	(3)	-	-
Unwinding of discount - finance income	(98)	(116)	(135)
	3,120	**3,820**	**5,046**
Changes in operating assets and liabilities			
(Increase)/Decrease in trade receivables	(3,152)	(2,126)	(1,668)
(Increase)/Decrease in other financial assets	600	282	(108)
(Increase)/Decrease in other assets	(1,276)	(769)	(2,024)
Increase/(Decrease) in employee benefit obligations	223	307	232
Increase/(Decrease) in trade payables	2,153	175	1,725
Increase/(Decrease) in other liabilities	19	1,104	(957)
Cash used from operations	**(1,433)**	**(1,027)**	**(2,800)**
Income taxes paid	(2,646)	(2,800)	(3,661)
Net cash inflow from operating activities	**7,656**	**9,505**	**9,034**
Cash flow from investing activities			
Purchase of property, plant and equipment	(1,541)	(1,582)	(2,655)
Proceeds from sale of property, plant and equipment	66	45	57
Acquisition of a subsidiary / operations, net of cash acquired	(8,557)	(1,222)	-
Proceeds from sale of current investments	450	-	-
Interest received on bank deposits	18	43	120
Net cash (outflow) from investing activities	**(9,564)**	**(2,716)**	**(2,478)**
Cash flow from financing activities			
Proceeds from issue of shares	51	18	7
Purchase of additional stake in subsidiaries	(729)	-	(3,523)
Proceeds from borrowings	3,578	-	967
Repayment of borrowings	(59)	(180)	-
Payment of principal portion of lease liabilities	(386)	(421)	(480)
Interest paid	(265)	(714)	(1,060)
Dividends paid to the NCI	(596)	(751)	(117)
Dividends paid to the Company's shareholders	(3,152)	(3,534)	(4,664)
Net cash (outflow) from financing activities	**(1,558)**	**(5,582)**	**(8,870)**
Net increase / (decrease) in cash and cash equivalents	**(3,466)**	**1,207**	**(2,314)**
Cash and cash equivalents at the beginning of the financial year	7,999	4,468	5,699
Effects of exchange rate changes on cash and cash equivalents	(65)	24	(172)
Cash and cash equivalents at the end of the financial year	**4,468**	**5,699**	**3,213**
Cash and Cash Equivalents comprise of:			
Cheques, drafts on hand	2	119	21
Balances with banks	4,466	5,389	2,962
Fixed deposit accounts (less than 3 months original maturity)	-	191	230
Total	**4,468**	**5,699**	**3,213**

RISK FACTORS

This Issue and an investment in the Equity Shares involve a high degree of risk. You should carefully consider the risks and uncertainties described below as well as all other information contained in this Preliminary Placement Document before making an investment in the Equity Shares. If any particular risk or some combination of the risks described below actually occurs, our business, results of operation, financial condition and cash flows could be adversely affected, the trading price of the Equity Shares could decline and you may lose all or part of your investment. The risks described below are not the only risks relevant to us or the Equity Shares or the industry in which we currently operate. We have described the risks and uncertainties that we currently believe to be material, but the risks set out in this Preliminary Placement Document may not be exhaustive or complete, and additional risks and uncertainties not presently known to us, or which we currently deem to be immaterial, may arise or become material in the future. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in this Issue.

In order to obtain a complete understanding about us, prospective investors should read this section in conjunction with "Industry Overview", "Our Business", "Legal Proceedings" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 145, 181, 264 and 110, respectively, as well as the financial statements, including the notes thereto, and other financial information included in "Financial Information" on page 270.

Our Fiscal commences on April 1 and ends on March 31 of the immediately subsequent year. Accordingly, references to a "Fiscal" year are to the 12-month period ended March 31 of the relevant year. Unless otherwise indicated or the context otherwise requires, our financial information for Fiscals 2022, 2023 and 2024 included herein is derived from the Audited Consolidated Financial Statements included in this Preliminary Placement Document. Financial information for Fiscal 2024 pertaining to Cigniti is derived from the Cigniti Audited Consolidated Financial Statements included in this Preliminary Placement Document. For further information, see "Financial Information" on page 270.

*Our Company has entered into two share purchase agreements, each dated May 2, 2024, pursuant to which we intend to acquire 54.00% of the fully diluted paid-up capital of Cigniti Technologies Limited ("**Cigniti**", and such acquisition, the "**Proposed Acquisition**"). For further information, see "Our Business - Recent Developments – Acquisition of Cigniti" on page 183. We have included in this Preliminary Placement Document the Unaudited Pro Forma Condensed Combined Financial Statements (to be read in conjunction with "Basis of Preparation of the Unaudited Pro Forma Condensed Combined Financial Statements" on page P-5) for Fiscal 2024, to illustrate the proforma impact of the Proposed Acquisition on our results of operations for the year ended March 31, 2024 that would have resulted had the Proposed Acquisition been completed at April 1, 2023 and the financial position as at March 31, 2024 had the Proposed Acquisition been completed as at March 31, 2024. For further information, see "Unaudited Pro Forma Condensed Combined Financial Statements" on page 271.*

Unless otherwise stated or the content otherwise requires, references in this section to "our Company" or "the Company" are to Coforge Limited on a standalone basis, while references to "we", "us", or "our" (including in the context of any financial or operational information) are to Coforge Limited on a consolidated basis. Also, see "Definitions and Abbreviations" on page 24 for certain terms used in this section. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries.

Some of the information in this Preliminary Placement Document, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" on page 19 for a discussion of the risks and uncertainties related to those statements and "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 270 and 110, respectively, for a discussion of certain factors that may affect our business, results of operations, cash flows or financial condition. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Preliminary Placement Document. See "Forward-Looking Statements" on page 19.

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Assessment of IT services and IT enabled services industries in India" dated May 2024 (the "**CRISIL Report**") prepared and issued by CRISIL Market Intelligence & Analytics, a division of CRISIL Limited, which has been exclusively commissioned and paid for by us to enable the investors to understand the industry in which we operate in connection with the Issue. The data included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year. For further information, see "Industry Overview" on page 145.*

INTERNAL RISKS

Risks Relating to the Acquisition of Cigniti

1. ***The completion of the Proposed Acquisition is subject to a number of conditions, which may not be fulfilled or waived.***

On May 2, 2024, our Company entered into: (i) a share purchase agreement with Cigniti and the promoters and members of promoter group of Cigniti ("**Cigniti Promoter Group Shareholders**") to acquire 8,945,295 equity shares ("**Cigniti Promoter Group Shares**"), constituting 32.47% of the paid-up share capital of Cigniti on a fully diluted basis ("**SPA 1**"); and (ii) a share purchase agreement with certain identified public shareholders of Cigniti ("**Identified Public Shareholders**") to acquire 4,884,796 equity shares ("**Identified Public Shareholder Shares**") constituting 17.73% of the paid up share capital of Cigniti on a fully diluted basis ("**SPA 2**", and together with SPA 1, the "**SPAs**"). Our Company has agreed to acquire the equity shares of Cigniti ("**Cigniti Equity Shares**") at ₹ 1,415 per Cigniti Equity Share pursuant to the SPAs. The completion of the Proposed Acquisition is subject to the satisfaction of certain conditions precedent, including the receipt of prior written approvals from/ under: (i) the Competition Commission of India, and (ii) the Hart-Scott-Rodino Antitrust Improvements Act of 1976 ("**Mandatory Statutory Approvals**").

In terms of SPA 1, Cigniti and our Company shall convene a meeting of their respective board of directors to approve a scheme of arrangement, to be entered into *inter-alia* between our Company and Cigniti in accordance with applicable law and relating to the merger of Cigniti into our Company (the "**Merger**"), within specified timelines. The Cigniti Promoter Group Shareholders agree to exercise the voting rights on the Cigniti Equity Shares held by them at the relevant time in such a manner so as to approve the Merger and all activities incidental or ancillary to the Merger. Our Company, the Cigniti Promoter Group Shareholders and Cigniti agree to undertake commercially reasonable efforts to undertake such actions as may be required for the consummation of the Merger.

Upon (a) the receipt of the Mandatory Statutory Approvals and the completion of the conditions precedent under the SPAs, (b) the completion of 21 workings days, as defined in the SPA 1, from the detailed public statement dated May 8, 2024 published on May 9, 2024 in terms of Regulations 3(1) and 4 read with Regulations 13(4), 14(3), 15(2) and other applicable regulations of the Takeover Regulations to the public shareholders of Cigniti, and (c) subject to the completion of this Issue, our Company will complete the acquisition of 10.00% of the paid up share capital of Cigniti on a fully diluted basis from the Cigniti Promoter Group Shareholders simultaneously with purchase of the Identified Public Shareholder Shares. In accordance with the Takeover Regulations, pursuant to the execution of the SPAs, for the acquisition of equity shares in excess of 25.00% of the issued and paid-up capital of Cigniti, our Company is required to make an open offer to the public shareholders of Cigniti for acquisition of up to 26% of the equity share capital of Cigniti ("**Open Offer**"). Upon completion of the Open Offer, if the shareholding of our Company in Cigniti does not reach 54.00% of the paid-up share capital of Cigniti on a fully diluted basis our Company will acquire a further number of Cigniti Equity Shares from the Cigniti Promoter Group Shareholders , such that the shareholding of our Company does not exceed 54.00% of the paid-up share capital of Cigniti on a fully diluted basis.

For further information in relation to the Proposed Acquisition, see "*Our Business – Recent Developments – Acquisition of Cigniti*" on page 183 to 186.

The required approvals may take longer than expected to obtain, may not be granted and/or the relevant authorities may, as a condition to granting their approval or confirmation, impose limitations or costs. In addition, as per the terms of the SPAs, Cigniti is required to seek consent pursuant to certain financing arrangements and business contracts for *inter alia*, change of control. In the event such approvals or conditions are not obtained or satisfied, the Proposed Acquisition may not be successful, which may adversely affect our business, results of operations, financial condition and cash flows. Further, through Coforge Pte. Ltd., a wholly owned subsidiary based at Singapore which is acting in concert with us for the purpose of the Proposed Acquisition, we have availed of a line of financing on May 2, 2024, for an amount not exceeding US$ 250 million to fund the acquisition of the Cigniti Equity Shares. If we are required to draw down the line of financing, our financial statements and results of operations may be impacted. In addition, the completion of the acquisition of 10% of the voting share capital from the Cigniti Promoter Group Shareholders simultaneously with purchase of the Identified Public Shareholder Shares is subject to successful completion of this Issue. If this Issue is not completed, we will need to seek additional funding sources to complete the Proposed Acquisition. If completion of the Proposed Acquisition does not occur within the timeframe contemplated, our Company may experience a delay in achieving its strategic objectives and could suffer a significant impact on its reputation, which could have an adverse effect on our business, results of operations, cash flows and financial condition. If the completion of the Proposed Acquisition does not occur at all, the proceeds of the Issue may be used for other objects. See "– *The Net Proceeds from the Issue are proposed to be deployed by our Company to fund the consideration for the Proposed Acquisition. If the Proposed Acquisition is not completed, the proceeds of the Issue will be retained by our Company and used for other objects*." on page 42.

2. The Net Proceeds from the Issue are proposed to be deployed by our Company to fund the consideration for the Proposed Acquisition. If the Proposed Acquisition is not completed, the proceeds of the Issue will be retained by our Company and used for other objects.

We propose to fund the Proposed Acquisition through the proceeds of this Issue and any shortfall will be met through debt funding and internal accruals, or a combination thereof. For further information, see "*Use of Proceeds*" on page 80. It is possible that completion of the Proposed Acquisition may not occur, in particular, if any of the conditions precedent to completion are not satisfied in accordance with the SPA. If the Proposed Acquisition is not completed for any reason, including the failure to complete the closing conditions, the Net Proceeds shall be deployed by our Board in subsequent periods, at its sole discretion in such manner as it may decide based on its funding requirements at the relevant point of time, including funding opportunities in its business through inorganic growth, without requiring any further approvals from the Shareholders, in accordance with applicable laws. This allocation will be based on our Company's funding requirements at the relevant point in time. For more details, please refer to "*Use of Proceeds – Proposed acquisition of the equity shares of Cigniti*" on pages 81-82 .

3. If we are unable to raise capital to fund the Proposed Acquisition, our business prospects could be adversely affected.

We intend to utilise the Net Proceeds towards funding of the consideration of the Proposed Acquisition. The remaining consideration amount, if any, will be paid from debt funding, internal accruals, or a combination thereof. Coforge Pte. Ltd. Singapore, a wholly owned subsidiary based at Singapore which is acting in concert with us for the purpose of the Proposed Acquisition, has availed a committed line of financing from the Hongkong and Shanghai Banking Corporation Limited, GIFT city branch, on May 2, 2024, for an amount not exceeding US$ 250 million to fund the acquisition of the Cigniti Equity Shares. The completion of the Proposed Acquisition is accordingly dependent on our ability to raise capital through the Issue, and in case of shortfall, on obtaining debt funding on favourable terms and in a timely manner. For further details, see "*Use of Proceeds - Proposed acquisition of the equity shares of Cigniti*" on pages 81-82. Our ability to raise additional funding, if required, is contingent on numerous factors, including general economic and capital market conditions, credit availability from banks or the market, investor confidence and the continued success of our operations. If we are unable to raise adequate capital in a timely manner and on favourable terms, or at all, or if our internal accruals are insufficient for funding the balance consideration, we may either have to delay or be unable to acquire any shareholding in Cigniti and accordingly fail to complete the Proposed Acquisition as planned, which may adversely affect our reputation, business, results of operations, cash flows and financial condition.

4. We face risks associated with the integration of Cigniti with us, and if the Proposed Acquisition fails to realise targeted synergies or other anticipated benefits, our business, results of operations, financial condition and cash flows may be adversely affected.

We are pursuing the Proposed Acquisition to access and scale up three new verticals: healthcare, technology and retail, while deepening our penetration in the banking and travel verticals. Further, the Proposed Acquisition is aimed at enhancing our presence in North America beyond the East Coast, by increasing our coverage in the West and mid-West markets. We believe the Proposed Acquisition is likely to enhance our client ecosystem, which will pave the way for cross-selling opportunities and better client engagement. In addition, our Company and Cigniti have agreed in principle to evaluate a potential merger of Cigniti into our Company. For further information, see "*Our Business – Business Strategies - Derive Synergies from the Cigniti Acquisition and Inorganically Grow Our Business Offerings*" on pages 191-192. The success of the Proposed Acquisition will depend, in part, on our ability to realize the anticipated growth opportunities and synergies from combining the business of Cigniti with our business, including any potential merger of our operations. Integrating the operations of Cigniti may require substantial resources, including time, expense and effort from our management. However, we cannot guarantee you that we will realise any or all of the anticipated benefits from the Proposed Acquisition.

In particular, our ability to realise anticipated benefits and the timing of this realisation may be affected by a variety of factors, including but not limited to:

- inability to retain the client base of Cigniti or leverage their presence;
- recruiting, training and retaining sufficient skilled management and employees;
- obtaining any consents or authorizations that may be required in respect of our integrated operations;
- our ability to deliver services of a consistent quality across the new verticals and geographies that we will operate in;
- the challenges involved in integrating our Company and Cigniti's IT infrastructure, processes and systems;
- unforeseeable events, including major changes in the industry in which we or Cigniti operate, including any reduction in demand for services.

We may also be required to continue making pay-outs pursuant to the Proposed Acquisition. Further, we may be required to seek consent from existing clients of Cigniti for change in control, and we cannot assure you that such consents will be forthcoming, or that the clients will continue their business with us. In addition, our ability to realise anticipated benefits may also be impacted by any of the other risks that we face as described in this Preliminary Placement Document. If the anticipated benefits that our Company expects are not realised or are delayed, our business, results of operations, cash flows and financial condition could be adversely affected. Even if we are able to successfully integrate our businesses and operations, it may not be possible to realise the full benefits of the integration opportunities, the synergies that we currently expect to result from the Proposed Acquisition, or realise these benefits within the time frame that we currently expect. We may incur higher than expected integration, transactional and related costs. In addition, our Company has incurred, and will incur, costs in relation to the Proposed Acquisition. In addition, upon completion of the Proposed Acquisition, minority shareholders will continue to hold equity shareholding of Cigniti. Any disagreements or disputes with these minority shareholders may disrupt the business and operations of Cigniti, and adversely affect our business. Any losses by Cigniti may adversely affect our Company's consolidated results of operations, as we will account for it as a Subsidiary.

5. The Proposed Acquisition is not yet completed, and there are inherent uncertainties associated with uncompleted acquisitions, including that there may be certain risks associated with Cigniti that our Company is not aware of.

For the purpose of the Issue, we have included certain information related to Cigniti in the Preliminary Placement Document. Although our Company has conducted due diligence on Cigniti in connection with the Proposed Acquisition, it has not yet completed the Proposed Acquisition, and there may be material risks associated with Cigniti about which our Company is not aware. Any discovery of adverse information concerning Cigniti may result in the information about it contained in this Preliminary Placement Document being inaccurate or inadequate and may adversely affect our business, results of operations, cash flows and financial condition.

6. As of the date of this Preliminary Placement Document, the Proposed Acquisition has not received approval from the Competition Commission of India ("CCI"), or completed necessary filings under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 ("HSR Act"). We cannot assure you that such approval from regulatory authorities will be forthcoming, and in a timely manner.

In order to effect the Proposed Acquisition, we are required to seek approval from the CCI pursuant to the provisions of the combination regulation (merger control) provisions under the Competition Act, which requires that acquisition of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds be mandatorily notified to and pre-approved by the CCI. On May 16, 2024, we applied for an approval from the CCI, and the Proposed Acquisition will only be effective upon receipt of the relevant approval. The CCI may deem that the Proposed Acquisition will have an appreciable adverse effect on competition in the relevant market in India, and disapprove of the Proposed Acquisition. The CCI may seek additional information, documents or clarifications from us, and we may not be able to address all queries raised by the CCI to its satisfaction. Further, we are required to make pre-merger notifications to the Federal Trade Commission in the United States pursuant to the HSR Act. Parties to a transaction reportable under the HSR Act cannot close the transaction until the waiting period is completed or terminated. We may be required to provide additional information, documentation and clarifications under the HSR Act for review in the United States, and if we do not comply with applicable provisions of the HSR Act, enforcement action may be brought against us. We cannot assure you that the CCI will approve of the Acquisition, or that we will be able to duly complete the required processes under the HSR Act, and in a timely manner. Failure to receive approval from the CCI, or challenges under the HSR Act, may prevent us from completing the Proposed Acquisition and successfully utilizing the proceeds of the Issue. Also see "*- The completion of the Proposed Acquisition is subject to a number of conditions, which may not be fulfilled or waived*" on pages 41-42.

7. ***There have been certain instances of delays in the past in relation to form filings in relation to, inter alia, provisions of the ODI Regulations and certain other provisions of FEMA by Cigniti. We may be subject to regulatory actions and penalties for any past or future non-compliance or delays or inconsistencies by Cigniti and our business, financial condition and reputation may be adversely affected.***

There have been certain instances of delays in form filings in the past by Cigniti. For instance, Cigniti has not filed the required forms within prescribed timelines under the ODI Regulations in relation to certain overseas direct investments made by it in certain of its foreign subsidiaries, resulting in non-compliance of the applicable provisions of the ODI Regulations and inability to make annual filings prescribed under the ODI Regulations for such subsidiaries. While Cigniti is in the process of regularizing these non-compliances by filing the aforesaid forms, the proposed regularization may take longer than expected. In this regard, Cigniti has also filed a compounding application with the RBI to allow it to compound the non-compliances. Additionally, Cigniti made inadequate disclosures to authorised dealer bank ("**AD Bank**") and has not made required form flings with the AD Bank. While no proceedings have been initiated against Cigniti nor penalties have been imposed in relation to such non-compliances, we cannot assure you that no action or penalty shall be imposed on Cigniti for such non-compliances by Cigniti.

Cigniti received a complaint dated August 23, 2020 under Section 16(3) of the FEMA and a show cause notice dated September 4, 2023 ("**SCN**") from the Directorate of Enforcement, Southern Regional Office, Government of India ("**ED**") to show cause as to why an inquiry should not be held and penalty should not be imposed against Cigniti for the alleged contraventions of Section 6(3) of the FEMA read with Regulations 5(1) and Para 8 of Schedule 1 of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 ("**FEM-TISPRO**"), due to non-allotment of adequate shares against FDI of ₹ 15.15 million within 180 days of receipt of such FDI; (b) Section 6(3) of FEMA, read with Para 9(1)(A) of Schedule I of FEM-TISPRO, for the failure to file advance remittance form with the RBI against the aforementioned FDI received by Cigniti to the tune of ₹ 15.15 million; (c) Section 6(3) of FEMA, read with Regulations 8(3) of FEM-TISPRO, for failure to furnish ESOP declaration form to the RBI within the stipulated time period with respect to remittance of ₹ 0.10 million; and (d) Section 6(3) of the FEMA, read with Regulation 15(iii) of the Foreign Exchange Management (Transfer or Issue of any Foreign Security) (Fourth Amendment) Regulations, 2012, for failure to timely submit with the RBI an annual performance report in respect of overseas direct investment made by Cigniti in Cigniti Inc, USA, Gallop Solutions Inc, USA, Cigniti UK and Cigniti Australia to the tune of ₹ 647.98 million. Cigniti, by way of a letter dated September 25, 2023, has responded to the ED and provided its responses to each of the non-compliances. Cigniti has filed a compounding application dated March 18, 2024 requesting RBI to allow it to compound the non-compliances. For further details, please refer to the section titled "*Legal Proceedings – XII. Litigation involving Cigniti*" on page 268. We cannot assure you that Cigniti's compounding application will be successful, or that no actions will be initiated in future against Cigniti or us by authorities such as the ED.

Further, Cigniti Technologies Inc., a material subsidiary of Cigniti, based in the United States, failed to comply with the reporting and filing requirements under the U.S. Patient Protection and Affordable Care Act of 2010, as amended (the "**ACA**"), and, as a result, it was assessed a penalty of over $200,000 by the U.S. Internal Revenue Service (the "**IRS**"). Cigniti Technologies Inc. corrected this failure by filing and distributing the required Forms 1094Cs and 1095Cs for all of the plan years that were affected (2018 and 2019), as well as filing a Request for Abatement with the IRS providing justification for such previous failures. We cannot assure you that there will be no such delays in form filings or incorrect form filings or payment of statutory dues in the future and that Cigniti or our Company, pursuant to the Proposed Acquisition, will not be subject to adverse actions by the authorities on account of any inadvertent discrepancies in, or delays in filing of, any of its secretarial filings or payment of statutory dues, which may adversely affect our reputation.

Risks Relating to our Business

8. Our business is dependent on our ability to attract and retain highly skilled professionals.

Our business is people and skill-driven and, accordingly, our success depends on our ability to attract, develop, motivate, retain and effectively utilize highly skilled professionals in our offices in India and the United States, among other places. We believe that there is significant competition for talented personnel with such skills in these geographic regions and we may continue to witness such competition in the foreseeable future. We compete for such talented personnel not only with other companies in our industry but also with companies in adjacent industries, such as financial services and technology generally.

Increased hiring and increasing worldwide competition for skilled personnel may lead to a shortage in the availability of suitable personnel in the locations where we operate and hire and, accordingly, we may not be able to retain or hire all of the personnel necessary to meet our ongoing and future business needs.

Our attrition rates among our full-time employees (excluding our business process management ("**BPM**") employees) were 17.70%, 14.10% and 11.50% in Fiscal 2022, 2023 and 2024, respectively. We define attrition as the total number of full-time employees with more than six months of work experience with us, who have left us voluntarily during the reporting period, including due to retirement, divided by the average number of full-time employees with us during the same period. We calculate our attrition rate in each reporting period based on data for the last 12 months from the last day of each respective reporting period. We may encounter higher attrition rates in the future and a significant increase in the attrition rate among our engineering personnel could decrease our operating efficiency and productivity and could lead to a decline in demand for our services. In addition, any reductions in headcount for economic or business reasons, however temporary, could negatively affect our reputation as an employer and our ability to hire engineering personnel to meet our business requirements. These factors may, as a result, have an adverse effect on our business, financial condition, cash flows and results of operations.

9. We primarily provide services and solutions to the insurance, banking and financial services ("BFS"), and travel, transportation and hospitality ("TTH") industries. General market conditions in India and globally that affect these industries could have an adverse effect on our business, financial condition, cash flows and results of operations.

We generate revenues from providing product engineering services, intelligent automation services, data and integration services, cloud and infrastructure management services, software engineering services and business process management ("**BPM**") services. As of March 31, 2024, we serve clients across three primary verticals – insurance, BFS and TTH. We also have a growing focus on the retail, healthcare, hi-tech, manufacturing and government (outside India) verticals, all of which group into the “All Others” vertical in our financial statements.

The following table sets forth details of our revenue from operations, as per disclosure requirements under Ind AS 115, across our verticals for the years indicated:

Revenue by Vertical	**Fiscal**					
	2022		**2023**		**2024**	
	Amount (₹ million)	**Percentage of Revenue from Operations (%)**	**Amount (₹ million)**	**Percentage of Revenue from Operations (%)**	**Amount (₹ million)**	**Percentage of Revenue from Operations (%)**
Banking and Financial Services	16,420	25.53%	24,619	30.72%	29,557	32.20%
Insurance	18,187	28.28%	18,152	22.65%	20,377	22.20%
Travel, Transportation and Hospitality	12,220	19.00%	15,326	19.12%	16,522	18.00%
All Others	17,493	27.20%	22,049	27.51%	25,334	27.60%
Revenue from operations	**64,320**	**100.00%**	**80,146**	**100.00%**	**91,790**	**100.00%**

Accordingly, our business is dependent on developments and factors affecting the BFS, insurance and TTH industries in India and other countries. Our clients may increasingly be subject to governmental regulation, sanctions and intervention. Increased regulation, changes in existing regulation or increased governmental intervention in the industries in which our clients operate may adversely affect the growth of their respective businesses and therefore negatively impact our revenues. Events that adversely affect the insurance, BFS and TTH industries could limit the demand for our service offerings, require us to offer price reductions or discounts, negatively impact our clients' ability to pay our receivables and consequently impact our business continuity.

10. ***Our revenues are dependent on our clients primarily located in the United States of America, Canada, Mexico and Brazil ("Americas") and Europe, the Middle East and Africa. Worsening economic conditions or factors that negatively affect the economic health of geographies and markets in which we have a presence could reduce client demand for our services.***

Our revenues are concentrated in geographies in the Americas, and Europe, Middle East and Africa. We also derive revenues from the Asia Pacific region, comprising Australia, Singapore, Hong Kong, Malaysia, Thailand, Japan, Philippines and Indonesia. The following table sets forth details of our revenues based on location, as per disclosure requirements under Ind AS 108 – Operating segments, for the years indicated:

Particulars	**Fiscal**					
	2022		**2023**		**2024**	
	Amount (₹ million)	**Percentage of Revenue from Operations (%)**	**Amount (₹ million)**	**Percentage of Revenue from Operations (%)**	**Amount (₹ million)**	**Percentage of Revenue from Operations (%)**
Americas	33,288	51.75%	40,020	49.93%	44,350	48.32%
Europe, Middle East and Africa	22,771	35.40%	31,175	38.90%	36,160	39.39%
Asia Pacific	5,439	8.46%	5,817	7.26%	6,360	6.93%
India	2,822	4.39%	3,134	3.91%	4,920	5.36%
Total	**64,320**	**100.00%**	**80,146**	**100.00%**	**91,790**	**100.00%**

If the economies in the Americas and EMEA are adversely impacted, weaken or slow, pricing for our services may be depressed and our clients may reduce or postpone their technology spending significantly, which may in turn lower the demand for our services and negatively affect our revenues, profitability, growth of our business, financial condition, cash flows and results of operations. If we are unable to successfully anticipate changing economic and political conditions affecting the markets in which we operate, we may be unable to effectively plan for or respond to those changes and our business, financial condition, cash flows and results of operations may be adversely affected.

11. ***We are subject to certain regulatory compliance, corporate governance and public disclosure requirements under applicable laws including the SEBI Listing Regulations. Further, new and changing laws add uncertainty to our compliance policies and increase our costs of compliance.***

We are subject to a variety of laws, regulations and industry standards in the countries in which we operate. Further, the Equity Shares of our Company and the Cigniti Equity Shares are listed on Stock Exchanges, and therefore, we are subject to regulatory compliance, obligations and reporting requirements prescribed under the SEBI Listing Regulations including corporate governance obligations. On account of change in two directors from the Board of our Company, our Company is in the process of re-constituting certain committees of the Board including the Nomination and Remuneration Committee and Corporate Social Responsibility Committee in accordance with requirements of SEBI Listing Regulations and Companies Act. While the Board has appointed additional directors, we are in the process of regularising their appointment and re-constituting the composition of our committees. In the past, Cigniti has been non-compliant with the provisions of the SEBI Listing Regulations pertaining to composition of the nomination and remuneration committee pursuant to which Stock Exchanges imposed penalty on Cigniti amounting to ₹ 0.32 million.

Further, we have in the past, entered into a settlement with SEBI with respect to alleged violation of certain provisions of the SEBI Listing Regulations. Additionally, our Company has in the past not made intimations to the AD Bank in relation to its offshore branches in accordance with the applicable law. While we endeavor to comply with obligations and reporting requirements under the SEBI Listing Regulations, there may be non-disclosures or delayed or erroneous disclosures or any other non-compliance in the future and the same may result in Stock Exchanges or SEBI imposing penalties, issuing warnings and show cause notices against us or taking actions as provided under the SEBI Act and rules and regulations made thereunder.

Furthermore, if we are deemed to have violated any regulation or law in a jurisdiction in which we operate, we may be subject to fines and other expenses related to non-compliance or remediation. There is no assurance that SEBI or the stock exchanges will not issue show cause notices or impose penalties or take other actions against us, with respect to any alleged non-compliance.

In addition, we are also subject to United States regulations such as the Foreign Corrupt Practices Act and regulations relating to economic sanctions. Our business operations must be conducted in accordance with a number of sometimes conflicting government regulations in the various jurisdictions in which we operate, including consumer laws, as well as trade restrictions and sanctions, tariffs and labor relations. Such laws, regulations and standards are subject to changes and evolving interpretations and applications, and it can be difficult to predict how they may be applied to our business and the way we conduct our operations, especially as we introduce new solutions and services and expand into new jurisdictions. In the event that we fail to comply with such laws and regulations, we, our officers, directors and employees may be held liable.

Our efforts to comply with evolving laws, regulations and standards may result in increased general and administrative expenses and an increasing amount of time and attention of management in ensuring compliance in related activities. If we fail to comply with new or changed laws or regulations, even inadvertently, our business and reputation may be harmed. Any of the foregoing risks could have an adverse effect on our business, financial condition, cash flows and results of operations.

12. ***Changing immigration regulations have affected, and will continue to affect, our ability to deploy our personnel around the world.***

We use our global delivery platform to service a global client base. Due to the global nature of our operations, we rely on the ability to utilize an international pool of IT employees and deploy them in the countries where we operate pursuant to local work visa requirements. Our ability to move our employees throughout the world, whether on a short-term or long-term basis, is affected by changing immigration regulations around the world. Our reliance on work visas for a portion of our technology professional employees makes us vulnerable to changes and variations in immigration laws as it affects our ability to staff projects with technology professionals who are not citizens of the country where the work is to be performed. Complying with changing immigration regulations could increase our employee costs, visa application and extension costs, and costs related to more complex compliance and audit. In addition, they could adversely affect the ability of our existing or new/future visa-dependent employees from being deployed or otherwise assigned to a new location to work on client projects, thereby impacting our current and future revenue. If governments of countries in which we operate heighten adjudication standards for visa applications, labour market tests, and/or requirements for change of work locations, our ability to offer our services in a timely manner may be hindered.

Our international expansion strategy and our business, financial condition, cash flows and results of operations may be adversely affected if changes in immigration and work permit laws and regulations or the administration or enforcement of such laws or regulations impair our ability to staff projects with professionals who are not citizens of the country where the work is to be performed

13. ***If we were to lose the services of members of our senior leadership team or other key employees, our business, financial condition, cash flows and results of operations, including our competitive position and client relationships, may be adversely affected.***

The success of our business significantly depends upon the continued services of members of our senior leadership team, particularly Sudhir Singh, our Chief Executive Officer and Executive Director, and other key employees. If Sudhir Singh, or one or more of our other senior executives or key employees, are unable or unwilling to continue in their present positions, it could disrupt our business operations, and we may not be able to replace them easily, on a timely basis or at all. In addition, competition for senior executives and key employees in our industry is intense, and we may be unable to retain our senior executives and key employees or attract and retain new senior executives and key employees in the future, including new senior executives and key employees who join us from our acquired companies, in which case our business may be severely disrupted. We have not procured any "key person" insurance policy which covers the loss of any member of our senior leadership team.

If any members of our senior leadership team or key employees join a competitor or forms a competing company, we may lose clients, suppliers, technical or subject-matter expertise and IT personnel and staff members to them. Such personnel could also make unauthorized disclosure or use of our technical knowledge, business practices or procedures. Non-competition and non-solicitation clauses embedded in employment agreements and non-disclosure arrangements with our senior executives or key employees might not provide effective protection to us in light of legal uncertainties associated with the enforceability of such agreements in some of the countries in which we operate. If we experience any such unauthorized disclosure or use, our business, financial condition, cash flows and results of operations may be adversely affected.

14. We may fail to identify or successfully acquire target businesses and our acquisitions could prove difficult to integrate, disrupt our business, dilute shareholder value and strain our resources.

We have historically grown through a mix of organic and inorganic expansion. For instance, we acquired a controlling interest in Coforge Business Process Solutions Private Limited (erstwhile SLK Global) in 2021, which strengthened our position in the financial services market in the Americas and our BPM offerings. In 2017, we acquired Coforge BPM (erstwhile RuleTek Inc.) and in 2019, we acquired Coforge SF Private Limited (erstwhile WHISHWORKS), which enhanced our capabilities relating to digital integrations. Our Company has also announced the Proposed Acquisition of Cigniti. We expect to inorganically grow our business offerings in future as well and if we fail to integrate or manage acquired businesses efficiently, or if acquisitions divert management resources or does not perform to our expectations, we may not be able to realize the benefits envisioned for such acquisition, and our business, financial condition, cash flows and results of operations, as well as overall growth prospects, could be adversely affected.

Acquired businesses may have operating, financial or other issues that we fail to discover through due diligence or that may be greater than what we anticipate prior to the acquisition. In particular, to the extent that prior directors, officers or any shareholder of any acquired businesses or properties failed to comply with or otherwise violated applicable laws or regulations, or failed to fulfill their contractual obligations to clients or performed services that are subsequently found to have been defective, we, as the successor owner, may be financially responsible for these violations and failures. Acquisitions could result in increased liabilities or impairment charges to goodwill or intangible assets, or adjustments to our financial statements. Additionally, we might become involved in litigation that we have inherited from the acquired businesses or potential litigation against the sellers of the acquired businesses. Integration activities are complex and time-consuming, and we may encounter unexpected difficulties or incur unexpected costs, including:

- potential inability to achieve the operating synergies anticipated in the acquisitions including anticipated cost savings and additional revenue opportunities;

- diversion of management attention from ongoing business concerns to integration matters such as retaining clients from the acquired businesses;

- complexities associated with managing the geographic separation of the combined businesses and consolidating multiple physical locations;

- retaining personnel and other key employees and achieving minimal unplanned attrition;

- inability to prevent key employees from the acquired businesses from joining or starting competing businesses;

- integrating personnel from different corporate or other cultures while maintaining focus on providing service of consistent standards;

- possible cash flow interruption or loss of revenue as a result of transitional matters; and

- consolidating and rationalizing information technology platforms and administrative infrastructure.

The failure to meet these integration challenges could harm our reputation as well as financial condition, cash flows and results of operations. If we do not integrate our acquired companies well, we may suffer losses, dilute value to shareholders or may not be able to take advantage of appropriate investment opportunities.

15. A reduction in the outsourcing budgets of, and strategic decisions to reduce the use of third parties by, our existing and prospective clients could affect our pricing and volume of work.

Companies might decide to reduce their outsourcing budgets due to unfavorable macroeconomic conditions and changes in business needs that have exerted pressure on their margins and such reduction in the outsourcing budgets of our clients, on account of macroeconomic or other factors, may in turn have an adverse effect on our business, financial condition, cash flows and results of operations.

If there is negative publicity about experiences associated with offshore outsourcing, such as domestic job loss and theft and misappropriation of sensitive customer data, particularly involving service providers in India, there may be reduced demand for our services. Current or prospective customers may elect to perform certain services themselves or may be discouraged from utilizing global service delivery providers due to negative perceptions that may be associated with using these models or firms.

Any slowdown or reversal of existing industry trends toward global service delivery could seriously harm our ability to compete effectively with companies that provide the majority of their services from within the country in which our customers operate.

Companies may change strategies and adopt policies of rationalizing their use of external IT service and solution providers and perform IT functions in-house or use fewer providers. Any slowdown or reversal of existing industry trends towards offshore outsourcing could materially and adversely impact our business, financial condition, cash flows and results of operations. If our existing or prospective clients decide to use their in-house capabilities and reduce their budgets for external IT service and solution providers, it could lead to a reduction in our volumes of work and adversely affect our business, financial condition, cash flows and results of operations.

16. ***Anti-outsourcing legislation, if adopted, could adversely affect our business, financial condition, cash flows and results of operations and impair our ability to provide services in countries in which our clients operate.***

The issue of companies outsourcing services to organizations operating in other countries is a topic of political discussion in many countries, including the United States. Many organizations and public figures in the United States and Europe have publicly expressed concern about a perceived association between offshore outsourcing IT services providers and the loss of jobs in their home countries. A number of U.S. states have passed legislation that restricts state government entities from outsourcing certain work to offshore IT services providers. Such measures may broaden restrictions on outsourcing by federal and state government agencies and on government contracts with firms that outsource services directly or indirectly, impact private industry with measures such as tax disincentives or intellectual property transfer restrictions, and/or restrict the use of certain business visas.

Legislation enacted in certain European jurisdictions and any future legislation in Europe or any other country in which we have clients restricting the performance of services from an offshore location could also adversely affect our business, financial condition, cash flows and results of operations. For example, legislation enacted in the United Kingdom, based on the 1977 EC Acquired Rights Directive, has been adopted in some form by many European Union countries, and provides that if a company outsources all or part of its business to an IT services provider or changes its current IT services provider, the affected employees of the company or of the previous IT services provider are entitled to become employees of the new IT services provider, generally on the same terms and conditions as their original employment.

In addition, dismissals of employees who were employed by the company or the previous IT services provider immediately prior to that transfer are automatically considered unfair dismissals that entitle such employees to compensation. As a result, in order to avoid unfair dismissal claims, we may have to offer, and become liable for, voluntary redundancy payments to the employees of our clients who outsource business to us in the United Kingdom and other European Union countries who have adopted similar laws. This legislation could materially affect our ability to obtain new business from companies in the United Kingdom and EU and to provide outsourced services to companies in the United Kingdom and EU in a cost-effective manner.

If anti-outsourcing legislations increasingly become law, our ability to service our clients could be impaired and our business, financial condition, cash flows and results of operations could be adversely affected.

17. ***If we cannot maintain and expand our existing client base, our business, financial condition, cash flows and results of operations may be adversely affected.***

Our major clients provide a significant portion of our revenue within particular industry verticals. Set forth below are details of our top five and top 10 clients' contribution to our revenues in the corresponding years:

Particulars	Fiscal					
	2022		2023		2024	
	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)
Top five clients	14,729	22.90%	18,594	23.20%	21,541	23.47%
Top 10 clients	21,869	34.00%	28,452	35.50%	31,659	34.49%

If we fail to maintain client relationships and successfully obtain new engagements from our existing clients, we may not achieve our revenue growth and other financial goals. While we seek to become strategic partners with our clients, the services we provide to our clients, and the revenue and income from those services, may decline or vary as the type and quantity of services we provide change over time, especially since we are often not our clients' exclusive IT services provider. In addition, a major client in one year may not provide the same level of revenue for us in any subsequent year, or revenue from a particular client may fluctuate, which could lead to volatility in our business. Further, one or more of our major clients could get acquired, and there can be no assurance that the acquirer would choose to use our services in respect of such client to the same degree as previously, if at all. Our reliance on any individual client may provide that client a certain degree of pricing contract terms leverage against us as we negotiate contracts and terms of service. If one of our major clients significantly reduces or withdraws its volume of business with us or materially renegotiates the terms of its agreement with us, our business, financial condition, cash flows and results of operations may be adversely affected.

18. ***Our business does not involve binding long-term commitments from our clients, and our clients may choose not to renew contracts, or terminate contracts before completion and without cause.***

Our master services agreements with clients typically range between three and five years, and can be terminated without notice or at short notice. Similarly, the purchase orders and statements of work under these master services agreements may also be terminated without notice or at short notice. Purchase orders and statements of work issued under the master services agreements may also be terminated with no notice, at short notice or without cause. In addition, we may not have master services agreements with certain clients we service, for whom we provide services pursuant to purchase orders, which could have short tenures. Our profit margins may suffer as a result of decreased utilization of our workforce if we are not able to immediately redeploy our staff. Further, given the short duration of the contracts that we typically enter into with our clients, these contracts expire from time to time, and clients may choose not to renew their relationships with us. An inability to renew these contracts on favorable terms and in a timely manner or at all, may adversely affect our business and financial condition.

The ability of our clients to terminate agreements at short notice and without cause makes our future revenues uncertain. While we endeavour to renew the relevant agreements, or purchase orders, as applicable, on an annual basis, or as required, we may not be able to retain our clients, or replace any client that elects to terminate or not renew its contract with us, which could adversely affect our business, financial condition, cash flows and results of operations.

19. ***Our ability to continue to develop and expand our service offerings to address emerging business demands and technological trends, including our ability to sell differentiated services, may impact our future growth. If we are not successful in meeting these business challenges, our business, financial condition, cash flows and results of operations may be adversely affected.***

Our ability to implement solutions for our customers, incorporating new developments and improvements in technology that translate into productivity improvements for our customers, and our ability to develop digital and other new service offerings that meet current and prospective customers' needs, as well as evolving industry standards, are critical to our success. Our ability to develop and implement up-to-date solutions utilizing new technologies that meet evolving customer needs in digital cloud, information technology outsourcing, consulting, industry software and solutions, and application services markets, and in areas such as artificial intelligence, automation, and as-a-service solutions, in a timely or cost-effective manner, will impact our ability to retain and attract customers and our future growth.

Set forth below are details of our research and development expenses in the corresponding years:

Particulars	Fiscal					
	2022		2023		2024	
	Amount (₹ million)	Percentage of Total Expenses (%)	Amount (₹ million)	Percentage of Total Expenses (%)	Amount (₹ million)	Percentage of Total Expenses (%)
Research and development expenses	606	1.08%	962	1.36%	969	1.18%

We have also formed partnerships with software providers. For further information, see "*Our Business – Strengths - Competencies in Next-Generation Digital Technologies*" on page 190. If we are unable to sustain these partnerships, our ability to retain our differentiated service offerings or offer services related to products created by our partners may erode. Further, if we are unable to attract new partners, we may not be able to create new services offerings or enter into new markets, which may negatively affect our business. We cannot assure you that our existing and new service offerings can meet prospective customers' needs and evolving industry standards. If we are unable to continue to execute our strategy and develop and expand our service offerings in a highly competitive and rapidly evolving environment, or if we are unable to commercialize such services and solutions and expand and scale them with sufficient speed and versatility, our growth, productivity objectives and profit margins could be adversely affected.

Customers may delay spending under existing contracts and engagements and entering into new contracts while they evaluate new technologies. Such delays can negatively impact our results of operations if the pace and level of spending on new technologies by some of our customers is not sufficient to make up any shortfall from delays from other customers. If we do not sufficiently invest in new technology and adapt to industry developments, or evolve and expand our business at sufficient speed and scale, or if we do not make the right strategic investments to respond to these developments and successfully drive innovation, our business, financial condition, cash flows and results of operations, as well as our services and solutions and our ability to develop and maintain a competitive advantage and to execute on our growth strategy could be adversely affected.

20. We operate in a highly competitive environment and may not be able to compete successfully.

The market for technology services in which we operate is highly competitive, characterized by a large number of participants and subject to rapid change. We compete with a wide number of niche, boutique and global service providers on an equal footing based on our differentiating capabilities. For more information on the profiles of our competitors, see "*Industry Overview – Assessment of competitive environment of key players in India*" on pages 173-174.

Our competitors may be able to compete more aggressively on pricing or devote greater resources to the development and promotion of their services. Our existing clients may choose to hire us and our competitors to provide different services, possibly impeding our ability and strategy to scale up business with these existing clients and negatively impacting our results. In addition, new market entrants may enter our industry and we may face competition from such current and future market entrants. The industry may also undergo consolidation, which may result in increased competition in our target markets from larger firms that have substantially greater financial, marketing or technical resources, may be able to respond more quickly to new technologies, processes, and changes in client demands, and may be able to devote greater resources to the development, promotion and sale of their services than we can. Increased competition could also result in price reductions, reduced operating margins and loss of market share. We also experience and expect additional competition from competitors who not only compete by providing services which are similar to ours, but also by extending such services with pricing associated with certain countries and regions, which have more competitive cost structures. Further, as a key part of our growth strategy has been growth through acquisitions, we may face competition for suitable acquisition targets or challenges in negotiating favorable terms relating to such acquisitions. We cannot assure you that we will be able to compete successfully with existing or new competitors or that competitive pressures will not adversely impact our business, financial condition, cash flows and results of operations.

21. Foreign exchange-related risk could adversely affect our business, financial condition, cash flows and results of operations.

Our functional currency is the Indian Rupee and we incur a significant portion of our expenses in Indian Rupees, while our revenues are primarily denominated in other currencies. In Fiscal 2024, approximately 52.80% of our revenues were denominated in US Dollars, approximately 25.40% in United Kingdom Pound Sterling and approximately 21.80% of our revenues were denominated in other currencies, primarily the Indian Rupee, Euro and Australian Dollars. Our financial position may be affected by changes in the exchange rates between currencies. Any appreciation/depreciation of the base currency or the depreciation/appreciation of the denominated currency will affect the cash flows emanating from that transaction. Fluctuations in the exchange rate could adversely affect this conversion resulting in a mismatch in our costs and revenue currencies, which could adversely affect our business, financial condition, cash flows and results of operations.

As a result of increased volatility in the foreign exchange currency markets, there may be demand from our clients that the impact associated with foreign exchange fluctuations be borne by us. We expect that our revenues will continue to be generated in foreign currencies, and that a significant portion of our expenses, including personnel costs, as well as capital and operating expenditures, will continue to be denominated in Indian Rupees. Accordingly, changes in exchange rates may have an adverse effect on our revenues, other income, cost of sales, gross margin and net income. Set forth below are details of our gain on foreign exchange fluctuations (net) in the corresponding years:

Particulars	**Fiscal**					
	2022		**2023**		**2024**	
	Amount (₹ million)	**Percentage of Revenue from Operations (%)**	**Amount (₹ million)**	**Percentage of Revenue from Operations (%)**	**Amount (₹ million)**	**Percentage of Revenue from Operations (%)**
Gain on exchange fluctuations (net)	161	0.25%	259	0.32%	59	0.06%

Volatility in the foreign currency markets may make it difficult to hedge our foreign currency exposures effectively. Further, the laws of India limit the duration and amount of such arrangements and the policies of the RBI may limit our ability to hedge our foreign currency exposures adequately or economically. We have sought to reduce the effect of any Indian Rupee-US Dollars, Indian Rupee-Pound Sterling, Indian Rupee-Euro and certain other local currency exchange rate fluctuations on our results of operations by purchasing forward foreign exchange contracts to cover a portion of our expected cash flows upto 12 months. We use these instruments as economic hedges and not for speculative purposes, and these instruments qualify for hedge accounting impacting revenue under Ind AS for matured contract, and foreign exchange fluctuation over outstanding covers forms part of our other comprehensive income. There is a risk that forward covers will not be able to adequately mitigate the impact of foreign exchange fluctuation. If we are unable to manage risks related to foreign exchange, our business, financial condition, cash flows and results of operations could be adversely affected.

22. We may be unable to effectively manage our growth, which could place significant strain on our management personnel, systems and resources.

We have experienced rapid growth and significantly expanded our business over the past several years, both organically and through strategic acquisitions. Set forth below are details of our revenue from operations and profit for the year in the corresponding years:

Particulars	**Fiscal 2022**	**Fiscal 2023**	**Fiscal 2024**
	(₹ million)		
Revenue from operations	64,320	80,146	91,790
Profit for the year	7,147	7,451	8,356

We intend to continue to grow our business in the foreseeable future and to pursue existing and potential market opportunities. Our rapid growth has placed, and will continue to place, significant demands on our leadership team and our administrative, operational and financial infrastructure. In addition, as we expand our operations internationally, our support organization will face additional challenges, including those associated with delivering support, training and documentation in languages other than English. In particular, continued expansion increases the challenges we face in:

- recruiting, training, retaining and integrating skilled engineering personnel and management personnel;
- adhering to and further improving the quality of our services and process execution standards and maintaining client satisfaction;

- enhancing or maintaining our internal controls to ensure timely and accurate reporting of all of our operations, particularly as we integrate new acquisitions;

- maintaining effective oversight of personnel and global delivery centers;

- managing our expanding client base and entry into new verticals; and

- developing and improving our internal administrative infrastructure, particularly our financial, operational, communications and other internal systems.

We have also increased the size and complexity of the projects that we undertake for our clients and intend to seek opportunities for larger and more complex projects in the future. As we add new delivery centers, introduce new services or enter into new markets, we may face new market, technological and operational risks and challenges with which we are unfamiliar, including navigating unfamiliar environments or cultures and dealing with different compliance or regulatory landscapes, and we may not be able to mitigate these risks and challenges to successfully grow those services or markets. In particular, it is possible that the acquisitions and investments we have carried out recently and are in the process of completing may not achieve completion or even if completed, may not achieve intended synergies. As a result, we may not be able to achieve our anticipated growth or successfully execute large and complex projects, which could have an adverse effect on our results of operations, cash flows and financial condition.

23. The Unaudited Pro Forma Condensed Combined Financial Statements included in this Preliminary Placement Document are not indicative of our future financial condition, cash flows or results of operations.

As the SPAs relating to the Proposed Acquisition were executed on May 2, 2024 and the Proposed Acquisition has not been completed as of the date of this Preliminary Placement Document, the Audited Consolidated Financial Statements included in this Preliminary Placement Document do not account for the impact of the Proposed Acquisition. For further information on the Proposed Acquisition, see "*Our Business – Recent Developments – Acquisition of Cigniti*" on pages 183-186.

We have included in this Preliminary Placement Document the Unaudited Pro Forma Condensed Combined Financial Statements for Fiscal 2024, to illustrate the proforma impact of the Proposed Acquisition on our results of operations for the year ended March 31, 2024 that would have resulted had the Proposed Acquisition been completed at April 1, 2023 and the financial position as at March 31, 2024 had the Proposed Acquisition been completed as at March 31, 2024. The Unaudited Pro Forma Condensed Combined Financial Statements addresses a hypothetical situation and does not represent our actual consolidated financial condition, cash flows or results of operations, and is not intended to be indicative of our future financial condition, cash flows and results of operations. The adjustments set forth in the Unaudited Pro Forma Condensed Combined Financial Statements are based upon available information and assumptions that our management believes to be reasonable. Accordingly, the Unaudited Pro Forma Condensed Combined Financial Statements may not be an accurate representation of what our actual results of operations, cash flows and financial position would have been for such periods or as of such dates as they are assumed to have been effected, nor are these intended to be indicative of expected results or operations in the future periods or our future financial position.

As the Unaudited Pro Forma Condensed Combined Financial Statements is prepared for illustrative purposes only, it is, by its nature, subject to change and may not give an accurate picture of the actual financial results that would have occurred had such transactions by us been effected on the dates they are assumed to have been effected.

Further, our Unaudited Pro Forma Condensed Combined Financial Statements were not prepared in accordance with accounting or other standards and practices generally accepted in jurisdictions other than India, such as Regulation S-X under the U.S. Securities Act, in connection with an offering registered with the SEC under the U.S. Securities Act and consequently do not comply with the SEC's rules or requirements of other jurisdictions on presentation of the proforma financial information. Further, the rules and regulations related to the preparation of proforma financial information in other jurisdictions may vary significantly from the basis of preparation as set out in the Unaudited Pro Forma Condensed Combined Financial Statements included in this Preliminary Placement Document. Therefore, the Unaudited Pro Forma Condensed Combined Financial Statements should not be relied upon as if it has been prepared in accordance with those standards and practices. If various assumptions underlying the preparation of the Unaudited Pro Forma Condensed Combined Financial Statements do not come to pass, our actual results could be materially different from those indicated in the Unaudited Pro Forma Condensed Combined Financial Statements. Further, in the Unaudited Pro Forma Condensed Combined Financial Statements, the goodwill and other acquisition related adjustments computed in case of Cigniti acquisition is based on purchase price allocation ("**PPA**") available with us as at March 31, 2024 assessed on a provisional basis. The final PPA will be determined when we have completed detailed valuations and necessary calculations. The final allocation could differ from the provisional allocation used in proforma adjustments. The final allocation may include (i) changes in fair values of property, plant and equipment, (ii) changes in allocations to specified intangible assets as well as goodwill, and (iii) other changes to assets and liabilities. Accordingly, the Unaudited Pro Forma Condensed Combined Financial Statements included in this Preliminary Placement Document are not intended to be indicative of expected results or operations in the future periods or the future financial position of our Company or a substitute for our past results, and the degree of reliance placed by investors on our Unaudited Pro Forma Condensed Combined Financial Statements should be limited.

24. We are vulnerable to cyber-attacks, computer viruses, ransomware and electronic break-ins which could disrupt our operations and have a material adverse effect on our business, financial condition, cash flows and results of operations.

As a provider of outsourced IT and research and development services, cyber-attacks, computer viruses and hacking activities could result in significant damage to our hardware and software systems and databases, disruptions to our business activities, including to our email and other communications systems, breaches of security and the inadvertent disclosure of confidential or sensitive information, interruptions in access to our website through the use of "denial of service" or similar attacks, and other adverse effects on our operations. We may not be able to implement new security measures in a timely manner. Moreover, if a computer virus or hacking affects our systems and is highly publicized, our reputation and brand names could be damaged and use of our services may decrease.

In addition, certain of our client contracts require us to comply with security obligations including maintaining network security and backup data, ensuring our network is virus-free, maintaining business continuity planning procedures, and verifying the integrity of employees that work with our clients by conducting background checks. Any failure in a client's system or breach of security relating to the services we provide to the client could damage our reputation or result in a claim for substantial damages against us. For instance, Cigniti Technologies, Inc. experienced a ransomware data breach in December 2022. A forensic summary report conducted in March 2023, indicated that there was no direct evidence that personal information was exfiltrated as a result of the ransomware attack. However, the attacker may have erased evidence of a possible exfiltration of personal information, and it is possible that the data breach required government or individual notification which was not initiated. We cannot assure you that as a consequence of this, Cigniti will not be subject to regulatory action, which may impact our results of operations. Any significant failure of our equipment or systems, breach of cybersecurity or unauthorized access to confidential information relating to our clients and operations could impede our ability to provide services to our clients, have a negative impact on our reputation, cause us to lose clients, and adversely affect our business, financial condition, cash flows and results of operations.

25. We, and Cigniti, may be subject to liability for breach, without limitations on indemnity, under certain contracts. Claims under such contracts could result in our or Cigniti's business, financial condition, results of operations and cash flows being adversely affected.

Under our contracts with our clients, our liability for breach of our obligations is in some cases limited pursuant to the terms of the contract. Such limitations may be unenforceable or otherwise may not protect us from liability for substantial damages. For instance, in 2023, our Company received a notice from a client in the North America region seeking indemnification for all costs, expenses, losses, damages, awards, and fees related to the demands received by the client from third parties in relation to the data breach of the client which it claims was allegedly caused by our Company's service desk agent. Based on the advice from our offshore counsel, the quantum of claims or the expected financial implication on our Company cannot be ascertained at this stage. In addition, certain liabilities, such as claims of third parties for which we may be required to indemnify our clients, are generally not limited under our contracts.

Certain contracts entered into by Cigniti with its customers have uncapped indemnity provisions, which could lead to claims for uncapped damages from such customer. Moreover, certain contracts with customers are liable to be terminated without cause, which could result in reduction in Cigniti's customer base. While there has been no instance in the three preceding Fiscals where Cigniti has been subject either such indemnity claim or loss of clients, there is no assurance that such instance will not arise in future, which may in turn adversely affect our business, cash flows, financial condition and results of operations following the Proposed Acquisition. The successful assertion of one or more large claims against us or Cigniti could adversely affect our business, reputation, financial condition, cash flows and results of operations.

26. Our business is subject to evolving laws regarding privacy, data protection and other related matters. Non-compliance with such laws may result in claims, changes to our business practices, monetary penalties, increased cost of operations, or declines in user growth or engagement, which may harm our business.

Our digital capabilities (including cognitive, digital, cloud, data, and integration and automation) involve the storage of our customers' confidential and proprietary data. We and our clients are subject to laws and regulations that prescribe how we handle matters including privacy and data protection, content, intellectual property, data security, data retention and deletion, protection of personal information, electronic contracts and other communications. The introduction of new products or expansion of our activities has and will continue to subject us to additional laws and regulations. Similarly, many foreign countries and governmental bodies, including the EU member states, have laws and regulations concerning the collection, retention, storage, use, processing, sharing, and disclosing of personal information obtained from individuals located, or business operating, in such countries. Any accidental or willful security breaches or other unauthorized access to data that we or our clients handle could expose us to liability for the loss of such information, time-consuming and expensive litigation and other possible liabilities as well as negative publicity.

We are also required to comply with numerous existing laws and regulations in India that address cybersecurity and data protection, including the Indian Information Technology Act, 2000 and the rules thereof, the Indian Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011, the Indian Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021 and the Digital Personal Data Protection Act, 2023, all of which influence the way in which we operate our business. Any perceived or actual breach of laws, regulations and standards could result in investigations, regulatory inquiries, litigation, fines, injunctions, negative customer sentiment, impairment of our existing or planned solutions and services, or otherwise negatively impact our business.

Any changes in existing and proposed laws and regulations could be costly to comply with and could delay or impede the development of new products, thereby adversely affect the growth of our business and may also result in increase in our operating costs and result in penalties, fines or other liability if we are unable to comply. If we fail to comply with new or changed laws or regulations regarding privacy, data protection and other related matters, our business and reputation may be harmed. See "— *We are vulnerable to cyber-attacks, computer viruses, ransomware and electronic break-ins which could disrupt our operations and have a material adverse effect on our business, financial performance, cash flows and results of operations*" on page 54.

27. If our pricing structures do not accurately anticipate the cost, complexity and duration of our work, then our contracts could be unprofitable.

We negotiate pricing terms with our clients utilizing a range of pricing structures and conditions. Depending on the particular contract, we may use time and materials pricing, fixed-price arrangements, or hybrid contracts with features of both pricing models. We also undertake element or transaction-based pricing, which relies on a certain scale of operations to be profitable for us. Our pricing is highly dependent on the client and our internal forecasts and predictions about our projects and the marketplace, which might be based on limited data and could be inaccurate.

There is a risk that we will underprice our contracts, inaccurately estimate the duration, complexity and costs of performing the work or fail to accurately assess the risks associated with potential contracts. The risk is greatest when pricing our outsourcing contracts, as many of our outsourcing projects entail the coordination of operations and workforces in multiple locations, utilizing workforces with different skill sets and competencies across geographically distributed delivery centers. Furthermore, when work gets outsourced, we occasionally take over employees or assets from our clients and assume responsibility for one or more of our clients' business processes. Our pricing, cost and profit margin estimates on outsourced work frequently include anticipated long-term cost savings from transformational initiatives and other endeavors that we expect to achieve and sustain over the life of the outsourcing contract, but which may not generate revenue in the short term or which we may not achieve or sustain at all.

Further, we cannot guarantee our ability to maintain favorable pricing terms beyond the date that pricing terms are fixed pursuant to a written agreement. Should economic circumstances change, such that clients or suppliers find it beneficial to renegotiate such pricing terms in their favor, we cannot assure you that we will be able to withstand a price decrease or achieve a favorable outcome in any such negotiation. Any adverse change in our pricing terms would adversely affect our profit margins, which would have an adverse effect on our business, financial condition, cash flows and results of operations.

28. Our profitability may be impacted by our employee utilization levels, productivity levels and employee costs.

Our profitability is significantly impacted by our utilization levels of fixed-cost resources, including human resources as well as other resources such as computers and office space, and our ability to increase our productivity levels. Set forth below are our employee benefits expense in the corresponding years:

Particulars	Fiscal					
	2022		2023		2024	
	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)
Employee benefits expense	38,346	59.62%	48,280	60.24%	55,069	59.99%

Some of our IT professionals are specially trained to work for specific clients or on specific projects and some of our offshore delivery centers are dedicated to specific clients or specific projects. Our ability to manage our utilization levels depends significantly on our ability to hire and train high-performing IT professionals and to staff projects appropriately, as well as on the general economy and its effect on our clients and their business decisions regarding the use of our services. If we experience a slowdown or stoppage of work for any client or on any project for which we have dedicated IT professionals or facilities, we may not be able to efficiently reallocate these IT professionals and facilities to other clients and projects to keep their utilization and productivity levels high. If we are not able to maintain high resource utilization levels without corresponding cost reductions or price increases, our profitability will suffer.

In addition, competition for highly skilled personnel may require us to increase salaries, and we may be unable to pass on these increased costs to our clients. These factors may have an adverse effect on our business, financial condition, cash flows and results of operations.

29. Our failure to complete fixed-price and fixed-period contracts, or transaction-based priced contracts, within budget and on time, may adversely impact our business, financial condition, cash flows and results of operations.

In response to our clients' requests and in line with industry practice, we offer a portion of our services on a fixed-price, fixed-period basis, rather than on a time-and-materials basis. Set forth below are details regarding our fixed-price projects and time-and-material contracts in the corresponding years:

Particulars	Fiscal					
	2022		2023		2024	
	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)
Fixed-price projects	36,161	54.00%	41,676	48.00%	45,490	50.44%
Time-and-material contracts	28,159	46.00%	38,470	52.00%	46,300	49.56%

Despite using our knowledge, processes and past project experience to reduce the risks associated with the estimation process, we bear the risk of cost overruns, including increased costs of third parties, completion delays and wage inflation in connection with fixed price and fixed period projects. Particularly as inflation increases in the countries in which we operate, we may be required to incur higher expenses without being able to pass on these increases to our clients, owing to competitive conditions. This may adversely affect our business, financial condition, cash flows and results of operations.

We may not be able to obtain renewals or provide ongoing services, the loss of which prevent us from realizing long-term cost savings. In particular, any increased or unexpected costs, or wide fluctuations compared to our original estimates, delays or failures to achieve anticipated cost savings, or unexpected risks we encounter in connection with the performance of fixed price and fixed period, contracts including those caused by factors outside our control, could make these contracts less profitable or unprofitable, which could have an adverse effect on our profit margin, business, financial condition, cash flows and results of operations.

30. Incorrect or improper implementation or use of our or third-party software, or inability of our or third-party platforms to integrate other third-party software or hardware could result in customer dissatisfaction and negatively affect our business, financial condition, cash flows and growth prospects.

Our or third party sublicensed or resold software is deployed in a wide variety of technology environments, and our ability to increase sales of such software subscriptions and platforms for use in such deployments is important for our success. Our platform must also integrate with a variety of operating systems, software applications and hardware developed by others. We often assist our customers in achieving successful implementations for large, complex deployments. If we or our customers are unable to implement our or third party sub-licensed software successfully or are unable to do so in a timely manner, or if we are unable to devote the necessary resources to ensure that our solutions interoperate with other software, systems and hardware, customer perceptions of us may be impaired, our reputation and brand may suffer and customers may choose not to increase their use of our software.

Once our platform is implemented on our customers' selected hardware, software or cloud infrastructure, our customers may depend on our support services to help them take full advantage of the solutions that we have developed for them, quickly resolve post-deployment issues and provide effective ongoing support. If we do not offer high-quality services, our ability to sell our offerings to existing customers would be adversely affected.

31. Defects or malfunctions in our products and service offerings could hurt our reputation, sales, and profitability and give rise to warranty claims and other liability.

The acceptance of our products and services depends upon our effectiveness and reliability. Our products and service offerings are complex and are continually being modified and improved, and as such may contain undetected defects or errors when first introduced or as new digital solutions are being implemented. To the extent that defects or errors cause our products to malfunction and our customers' use of our products is interrupted, our reputation could suffer, and our potential revenues could decline or be delayed while such defects are remedied. We may also be subject to liability for the defects and malfunctions.

We cannot assure you that, despite our testing, errors will not be found in our products or new digital solutions, resulting in loss of future revenues or delay in market acceptance, diversion of development resources, damage to our reputation, adverse litigation, or increased service, any of which would have an adverse effect upon our business, results of operations, cash flows and financial condition.

32. Software failures, breakdowns in the operations of our servers and communications systems or the failure to implement system enhancements could harm our business. If our risk management, business continuity and disaster recovery plans are not effective, our business, financial condition, cash flows and results of operations may be adversely affected and we may suffer harm to our reputation.

Our success depends on the efficient and uninterrupted operation of our servers and communications systems, including coordination between our operations in India, our other global and regional internet data centers, the offices of our clients and our associates worldwide. A failure of our network or data gathering procedures could impede services. While our operations have disaster recovery plans in place, they might not adequately protect us. Despite any precautions we take, damage from fire, floods, hurricanes, power loss, telecommunications failures, computer viruses, break-ins, hostilities, political unrest, terrorist attacks, and similar events at our computer facilities could result in interruptions in the flow of data to our servers and from our servers to our clients, or affect the geographies where our people, equipment and clients are located. In addition, any failure by our computer environment to provide our required data communications capacity could result in interruptions in our service. In the event of a server failure, we could be required to transfer our client data collection operations to an alternative provider of server hosting services. Such a transfer could result in delays in our ability to deliver our products and services to our clients. Our risk management, business continuity and disaster recovery plans may not be effective at preventing or mitigating the effects of such disruptions, particularly in the case of catastrophic events or longer-term developments, such as the impacts of climate change.

Additionally, significant delays in the planned delivery of system enhancements, if any, improvements and inadequate performance of the systems once they are completed could damage our reputation and harm our business. Long-term disruptions in the infrastructure caused by events such as natural disasters, the outbreak of war, the escalation of hostilities and acts of terrorism, particularly involving cities in which we have offices, could adversely affect our business, financial condition, cash flows and results of operations. Although we carry property and contents insurance, building insurance, public and products liability insurance for our business operations, our coverage might not be adequate to compensate us for all losses that may occur and our business, financial condition, cash flows and results of operations could be adversely affected.

33. We may be subject to intellectual property infringement claims, which may be expensive to defend and may disrupt our business and operations.

Our registered intellectual property includes the trademark “Coforge” which is registered in several jurisdictions, including Canada, USA, UAE, India, Singapore, Hong Kong, Thailand, Switzerland, Australia, the European Union and the United Kingdom, as of March 31, 2024. For information on intellectual property held by us, see "*Our Business – Intellectual Property*" on page 198. In addition to the above, Cigniti, which we propose to acquire through the Proposed Acquisition, also has certain registered trademarks, such as " Cigniti", "Blue Swan" and "Cigniti Software Quality Assured", as well as trademarks that have been refused. We may not be able to prevent infringement of these trademarks and a passing off action may not provide sufficient protection until such time that our registrations are granted. Failure to renew the registration of any of our registered trademarks may affect our right to use such trademarks in future. Notwithstanding the precautions we take to protect our intellectual property rights, it is possible that third parties may copy or otherwise infringe on our rights, which may have an adverse effect on our business, results of operations, cash flows and financial condition.

We cannot be certain that our operations or any aspects of our business do not or will not infringe upon or otherwise violate trademarks, patents, copyrights, know-how, or other intellectual property rights held by third parties. We may be subject to legal proceedings and claims relating to the intellectual property rights of others, including under our agreements with our customers. In addition, there may be third-party trademarks, patents, copyrights, know-how or other intellectual property rights that are infringed by our products, services or other aspects of our business without our awareness. Holders of such intellectual property rights may seek to enforce such intellectual property rights against us in India, the United States or other jurisdictions. If any third-party infringement claims are brought against us, we may be forced to divert management’s time and other resources from our business and operations to defend against these claims, regardless of their merits. If we were found to have violated the intellectual property rights of others, we may be subject to liability for our infringement activities or may be prohibited from using such intellectual property, and we may incur licensing fees or be forced to develop alternatives of our own. As a result, our business, financial condition, cash flows and results of operations may be adversely affected.

34. We face risks associated with having a long selling and implementation cycle for our services that require us to make significant resource commitments prior to realizing revenues for those services.

We have a long selling cycle for our IT services, which requires significant investment of human resources and time by both our clients and us. Before committing to use our services, potential clients require us to expend substantial time and resources educating them on the value of our services and our ability to meet their requirements. Therefore, our selling cycle is subject to many risks and delays over which we have little or no control, including our clients’ decision to choose alternatives to our services (such as other IT services providers or in-house resources) and the timing of our clients’ budget cycles and approval processes. If our sales cycle unexpectedly lengthens for one or more large projects, it would negatively affect the timing of our revenues and hinder our revenues growth. For certain clients, we may begin work and incur costs prior to signing the contract. A delay in our ability to obtain a signed agreement or other persuasive evidence of an arrangement, or to complete certain contract requirements in a particular quarter, could reduce our revenues in that quarter.

Implementing our services also involves a significant commitment of resources over an extended period of time from both our clients and us. Our clients may experience delays in obtaining internal approvals or delays associated with technology, thereby further delaying the implementation process. Our current and future clients may not be willing or able to invest the time and resources necessary to implement our services, and we may fail to close sales with potential clients to which we have devoted significant time and resources. Any significant failure to generate revenues or delays in recognizing revenues after incurring costs related to our sales or services process could materially adversely affect our business, financial condition, cash flows and results of operations.

35. ***We rely on financing from banks or financial institutions to carry on our business operations, and inability to obtain additional financing on terms favourable to us or at all could have an adverse impact on our financial condition. If we are unable to raise additional capital, our business and future financial performance could be adversely affected.***

As of March 31, 2024, we had total non current borrowings and total current borrowings of ₹ 3,399 million and ₹ 967 million, respectively. Our existing operations and execution of our business strategy, including consummation of the Proposed Acquisition, may require substantial capital resources and we may incur additional debt to finance these requirements in the future. However, we may be unable to obtain sufficient financing on terms satisfactory to us, or at all. If interest rates increase it will be more difficult to obtain credit. Our ability to arrange financing and the costs of capital of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from banks, investor confidence, the continued success of our operations and other laws that are conducive to our raising capital in this manner. Any unfavourable change to terms of borrowings may adversely affect our cash flows, results of operations and financial conditions. If we decide to meet our capital requirements through debt financing, we may be subject to certain restrictive covenants including requirements that we obtain consent from the lenders prior to undertaking certain matters including altering our capital structure, further issuance of any Equity Shares, effecting any scheme of amalgamation or reconstruction, changing the management and creation of security. As of the date of this Preliminary Placement Document, we have received all consents required from our lenders in connection with the Issue. If we are unable to raise adequate capital in a timely manner and on acceptable terms, or at all, our business, results of operations, financial condition and cash flows could be adversely affected.

While there have been no such instances in the three preceding Fiscals, there can be no assurance that we will be able to comply with our current financing agreements or continue to access funds, including by way of short-term borrowings, on acceptable terms or at all. While we seek to mitigate against such risks by exploring favourable funding options from banks/financial institutions, there is no assurance that we will be successful in doing so. Any failure to obtain the requisite funds to meet our requirements or expand or modernize existing capabilities could result in our inability to effectively compete with other players, which could have a material adverse effect on our profitability, cash flows and results of operations.

36. ***Employee misconduct or error could harm us by impairing our ability to attract and retain customers and subjecting us to significant legal liability and reputational harm; moreover, this type of misconduct is difficult to detect and deter and error is difficult to prevent.***

Employee misconduct or error could subject us to financial losses and regulatory sanctions and could harm our reputation and negatively affect our business. Misconduct by employees could include engaging in improper or unauthorized transactions or activities, failing to properly supervise other employees, or improperly using confidential information. Employee errors, including mistakes in executing, recording or processing transactions for customers, could cause us to enter into transactions that customers may disavow and refuse to settle, which could expose us to the risk of material losses even if the errors are detected and the transactions are unwound or reversed. If our customers are not able to settle their transactions on a timely basis, the time in which employee errors are detected may be increased and our risk of loss could increase. The risk of employee error or miscommunication may be greater for products that are new or have non-standardized terms. We may not be able to deter employee misconduct, and the precautions taken to prevent and detect employee misconduct, such as our internal human resource controls, whistleblower mechanism and other policies, may not always be effective.

37. ***There may be adverse tax and employment law consequences if the independent contractor status of some of our personnel or the exempt status of our employees is successfully challenged.***

In several countries, such as the United States and the United Kingdom, certain of our personnel are retained as independent contractors. The criteria to determine whether an individual is considered an independent contractor or an employee are typically fact sensitive and vary by jurisdiction, as can the interpretation of the applicable laws. If a government authority changes the applicable laws or a court makes any adverse determination with respect to independent contractors in general or as to one or more of our independent contractors specifically, we could incur significant costs, including for prior periods, for tax withholding, social security taxes or payments, workers' compensation and unemployment contributions, and recordkeeping, or we may be required to modify our business model, any of which could adversely affect our business, financial condition, cash flows and results of operations, thus increasing the difficulty in attracting and retaining personnel.

38. Our use of open source software could compromise our ability to offer our products and services, and subject us to possible litigation.

We may be required to use open-source software in providing services to our clients. Further, some of our clients may also be using open-source software on which some of our products and services may need to operate. There are significant benefits and risks associated with open-source software. If a company were to buy a commercial closed source solution for enterprise use, there is an elaborate procedure followed for finalizing and purchasing a product. This includes requirement analysis, defining acceptance criteria, evaluating the product, security considerations, among others. An open-source product, however, might not undergo this kind of evaluation. This could pose business and security risks and lead to some unanticipated costs and may have an adverse effect on our results of operations, cash flows and financial condition.

Some open source licenses contain requirements that we make available source code for modifications or derivative works we create based upon the type of open source software we use, or grant other licenses to our intellectual property. If we combine our proprietary software with open source software in a certain manner, we could, under certain open source licenses, be required to release or license the source code of our proprietary software to the public. We may be subject to claims asserting ownership of, or demanding release of, the source code, the open source software and/or derivative works that were developed using such software, requiring us to provide attributions of any open source software incorporated into our distributed software, or otherwise seeking to enforce the terms of the applicable open source license. These claims could also result in litigation, require us to purchase a costly license or require us to devote additional research and development resources to re-engineer our software or change our products or services, any of which may have an adverse effect on our results of operations, cash flows and financial condition.

39. There are outstanding legal proceedings involving us, our Subsidiaries and Directors. Any adverse outcome in such proceedings may have an adverse impact on our reputation, business, financial condition, results of operations and cash flows.

There are certain outstanding legal proceedings involving us, our Subsidiaries and Directors, as applicable. These proceedings are pending at different levels of adjudication before courts, tribunals and statutory, regulatory and other judicial authorities.

The summary of pending litigation in relation to criminal proceedings, tax proceedings, arbitration matters and actions by regulatory or statutory authorities and other material pending litigation involving our Company, our Directors and our Subsidiaries as on the date of this Preliminary Placement Document has been set out below in accordance with the materiality parameters set out in the section "*Legal Proceedings*" on page 264.

Litigation involving our Company

Nature of cases	No. of outstanding cases	Amount involved (₹ in million)*
Criminal cases	1	-
Civil cases	Nil	-
Taxation matters (direct and indirect)	13	500.11
Actions by regulatory/ statutory authorities	Nil	-

**To the extent quantifiable*

Litigation involving our Subsidiaries

Nature of cases	No. of outstanding cases	Amount involved (₹ in million)*
Criminal cases	Nil	-
Civil cases	Nil	-
Taxation matters (direct and indirect)	13	591.58
Actions by regulatory/ statutory authorities	Nil	-

**To the extent quantifiable*

Litigation involving our Directors

Nature of cases	No. of outstanding cases	Amount involved (₹ in million)*
Criminal cases	Nil	-
Civil cases	Nil	-
Taxation matters	Nil	-
Actions by regulatory/ statutory authorities	Nil	-

**To the extent quantifiable*

We cannot assure you that any of these matters will be settled in favour of our Company, Subsidiaries or Directors, respectively, or that no additional liability will arise out of these proceedings. We cannot assure you that there will be no new legal and regulatory proceedings involving our Company, Subsidiaries and Directors.

Cigniti, which we propose to acquire through the Proposed Acquisition may also be similarly exposed to legal proceedings. For instance, on November 24, 2021, Cigniti Technologies Inc, USA ("**Cigniti Inc**"), the wholly owned subsidiary of Cigniti filed a lawsuit against its former employees, Pradeep Govindasamy, Kalyana Rao Konda, and a related entity QualiZeal Inc., USA (the "**Defendants**"), in relation to, *inter alia*, breach of contract, breach of fiduciary duty, tortious interference, statutory misappropriation of trade secrets, civil conspiracy and fraudulent concealment. A temporary injunction order was passed by the Judicial District Court Dallas County, Texas ("**Judicial District Court**" and such order, "**Injunction Order**") in favour of Cigniti Inc whereby the Defendants were enjoined from the date of the Injunction Order till trail from directly or indirectly (i) soliciting or accepting business from any person or entity that was a client or a prospective client of Cigniti Inc for the period from October 1, 2020 through November 30, 2021; and (ii) using, disclosing, altering any trade secrets, confidential or proprietary information of Cigniti Inc and its clients. While the matter was subsequently settled, we cannot assure you that similar proceedings will not commence in future, or that their outcomes will be favourable.

We cannot assure you that the outcome of these legal proceedings will be favorable. Such litigation could consume our financial and management resources in their defense or prosecution. In addition, should any new developments arise, such as changes in Indian law or rulings against us by the regulators, appellate courts or tribunals, we may need to make provisions in our financial statements, which could increase our expenses and current liabilities.

Any adverse outcome in any such proceedings may have an adverse effect on our business, financial position, cash flows, results of operations and our reputation and divert the time and attention of our management. For further information, see "*Legal Proceedings*" on page 264.

40. Our insurance coverage could prove inadequate to cover our losses. If we were to incur a serious uninsured loss or a loss that significantly exceed the limits of our insurance policies, it could have an adverse effect on our business, cash flows, results of operations and financial condition.

We maintain insurance policies such as cybersecurity insurance, commercial general liability insurance, commercial crime insurance, business guard insurance, information and network technology error or omissions liability insurance policy and signature management plus liability insurance policy and travel insurance, which are renewable periodically. We also have a group personal accident insurance policy and medical insurance policy for our employees. Our insurance policies are subject to customary exclusions and deductibles. The following tables set forth details of coverage of our insurance policies against the total insurable assets for the years indicated:

Particulars	Coverage of Insurance Policies	
	Amount (₹ in million)[(1)]	Percentage of Total Insurable Assets[(2)]
As of March 31, 2022	4,442	100.00%
As of March 31, 2023	4,390	100.00%
As of March 31, 2024	4,591	100.00%

Notes:

(1) Total assets do not include freehold property. Our Company does not maintain insurance data assets wise due to the volume of the assets. However, the sum insured as per insurance policy document is more than the assets as mentioned in the financial audit reports.

(2) As per norms of the relevant insurance company.

We maintain insurance coverage within a range consistent with industry practice to cover certain risks associated with our business and us. However, we cannot assure you that our current insurance policies will insure us fully against all risks and losses that may arise in the future. In addition, even if such losses are insured, we may be required to pay a significant deductible on any claim for recovery of such a loss, or the amount of the loss may exceed our coverage for the loss. In addition, our insurance policies are subject to annual review, and we cannot assure you that we will be able to renew these policies on similar or otherwise acceptable terms, if at all. If we were to incur a serious uninsured loss or a loss that significantly exceeds the limits of our insurance policies, it could have an adverse effect on our business, financial condition, cash flows, results of operations and prospects.

41. ***We currently enjoy certain significant tax incentives, which may not be available in the future. This could have an adverse effect on our financial performance, financial condition, cash flows and results of operations.***

We currently enjoy the benefit of various tax incentives provided by both the Government of India and the state governments, in the form of tax holidays, exemptions and subsidies in various jurisdictions, in order to encourage investment, exports and employment. These incentives have a substantial positive impact on our returns from these operations. The most significant of these incentives are tax holiday for profits earned in special economic zones ("**SEZs**") in India on account of export of services delivered from those SEZs and profit generated by development of those SEZs. However, under the SEZ Act, the tax benefits of SEZ units will expire in stages from April 1, 2012 to March 31, 2029. In Fiscal 2024, we had two SEZ units operating under tax exemption, one at 100% and the other at 50% rates, respectively, in the Greater Noida region. Moreover, we are also classified as a SEZ Developer, which has allowed us to claim the 100% tax deduction from 2013 through 2022. As a result of the tax benefits described above, our total income derived from business operations are subject to corporate tax in India at a lower rate as compared to the statutory tax rate of 34.94%. Currently, minimum tax rate statute is applicable to our operations in India and we are paying taxes in India at a rate of 17.47% in each of Fiscals 2022, 2023 and 2024. However, as these incentives expire, or are withdrawn, our effective tax rate may increase, and we may be required to pay higher taxes than we do at present. Our business, financial condition, cash flows and results of operations could be adversely affected if these benefits are amended or withdrawn or become unavailable (following the expiry of the time period for which the benefit is available) if its claim for deductions are disputed or disallowed by the taxation authority.

42. ***Negative publicity against us, our customers or any of our or their affiliates could cause us reputational harm and could have an adverse effect on our business, financial condition, cash flows and results of operations.***

From time to time, we, our clients or any of our or their affiliates may be subject to negative publicity in relation to our or their business or staff, including publicity covering issues such as anti-corruption, safety and environmental protection. Such negative publicity, however, even if later proven to be false or misleading, and even where the entities or individuals implicated are members or employees of our suppliers, customers or our or their affiliates and not of us, could lead to a temporary or prolonged negative perception against us by virtue of our affiliation with such individuals, suppliers, customers or affiliates. Our reputation in the marketplace is important to our ability to generate and retain business. In particular, damage to our reputation could be difficult and time-consuming to repair, and our business, financial condition, cash flows and results of operations may be adversely affected. We believe the "Coforge" brand name and our reputation are important corporate assets that help distinguish our services from those of our competitors and also contribute to our efforts to recruit and retain talented employees. However, our corporate reputation is potentially susceptible to damage by actions or statements made by current or former clients, competitors, vendors, adversaries in legal proceedings, government regulators, as well as members of the investment community and the media. There is a risk that negative information about our company, even if based on false rumor or misunderstanding, could adversely affect our reputation.

43. ***Our facilities and our clients' operations are subject to the risk of earthquakes, floods, tsunamis, storms, pandemics and other natural and manmade disasters. Terrorist attacks or a war could negatively affect our business. In such an event, our business, financial condition, cash flows and results of operations may be adversely impacted.***

The development, execution or operation of our projects and services may be disrupted for reasons that are beyond our control. These include, among other things, the occurrence of explosions, fires, earthquakes and other natural disasters, events such as the COVID pandemic, prolonged spells of abnormal rainfall, breakdown, failure or substandard performance of equipment, improper installation or operation of equipment, accidents, operational problems, transportation interruptions, other environmental risks and labor disputes. Delays in resuming operations for the affected units may have an adverse effect on our results of operations and cash flows.

We operate across geographies, with a business presence in the Americas, including the United States, and EMEA, including the United Kingdom. Terrorist attacks and other acts of violence or war involving the countries where we or our clients operate have a potential to directly impact our ability to conduct our business operations and deliver services to our clients. In addition, events of terrorism or threat of warfare in other parts of the world could cause geo-political instability that may impact our clients or impact our operations. This may have an adverse impact on our business, personnel, assets, results of operations, cash flows and financial condition. Regional conflicts in South Asia involving India could disrupt our operations and cause our business to suffer. These events may disrupt our operations and can have a material impact on our business operations and financial condition.

44. We have incurred indebtedness, and may incur substantial additional indebtedness, which could adversely affect our financial condition, and/or our ability to obtain financing in the future, react to changes in our business and/or satisfy our obligations.

As of March 31, 2024, we had total non current borrowings and total current borrowings of ₹ 3,399 million and ₹ 967 million, respectively. Our indebtedness and other liabilities could have material consequences for the following reasons, many of which may be outside our control or owing to unforeseen circumstances:

- we may not be able to repay the loans in a timely manner;
- we may be unable to obtain additional financing, should such a need arise, which may limit our ability to satisfy obligations with respect to our debt;
- a portion of our financial resources must be dedicated to the payment of principal and interest on our debt, thereby reducing the funds available to use for other purposes;
- it may be more difficult for us to satisfy our obligations to creditors, resulting in possible defaults on, and acceleration of, such debt;
- we may be more vulnerable to general adverse economic and industry conditions;
- our ability to refinance debt may be limited or the associated costs may increase; and
- our flexibility to adjust to changing market conditions could be limited, or we may be prevented from carrying out capital spending that is necessary or important to our growth strategy and efforts to improve operating margins of our businesses.

Some of the financing arrangements entered into by us include conditions and covenants that require us to obtain lender's consents prior to carrying out certain activities and entering into certain transactions including certain actions and matters in relation to the Issue. We have received consents from all relevant lenders to undertake the Issue. Some of these covenants include altering our capital structure, changing our current ownership or control, formulating a scheme of amalgamation, undertaking guarantee obligations and declaration of dividend. We are also required to maintain certain financial ratios and ensure compliance with regulatory requirements. While there have been no such instances in the three preceding Fiscals, a failure to observe the covenants under our financing arrangements or failure to obtain necessary waivers may lead to the suspension of any further lending commitments, termination of our credit facilities, acceleration of amounts due under such facilities, trigger cross-default provisions and the enforcement of security provided. In addition, we may need to refinance all or a portion of our debt on or before maturity. We cannot assure you that we will be able to refinance any of our debt on commercially reasonable terms or at all. Occurrence of any of the above contingencies with respect to our indebtedness could adversely affect our business prospects, cash flows, financial condition and results of operations.

45. Any increase in or realisation of our contingent liabilities and commitments could have an adverse effect on our business, financial condition, cash flows, results of operations and prospects.

From time to time, we may be contingently liable with respect to litigation and claims that arise in the normal course of operations. The following table sets forth our contingent liabilities as per Ind AS 37 as of March 31, 2024:

Particulars	As of March 31, 2024 (₹ in million)
Contingent Liabilities	
Claims against the Group not acknowledged as debts	
- Income tax matters pending disposal by the tax authorities	1,087
- Others	301

For further information regarding our contingent liabilities as per Ind AS 37 as of March 31, 2024, see "*Financial Information – Note 32. Contingent liabilities and contingent assets*" on page F-122.

Further, set out below are our capital commitments as of March 31, 2024

Particulars	As of March 31, 2024 (₹ in million)
Capital commitments	
Property, plant and equipment	**253**

We cannot assure you that we will not incur similar or increased levels of contingent liabilities in future. In the event that the level of contingent liabilities increase, or if a significant portion of these liabilities materialize, it could have an adverse effect on our business, cash flows, financial condition and results of operations.

46. Some of our offices, are held by us on lease or leave and license or tenancy agreements which subject us to certain risks.

Some of our offices, including our Registered and Corporate Office are on premises that have been leased by us from third parties, or pursuant to intra-group arrangements, through lease or leave and license or tenancy arrangements for fixed terms. Upon expiration of the term of the relevant agreement for each such premise, we will be required to negotiate the terms and conditions on which the lease agreement may be renewed.

Termination of our leases may occur for reasons beyond our control, such as breaches of lease agreements by the landlords of our premises which is detrimental to our operations. If we or our current or future landlords' breach the lease agreements, we may have to relocate to alternative premises or shut down our operations at that site. Relocation of any part of our operations may cause disruptions to our business and may require significant expenditure. Further, some of our lease deeds for our properties may not be registered and further some of our lease deeds may not be adequately stamped and consequently, may not be accepted as evidence in a court of law. Further, we may not be able to assess or identify all risks and liabilities associated with any properties, such as faulty or disputed title, unregistered encumbrances or adverse possession rights, improperly executed, unregistered or insufficiently stamped instruments, or other defects that we may not be aware of.

If these existing leases are terminated or they are not renewed on commercially acceptable terms or at all, we may suffer a disruption in our operations and our business, cash flows, financial condition and results of operations may be adversely affected.

47. Failure to obtain, renew or maintain statutory and regulatory permits, licenses and approvals required to operate our business, could result in an adverse effect on our results of operations and cash flows.

We, as well as Cigniti, which we propose to acquire through the Proposed Acquisition, require certain statutory and regulatory permits, licenses and approvals to operate our business, such as shops and establishment registrations, contract labour registrations and trade licenses, amongst others, and relevant authorities of the foreign jurisdictions where we operate, as well as various taxation related registrations, such as registrations for payment of excise duties, professional taxes and service taxes. Our licenses, permits and approvals impose certain terms and conditions that require us to incur significant costs and *inter alia*, restrict certain activities. We cannot assure you that the approvals, licenses, permits and registrations will not be revoked in the event of any non-compliance with any terms or conditions imposed thereof. In the future, we may be required to regularly renew permits, licenses and approvals for our business, and to obtain new permits, licenses and approvals, as applicable. Further, certain approvals and licenses to be obtained by our Company, certain of our Subsidiaries and of Cigniti, have expired for which applications for renewal have been made but renewed licenses and approvals are yet to be received. While we and Cigniti endeavour to renew or obtain such approvals as required, we cannot assure you that the relevant authorities will issue any such approvals within our anticipated timeframe or at all. An inability to renew, maintain or obtain any required permits, licenses or approvals may result in the interruption of our operations and have an adverse effect on our business, financial condition, cash flows and results of operations.

48. We have entered into certain related-party transactions, and we may continue to do so in the future.

We have entered into certain transactions with related parties, including key management personnel compensation. For further information, see "*Related Party Transactions*" on page 108.

Set forth below are details of our related party transactions and the percentage of such related party transactions to revenue from operations for the years indicated:

Particulars	Fiscal		
	2022	2023	2024
	(₹ in million, except percentages)		
Arithmetic aggregated absolute total of related party transactions (I)	424	762	740
Revenue from operations (II)	64,320	80,146	91,790
Arithmetic aggregated absolute total of related party transactions, as a percentage of total revenue from operations (I/II)	0.66%	0.95%	0.81%

Certain related-party transactions also require the approval of our Shareholders in accordance with applicable laws. We have in the past sought and obtained the necessary approvals, as required. However, when such transactions are proposed in future, we cannot assure you that they will be approved. There can also be no assurance that we will be able to maintain existing terms, or in case of any future transactions with related parties, that such transactions will be on terms favourable to us. While we believe that all of our related-party transactions have been conducted on an arms' length basis and in the ordinary course of business, in compliance with applicable laws, and are also approved by the Audit Committee of our Board (including whether such transactions are on an arms' length basis), we cannot assure you that in all such transactions, we could not have achieved more favourable terms than the existing ones. It is also likely that we will enter into related-party transactions in the future. Accordingly, we cannot assure you that such transactions, individually or in the aggregate, will not have an adverse effect on our business, financial condition, cash flows, results of operations and prospects.

49. Industry information included in this Preliminary Placement Document has been derived from an industry report prepared by CRISIL exclusively commissioned and paid for by us for such purpose.

This Preliminary Placement Document includes information that is derived from an industry report titled "*Assessment of IT services and IT enabled services industries in India*" dated May 2024 ("**CRISIL Report**") prepared and issued by CRISIL Market Intelligence & Analytics, a division of CRISIL Limited, pursuant to an engagement with our Company. We commissioned such report for the purpose of confirming our understanding of the IT services industry in India and globally. Such data may have been reclassified by us for the purposes of presentation. The CRISIL Report also highlights certain industry and market data, which may be subject to assumptions that may prove to be incorrect. Methodologies and assumptions vary widely among different industry sources. Further, such assumptions may change based on various factors. We cannot assure you that CRISIL's assumptions are correct or will not change and, accordingly, our position in the market may differ from that presented in this Preliminary Placement Document. We cannot assure you that they are stated or compiled on the same basis, or with the same degree of accuracy, as similar statistics presented elsewhere. In all cases, you should consider carefully how much weight or importance you should attach to or place on such facts or statistics. Further, the commissioned report is not a recommendation to invest or disinvest in the Equity Shares. As of the date of this Preliminary Placement Document, CRISIL is not a related party as defined under Section 2(76) of the Companies Act, 2013, of our Company, our Promoters, or our Directors.

50. Our Promoters, Directors, Key Managerial Personnel and Senior Management are interested in our Company other than reimbursement of expenses or normal remuneration or benefits.

Certain of our Directors, Key Managerial Personnel and Senior Management may be regarded as interested to the extent of, among other things, remuneration, rental income, sitting fee, commission, performance bonus, long term incentives, other perquisites, share purchase schemes and stock options for which they may be entitled to as part of their services rendered to us as an officer or an employee. Additionally, certain of our Directors and Key Managerial Personnel holding our Equity Shares, may also be deemed to be interested to the extent of any dividends payable to them. Certain of our Directors (other than our Independent Directors) as well as our Key Managerial Personnel and Senior Management may also be regarded as interested in relation to the stock options granted to them under the employee stock option plans instituted by our Company.

51. There has been default in payment of statutory dues by us in Fiscal 2024. Any default/ delay in payment of statutory dues in future may attract financial penalties from the respective government authorities and adversely impact our reputation, financial condition and cash flows.

We have defaulted in the payment of statutory dues with respect to provident fund and tax deducted at source ("**TDS**") in the past, amounting to ₹ 2.03 million, ₹ 6.70 million and ₹ 2.80 million in Fiscals 2022, 2023 and 2024, respectively. We cannot assure you that such defaults/ delay will not arise in the future. This may lead to financial penalties from the respective government authorities which may adversely impact our reputation, financial condition and cash flows.

52. The objects of the Issue have not been appraised by any bank or financial institution. Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and may be subject to change based on various factors, some of which are beyond our control.

We intend to use the Net Proceeds of the Issue for the purpose of funding the consideration for the Proposed Acquisition, as described in "*Use of Proceeds*" on page 80. At this stage, we cannot determine with any certainty if we would require the Net Proceeds to fund any other expenditure or any exigencies arising out of changes in our competitive environment, business conditions, economic conditions or other factors beyond our control.

Our funding requirements and deployment of the Net Proceeds are based on internal management estimates and current market conditions and have not been appraised by any bank or financial institution or other independent agency. It is subject to amendment due to changes in external circumstances, costs, other financial condition or business strategies. We operate in a highly competitive and dynamic industry and may need to revise our estimates from time to time based on changes in external circumstances or costs, or changes in other financial conditions, business or strategy. This may entail rescheduling, revising or cancelling planned expenditure and funding requirements at our discretion. In case of increase in actual expenses or shortfall in requisite funds, additional funds for a particular activity will be met by any means available to us, including internal accruals and additional equity and/or debt arrangements, and may have an adverse impact on our business, financial condition, results of operations and cash flows.

We have appointed a monitoring agency for monitoring the utilization of Net Proceeds in accordance with Regulation 173A of the SEBI Regulations and the monitoring agency will submit its report to us on a quarterly basis in accordance with the SEBI Regulations.

Further, the application of the Net Proceeds in our business may not lead to an increase in the value of your investment. Additionally, various risks and uncertainties, including those set forth in this "*Risk Factors*" section, may limit or delay our efforts to use the Net Proceeds to achieve profitable growth.

53. We have been unable to locate certain of our historical corporate records.

The documents pertaining to certain corporate actions undertaken by our Company, including with respect to allotment and sub-division of Equity Shares made in the past are not traceable in the records maintained by our Company despite conducting internal searches. While certain information in relation to these allotments has been disclosed in the section titled "*Capital Structure*" on page 85 of this Preliminary Placement Document, based on the certified true copies of the resolutions and certain reconciliation statements filed with the Stock Exchanges and constitutional documents of our Company, we may not be able to furnish further documentation, or assure you that the corporate records will be available in the future.

While no legal proceedings or regulatory action has been initiated against our Company in relation to the corporate filings that cannot be located, as of the date of this Preliminary Placement Document, we cannot assure you that legal proceedings or regulatory actions will not be initiated against our Company in the future.

54. This Preliminary Placement Document includes certain non-GAAP financial measures and certain other selected statistical information related to our operations and financial performance. These non-GAAP measures and statistical information may vary from any standard methodology that is applicable across the IT services industry, and therefore may not be comparable with financial or statistical information of similar nomenclature computed and presented by other broking companies.

Certain non-GAAP financial measures such as EBITDA, EBITDA Margin, PAT Margin and Return on Equity (together the "**Non-GAAP Measures**") and certain other statistical information relating to our operations and financial performance have been included in this section and elsewhere in this Preliminary Placement Document. Such Non-GAAP Measures are a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. In addition, these Non-GAAP Measures and other statistical information relating to our operations and financial performance are not standardised terms, hence a direct comparison of these Non-GAAP measures between companies may not be possible. Other companies may calculate Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. We compute and disclose such Non-GAAP Measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of IT services companies, many of which provide such non-GAAP financial measures and other statistical and operational information when reporting their financial results.

EXTERNAL RISK FACTORS

55. Changing laws, rules and regulations could lead to new compliance requirements that are uncertain.

Our business, results of operations, financial condition and cash flows could be adversely affected by unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations applicable to us and our business. Our business, results of operations, financial condition, cash flows and prospects may be adversely impacted, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. The regulatory and policy environment in which we operate are evolving and are subject to change. The Government of India may implement new laws or other regulations and policies that could affect our business in general, which could lead to new compliance requirements, including requiring us to obtain approvals and licenses from the Government and other regulatory bodies, or impose onerous requirements.

Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any inadvertent failure to comply may adversely affect our business, results of operations, cash flows, financial condition and prospects.

56. Political instability or changes in policies effected by the Government of India could adversely affect economic conditions in India. Any downturn in the macroeconomic environment in India could adversely affect our business, results of operations, financial condition and cash flows.

The Government of India has traditionally exercised and continues to exercise a significant influence over many aspects of the economy. Our business, results of operations, financial condition and cash flows and the market price and liquidity of the Equity Shares may be affected by changes in exchange rates and controls, changes in interest rates, changes in government policies, changes in taxation laws and other political and economic developments affecting India. In addition, an increase in India's trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could increase interest rates and adversely affect liquidity, which could adversely affect the Indian economy and thereby adversely affect our business, results of operations, financial condition and cash flows.

57. If inflation were to rise in India, we might not be able to increase the prices of our services at a proportional rate in order to pass costs on to our customers thereby reducing our margins.

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of wages and other expenses relevant to our business. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our customers, whether entirely or in part, and may adversely affect our business, results of operations, financial condition and cash flows. In particular, we might not be able to reduce our costs or increase the price of our services to pass the increase in costs on to our consumers. In such case, our business, results of operations, financial condition and cash flows may be adversely affected. Further, the Government of India has previously initiated economic measures to combat high inflation rates but it is unclear whether these measures will remain in effect. We cannot assure that Indian inflation levels will not worsen in the future.

58. Changes to the Indian tax regime could affect our business and the trading price of our Equity Shares.

Any change in Indian tax laws could have an effect on our operations. The Government of India has notified the Finance Act, 2024 ("**Finance Act**") which has introduced various amendments to the IT Act. As such, there is no certainty on the impact that the Finance Act may have on our business and operations or on the industry in which we operate. Accordingly, unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations, and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning, investing or trading in the Equity Shares. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

We cannot predict whether any new tax laws or regulations impacting our services will be enacted, what the nature and impact of the specific terms of any such laws or regulations will be or whether if at all, any laws or regulations would have an adverse effect on our business financial condition, results of operations and cash flows. Further, any adverse order passed by the appellate authorities/ tribunals/courts would have an effect on our profitability. In addition, we are subject to tax related inquiries and claims.

59. Any downgrade of India's debt rating by international rating agencies could adversely affect our business.

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. Any adverse revisions to credit ratings for India and other jurisdictions we operate in by international rating agencies may adversely impact our ability to raise additional financing. This could have an adverse effect on our ability to fund our growth on favourable terms and consequently adversely affect our business, results of operations, financial condition, cash flows and the price of the Equity Shares.

60. Rights of shareholders of companies under Indian laws may be more limited than under the laws of other jurisdictions.

Our Articles of Association, composition of our Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties, responsibilities and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive and wide-spread as shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as shareholders of our Company than as a shareholder of an entity in another jurisdiction.

61. We may be subject to pre-emptive surveillance measures like Additional Surveillance Measure (ASM) and Graded Surveillance Measures (GSM) by the Stock Exchanges in order to enhance market integrity and safeguard the interest of investors.

SEBI and Stock Exchanges in order to enhance market integrity and safeguard interest of investors, have been introducing various enhanced pre-emptive surveillance measures. The main objective of these measures is to alert and advice investors to be extra cautious while dealing in these securities and advice market participants to carry out necessary due diligence while dealing in these securities. Accordingly, SEBI and Stock Exchanges have provided for (a) GSM on securities where such trading price of such securities does not commensurate with financial health and fundamentals such as earnings, book value, fixed assets, net-worth, price per equity multiple and market capitalization; and (b) ASM on securities with surveillance concerns based on objective parameters such as price and volume variation and volatility.

We may be subject to general market conditions which may include significant price and volume fluctuations. The price of our Equity Shares may also fluctuate after the Issue due to several factors such as volatility in the Indian and global securities market, our profitability and performance, performance of our competitors, changes in the estimates of our performance or any other political or economic factor. The occurrence of any of the abovementioned factors may trigger the parameters identified by SEBI and the Stock Exchanges for placing securities under the GSM or ASM framework such as net worth and net fixed assets of securities, high low variation in securities, client concentration and close to close price variation.

In the event our Equity Shares are covered under such pre-emptive surveillance measures implemented by SEBI and the Stock Exchanges, we may be subject to certain additional restrictions in relation to trading of our Equity Shares such as limiting trading frequency (for example, trading either allowed once in a week or a month) or freezing of price on upper side of trading which may have an adverse effect on the market price of our Equity Shares or may in general cause disruptions in the development of an active market for and trading of our Equity Shares.

62. We may be affected by competition laws in India, the adverse application or interpretation of which could adversely affect our business.

The Competition Act, 2002, of India, as amended ("**Competition Act**"), regulates practices having an appreciable adverse effect on competition in the relevant market in India ("**AAEC**"). Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an AAEC is considered void and may result in the imposition of substantial penalties. Further, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or the provision of services or shares the market or source of production or provision of services in any manner, including by way of allocation of geographical area or number of consumers in the relevant market or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an AAEC and is considered void. The Competition Act also prohibits abuse of a dominant position by any enterprise. If it is proved that the contravention committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be also guilty of the contravention and may be punished.

Further, the Competitive Commission of India ("**CCI**") has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an AAEC in India. However, the impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage.

Acquisitions, mergers and amalgamations that exceed certain revenue and asset thresholds require prior approval by the CCI. Any acquisitions, mergers or amalgamations that have an appreciable adverse effect on competition in India may be subject to remedial measures proposed by the CCI. We cannot assure you that we will be able to obtain approval for any such future transactions on satisfactory terms, or at all. The manner in which the Competition Act and the CCI affect the business environment in India may also adversely affect our business, results of operations, financial condition and cash flows.

The Competition (Amendment) Act, 2023 ("**Competition Amendment Act**") amends the Competition Act and gives the CCI additional powers to prevent practices that harm competition and the interests of consumers. The Competition Amendment Act, *inter alia*, modified the scope of certain factors used to determine AAEC, introduced "deal value" as another criterion for notifying under the extant laws, reduced the overall time limit for the assessment of combinations by the CCI from 210 days to 150 days and empowered the CCI to impose penalties based on the global turnover of entities, for anti-competitive agreements and abuse of dominant position.

63. Our ability to borrow in foreign currencies is restricted by Indian law.

Indian companies are subject to foreign exchange regulations that regulate borrowing in foreign currencies, including those specified under the Foreign Exchange Management Act, 1999. Such regulatory restrictions limit our ability to borrow in foreign currencies and, therefore, could negatively affect our ability to obtain financing on competitive terms. In addition, we cannot assure you that any required approvals for borrowing in foreign currency will be granted to us without onerous conditions, if at all. Such, and other, limitations on raising foreign capital may adversely affect our business, results of operations, financial condition and cash flows.

64. Investors may not be able to enforce a judgment of a foreign court against us, our Directors, the Lead Managers or any of their directors and executive officers in India respectively, except by way of a lawsuit in India.

Our Company is a company incorporated under the laws of India. Most of our fixed assets, most of our Directors, Key Managerial Personnel and Senior Management are located in India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons in jurisdictions outside India, or to enforce judgments obtained against such parties outside India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if that court was of the view that the amount of damages awarded was excessive or inconsistent with public policy, or if judgments are in breach or contrary to Indian law. In addition, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to execute such a judgment or to repatriate outside India any amounts recovered.

Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908, as amended ("**CPC**"). Section 13 of CPC provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognize the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Section 44A of CPC provides that where a foreign judgment has been rendered by a superior court, within the meaning of such section, in any country or territory outside India, which the Government has by notification declared to be a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the CPC is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes, other charges of a like nature or in respect of a fine or other penalties and does not apply to arbitration awards.

India is not a party to any international multilateral treaty in relation to the recognition or enforcement of foreign judgments. India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, such as the United Kingdom, United Arab Emirates, Singapore and Hong Kong. In order to be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements established in the CPC. The United Kingdom, Singapore, Hong Kong and the United Arab Emirates have been declared by the Government to be reciprocating territories for the purposes of Section 44A of the Civil Code, but the United States has not been so declared. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India, including the United States, cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be directly enforceable in India. The party in whose favour a final foreign judgment in a non-reciprocating territory is rendered may bring a fresh suit in a competent court in India based on the final judgment within three years of obtaining such final judgment. However, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if it viewed the amount of damages as excessive or inconsistent with the public policy in India. Further, we cannot assure you that a suit brought in an Indian court in relation to a foreign judgment will be disposed of in a timely manner. In addition, any person seeking to enforce a foreign judgment in India is required to obtain the prior approval of the RBI to repatriate any amount recovered, and we cannot assure that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approval would be acceptable. Such an amount may also be subject to income tax in accordance with applicable law.

65. Anti-takeover provisions under Indian law could prevent or deter an entity from acquiring our Company.

The Takeover Regulations contain certain provisions that may delay, deter or prevent a future takeover or change in control of our Company. These provisions may discourage a third party from attempting to take control over our Company, even if change in control would result in the purchase of the Equity Shares at a premium to the market price or would otherwise be beneficial to Shareholders.

66. Financial and political instability in other countries may cause increased volatility in Indian financial markets.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States of America, Europe and certain emerging economies in Asia. In particular, the ongoing Russia-Ukraine conflict and Israeli-Palestinian conflict could result in increased volatility in, or damage to, the worldwide financial markets and economy. Increased economic volatility and trade restrictions could result in increased volatility in the markets for certain securities and commodities and may cause inflation. Any worldwide financial instability including possibility of default in the US debt market may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy.

67. ***Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which investors outside India may be more familiar with and may consider material to their assessment of our results of operations, financial condition and cash flows.***

Our Company prepares its annual financial statements in accordance with Ind AS, which differs in certain important aspects from U.S. GAAP, IFRS and other accounting principles with which prospective investors may be familiar in other countries. If our financial statements were to be prepared in accordance with such other accounting principles, our results of operations, financial condition and cash flows could be substantially different. Accordingly, the degree to which the financial statements prepared in accordance with Ind AS included in this Preliminary Placement Document will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS. Prospective investors should review the accounting policies applied in the preparation of the financial statements included in this Preliminary Placement Document and consult their own professional advisers for an understanding of the differences between these accounting policies and those with which they may be more familiar. Any reliance by persons not familiar with Ind AS on the financial information presented in this Preliminary Placement Document should accordingly be limited.

RISKS IN RELATION TO THE EQUITY SHARES AND THE ISSUE

68. ***We cannot assure you that the Equity Shares issued pursuant to the Issue will be listed on the Stock Exchanges, and in a timely manner.***

In accordance with Indian law and practice, after our Board or a duly constituted committee passes the resolution to allot the Equity Shares but prior to crediting such Equity Shares into the Depository Participant accounts of the QIBs, we are required to apply to the Stock Exchanges for listing and trading approvals. After receiving the listing and trading approvals from the Stock Exchanges, our Company shall credit the Equity Shares into the Depository Participant accounts of the respective QIBs and apply for the final listing and trading approvals from the Stock Exchanges. Approval for listing and trading will require all relevant documents authorising the issuing of Equity Shares to be submitted. Any failure or delay in obtaining these approvals from the Stock Exchanges could delay the listing of the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining these approvals would restrict an investor's ability to dispose of their Equity Shares.

Bidders can start trading the Equity Shares allotted to them in the Issue only after they have been credited to an investor's demat account, are listed and are permitted to trade. Since the Equity Shares are currently traded on the Stock Exchanges, investors will be subject to market risk from the date they pay for the Equity Shares to the date when trading approval is granted for the same.

Further, we cannot assure you that the Equity Shares allocated to an investor will be credited to the investor's demat account, that listing and trading approvals will be issued by the Stock Exchanges in a timely manner, or at all, or that trading in the Equity Shares will commence in a timely manner, or at all. In accordance with applicable Indian laws and regulations and the requirements of the Stock Exchanges, in principle and final approvals for the listing and trading of the Equity Shares to be issued pursuant to the Issue will not be applied for by us or granted by the Stock Exchanges until after such Equity Shares have been issued and allotted by us on the Closing Date. If there is a failure or a delay in obtaining such approvals, we may not be able to credit the Equity Shares allotted to you to your Depository Participant account or assure ownership of such Equity Shares by you in any manner promptly or at all. In any such event, your ownership over the Equity Shares allotted to you and your ability to dispose of any such Equity Shares may be restricted. For further information on issue procedure, see "*Issue Procedure*" on page 216.

69. ***Your ability to acquire and sell Equity Shares offered in the Issue is restricted by the distribution, solicitation and transfer restrictions set forth in this Preliminary Placement Document; you will be prohibited from selling any of the Equity Shares subscribed in this Issue other than on Stock Exchanges for a period of one year from the date of the allotment of the Equity Shares.***

No actions have been taken to permit an offering of the Equity Shares offered in the Issue in any jurisdiction, except for India. As such, your ability to acquire Equity Shares offered in the Issue is restricted by the distribution and solicitation restrictions set forth in "*Selling Restrictions*" on page 232. Further, the Equity Shares offered in the Issue are subject to restrictions on transferability and resale. Pursuant to the SEBI ICDR Regulations, QIBs will be prohibited from selling any of the Equity Shares subscribed in this Issue other than on a recognised Indian stock exchange for a period of one year from the date of the allotment of the Equity Shares. For further information, see "*Purchase Representations and Transfer Restrictions*" on page 241. You are required to inform yourself on, and observe, these restrictions. Our Company and its representatives and agents will not be obligated to recognise any acquisition, transfer or resale of the Equity Shares offered in the Issue made other than in compliance with applicable law.

70. Any future issuance of Equity Shares could dilute the holdings of investors and could adversely affect the market price of the Equity Shares.

Our Company may be required to finance our future growth through additional equity offerings. Any future issuance of Equity Shares by our Company could dilute investors' holdings and could adversely affect the market price of the Equity Shares. In addition, any future issuances of Equity Shares, sales by any significant shareholder or a perception in the market that such issuance or sale may occur, could adversely affect the trading price of the Equity Shares. Such securities may also be issued at a price below the then current trading price of the Equity Shares. These sales could also impair our Company's ability to raise additional capital from the sale of Equity Shares. Our Company cannot assure you that it will not issue further Equity Shares or that the shareholders will not dispose of, pledge or otherwise encumber their Equity Shares.

71. An investor will not be able to sell any of the Equity Shares other than on a recognized Indian stock exchange for a period of 12 months from the date of this Issue.

Pursuant to Regulation 178 of the SEBI ICDR Regulations, for a period of 12 months from the date of the allotment of the Equity Shares in the Issue, Eligible QIBs subscribing to the Equity Shares may only sell their Equity Shares on the NSE or the BSE and may not enter into any off-market trading in respect of these Equity Shares. Our Company cannot be certain that these restrictions will not have an impact on the price of the Equity Shares. Further, allotments made to certain categories of Eligible QIBs in the Issue may be subject to the rules and regulations that are applicable to them, including in relation to any lock - in requirements. This may affect the liquidity of the Equity Shares purchased by such investors and it is uncertain whether these restrictions will adversely impact the market price of the Equity Shares purchased by investors.

72. We cannot assure payment of dividends on the Equity Shares in the future.

Our ability to pay dividends in the future will depend on our earnings, financial condition, cash flows, capital requirements, capital expenditure and restrictive covenants of our financing arrangements. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and subsequent approval of Shareholders and will depend on factors that our Board of Directors and Shareholders deem relevant, including among others, our future earnings, financial condition, cash flows, capital requirements, capital expenditures, business prospects and restrictive covenants under our financing arrangements, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. Our Board may also, from time to time, declare interim dividends from the profits of the Financial Year in which such interim dividend is sought to be declared. Additionally, under some of our loan agreements, we are not permitted to declare any dividends without prior consent from the lenders if there is a default under such loan agreements or unless we have paid all the dues to the lender up to the date on which the dividend is declared or paid or has made satisfactory provisions thereof.

The amounts paid as dividends in the past are not necessarily indicative of our Company's dividend policy or the dividend amounts, if any, in the future. There is no guarantee that any dividends will be paid or that the amount thereof will not be decreased in the future. Accordingly, realisation of a gain on investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. We may decide to retain all of our earnings to finance the development and expansion of our business and, therefore, may not declare dividends on the Equity Shares. We cannot assure you that we will be able to pay dividends at any point in the future.

Additionally, under the Finance Act, 2023, dividend distribution tax is not payable in respect of dividends declared, distributed or paid by an Indian company after March 31, 2020, and accordingly, the incidence of dividend income taxation of our resident and non-resident Shareholders is shifted to such Shareholders from the company. For further information, see "*Dividends*" on page 109.

73. After this Issue, the price of the Equity Shares may be volatile, which could result in losses for investors acquiring the Equity Shares in this Issue.

The Issue Price will be determined by our Company in consultation with the Book Running Lead Managers, based on the Bids received in compliance with Chapter VI of the SEBI Regulations, and may not necessarily be indicative of the market price of the Equity Shares after this Issue is complete. The price of the Equity Shares on NSE and BSE may fluctuate after this Issue as a result of several factors, including:

- volatility in the Indian and the global securities market or prospects for our business and the sectors in which we compete;
- the valuation of publicly traded companies that are engaged in business activities similar to us;
- volatility in the Rupee's value relative to the U.S. dollar, the Euro and other foreign currencies;
- our Company's profitability and performance;
- perceptions about our Company's future performance or the performance of Indian banks in general;
- the performance of our Company's competitors and the perception in the market about investments in the banking sector;
- adverse media reports about our Company or the Indian banking sector;
- a comparatively less active or illiquid market for the Equity Shares;
- changes in the estimates of our Company's performance or recommendations by financial analysts;
- significant developments in India's economic liberalization and deregulation policies;
- inclusion or exclusion of our Company in indices;
- significant developments in India's fiscal regulations; and
- any other political or economic factors.

We cannot assure you that you will be able to resell your Equity Shares at or above the Equity Issue Price. There can be no assurance that an active trading market for the Equity Shares will be sustained after this Issue, or that the price at which the Equity Shares have historically traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Issue.

74. Foreign investors are subject to certain investment restrictions under Indian law in relation to transfer of shareholding that may limit our ability to attract foreign investors, which may adversely impact the trading price of the Equity Shares.

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain restrictions), if they comply with the requirements specified by RBI from time to time. If the transfer of shares is not in compliance with such requirements and does not fall under any of the exceptions, then prior approval of RBI is required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income-tax authorities. Further, this conversion is subject to the shares having been held on a repatriation basis and is subject to either the security having been sold in compliance with the pricing guidelines or the relevant regulatory approval having been obtained for the sale of shares and corresponding remittance of the sale proceeds. Additionally, the Indian government may impose foreign exchange restrictions in certain emergency situations, including situations where there are sudden fluctuations in interest rates or exchange rates, where the Indian government experiences extreme difficulty in stabilizing the balance of payments or where there are substantial disturbances in the financial and capital markets in India. Additionally, any restriction on foreign exchange may require foreign investors to obtain the Indian government's approval before acquiring Indian securities or repatriating the interest or dividends from those securities or the proceeds from the sale of those securities. Our Company cannot assure you that any required approval from the RBI or any other governmental agency can be obtained with or without any particular terms or conditions, or at all.

75. There are restrictions on daily movements in the price of the Equity Shares, which may adversely affect a Shareholder's ability to sell, or the price at which a Shareholder can sell, the Equity Shares at a particular point in time.

The Equity Shares are subject to a daily circuit breaker imposed on listed companies by the Stock Exchanges in India, which does not allow transactions beyond a certain level of volatility in the price of the Equity Shares. This circuit breaker operates independently of the index-based, market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on our Company's circuit breaker applicable to the Equity Shares is set by the Stock Exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The Stock Exchanges may change the percentage limit of the circuit breaker from time to time without our Company's knowledge. This circuit breaker would effectively limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, we cannot assure you regarding the ability of Shareholders to sell the Equity Shares or the price at which Shareholders may be able to sell their Equity Shares which may be adversely affected at a particular point in time. For further details, see "*The Securities Market of India*" on page 245.

76. Fluctuations in the exchange rate between the Rupee and other currencies could have an adverse effect on the value of the Equity Shares in those currencies, independent of our operating results.

The Equity Shares are quoted in Rupees on the Stock Exchanges. Any adverse movement in currency exchange rates during the time it takes to undertake such conversion may reduce the net dividends to investors. Fluctuations in the exchange rate between the foreign currencies with which an investor may have purchased Rupees may affect the value of the investment in the Equity Shares. Specifically, if there is a change in relative value of the Rupee to a foreign currency, each of the following values will also be affected:

- the foreign currency equivalent of the Rupee trading price of the Equity Shares in India;
- the foreign currency equivalent of the proceeds that you would receive upon the sale in India of any of the Equity Shares; and
- the foreign currency equivalent of cash dividends, if any, on the Equity Shares, which will be paid only in Rupees.

In addition, any adverse movement in currency exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares, may reduce the net proceeds received by investors. The exchange rates between the Rupee and other currencies (including the U.S. dollar, the Euro, the Pound sterling, the Hong Kong dollar and the Singapore dollar) have changed substantially in the last two decades and could fluctuate substantially in the future, which may have an adverse effect on the value of the Equity Shares and returns from the Equity Shares in foreign currency terms, independent of our operating results. You may be unable to convert Rupee proceeds into a foreign currency of your choice, or the rate at which any such conversion could occur could fluctuate. In addition, our Company's market valuation could be seriously harmed by a devaluation of the Rupee if investors in jurisdictions outside India analyse its value based on the relevant foreign currency equivalent of our Company's results of operations, financial condition and cash flows.

77. Investors may be subject to Indian taxes arising out of capital gains and stamp duty on the sale of the Equity Shares.

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company is generally taxable in India. A securities transaction tax ("**STT**") is levied on equity shares sold on an Indian stock exchange. Any capital gain exceeding ₹100,000, realized on the sale of listed equity shares on a recognised stock exchange, held for more than 12 months may be subject to long-term capital gains tax in India at the rate of 10% (plus applicable surcharge and cess). This beneficial provision is, *inter alia*, subject to payment of STT on both acquisition and sale of the equity shares. Further any capital gain realised on the sale of listed equity shares of an Indian company, held for more than 12 months, which are sold using any platform other than a recognized stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India at the rate of 10% (plus applicable surcharge and cess), without indexation benefits.

Further, any gain realized on the sale of our Equity Shares held for a period of 12 months or less immediately preceding the date of transfer, will be subject to short-term capital gains tax in India at the rate of 15% (plus applicable surcharge and cess), subject to STT being paid at the time of sale of such shares. Otherwise, such gains will be taxed at the applicable rates.

Capital gains arising from the sale of the Equity Shares will not be chargeable to tax in India in cases where relief from such taxation in India is provided under a treaty between India and the country of which the seller is resident read with the Multilateral Instrument, if and to the extent applicable, and the seller is entitled to avail benefits thereunder. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain realised upon the sale of the Equity Shares. The Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source pursuant to any corporate action including dividends.

78. Bidders are not allowed to withdraw their Bids or revise their Bids downwards after the Issue Closing Date.

In terms of Regulation 179 (1) of the SEBI ICDR Regulations, Bidders are not allowed to withdraw their Bids or revise their Bids downwards in terms of quantity of Equity Shares or the Bid Amount after the Issue Closing Date. The Allotment of Equity Shares in this Issue and the credit of such Equity Shares to an Allottee's demat account with the depository participant could take approximately seven to ten Working Days from the Issue Closing Date. However, we cannot assure that adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, adverse changes in our business, results of operations, financial condition and cash flows, or other events affecting the Bidder's decision to invest in the Equity Shares would not arise between the Issue Closing Date and the date of the Allotment of Equity Shares in the Issue. The occurrence of any such events after the Issue Closing Date could also adversely impact the market price of the Equity Shares. Bidders shall not have the right to withdraw their Bids or revise their Bids downwards in the event of any such occurrence. Our Company may complete the Allotment of the Equity Shares even if such events may limit the Allottees' ability to sell the Equity Shares after the Issue or cause the trading price of the Equity Shares to decline.

79. Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their ownership position.

Under the Companies Act, a company having share capital and incorporated in India must offer holders of its Equity Shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages prior to the issuance of any new Equity Shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the Equity Shares who have voted on such a resolution.

However, if the law of the jurisdiction the investors are in, does not permit them to exercise their pre-emptive rights without our Company filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless our Company makes such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value such custodian receives on the sale of such securities and the related transaction costs cannot be predicted. Our Company may choose not to offer the rights to Shareholders having an address outside India. Consequently, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportional interest in our Company would be reduced.

80. Compliance with provisions of Foreign Account Tax Compliance Act may affect payments on the Equity Shares.

The United States "Foreign Account Tax Compliance Act" (or "**FATCA**") imposes a new reporting regime and potentially, imposes a 30% withholding tax on certain "foreign passthru payments" made by certain non-United States financial institutions (including intermediaries).

If payments on the Equity Shares are made by such non-United States financial institutions (including intermediaries), this withholding may be imposed on such payments if made to any non-United States financial institution (including an intermediary) that is not otherwise exempt from FATCA or other holders who do not provide sufficient identifying information to the payer, to the extent such payments are considered "foreign passthru payments". Under current guidance, the term "foreign passthru payment" is not defined and it is therefore not clear whether and to what extent payments on the Equity Shares would be considered "foreign passthru payments". The United States has entered into intergovernmental agreements with many jurisdictions (including India) that modify the FATCA withholding regime described above. It is not yet clear how the intergovernmental agreements between the United States and these jurisdictions will address "foreign passthru payments" and whether such agreements will require us or other financial institutions to withhold or report on payments on the Equity Shares to the extent they are treated as "foreign passthru payments". Prospective investors should consult their tax advisors regarding the consequences of FATCA, or any intergovernmental agreement or non-United States legislation implementing FATCA, to their investment in Equity Shares.

81. U.S. holders should consider the impact of the passive foreign investment company ("PFIC") rules in connection with an investment in our Equity Shares.

A non-U.S. corporation will be a PFIC if either (i) 75% or more of its gross income is passive income or (ii) 50% or more of the total value of its assets is attributable to assets, including cash, that produce or are held for the production of passive income. Our Company will be treated as owning its proportionate share of the assets and earning its proportionate share of the income of any other corporation in which it owns, directly or indirectly, 25% or more (by value) of the stock.

Based on the current and expected composition of our Company's and the Subsidiaries income and assets, including the expected cash proceeds from this offering, our Company believes it was not a PFIC for fiscal year ended March 31, 2024, and does not expect to be a PFIC for the current year or any future years. However, no assurance can be given that our Company will or will not be considered a PFIC in the current or future years. The determination of whether or not our Company is a PFIC is a factual determination that is made annually after the end of each taxable year, and there can be no assurance that our Company will not be considered a PFIC in the current taxable year or any future taxable year because, among other reasons, (i) the composition of our Company's and the Subsidiaries' income and assets will vary over time, and (ii) the manner of the application of relevant rules is uncertain in several respects. Further, our Company's PFIC status may depend on the market price of its Equity Shares, which may fluctuate considerably.

MARKET PRICE INFORMATION

As on the date of this Preliminary Placement Document, our Company's issued, subscribed and paid-up share capital comprises 61,820,992 Equity Shares bearing face value of ₹ 10. The Equity Shares have been listed on the BSE and NSE since August 30, 2004. The Equity Shares are listed and traded on NSE under the symbol 'COFORGE' and on BSE under the scrip code 532541.

On May 18, 2024, the closing price of the Equity Shares on BSE and NSE was ₹ 4,731.35 and ₹ 4,729.60 respectively per Equity Share. Since the Equity Shares are available for trading on the BSE and NSE, the market price and other information for each of BSE and NSE has been given separately.

(i) The following tables set forth the reported high, low and average market prices and the trading volumes of the Equity Shares on the Stock Exchanges on the dates on which such high and low prices were recorded for Fiscals 2024, 2023 and 2022:

BSE									
Fiscal	**High (₹)**	**Date of high**	**Number of Equity Shares traded on the date of high**	**Total turnover of Equity Shares traded on date of high (₹ million)**	**Low (₹)**	**Date of low**	**Number of Equity Shares traded on the date of low**	**Total turnover of Equity Shares traded on date of low (₹ million)**	**Average price for the year (₹)**
2024	6,840	February 19, 2024	7,126	47.99	3,754	April 17, 2023	43,798	167.34	5,284
2023	4,604.45	April 5, 2022	9,615	43.85	3,210	September 19, 2022	47,193	154.53	3,846
2022	6,133	January 4, 2022	35,000	212.95	2,786.95	April 27, 2021	6,713	18.98	4,645

(Source: www.bseindia.com)
Notes:
1. High, low and average prices are based on the daily closing prices.
2. In the case of a year, average represents the average of the closing prices of all trading days of each year presented.
3. In case of two days with the same high or low price, the date with the higher volume has been chosen.

NSE									
Fiscal	**High (₹)**	**Date of high**	**Number of Equity Shares traded on the date of high**	**Total turnover of Equity Shares traded on date of high (₹ million)**	**Low (₹)**	**Date of low**	**Number of Equity Shares traded on the date of low**	**Total turnover of Equity Shares traded on date of low (₹ million)**	**Average price for the year (₹)**
2024	6,847.45	February 19, 2024	370,439	2,498.61	3,752.00	April 17, 2023	734,729	2,810.11	5,285.25
2023	4,605.00	April 5, 2022	359,073	1,639.99	3,210.05	September 19, 2022	225,210	734.20	3,846.00
2022	6,135.00	January 4, 2022	669,217	4,071.96	2,785.00	April 27, 2021	441,989	1,250.86	4,645.66

(Source: www.nseindia.com)
Notes:
1. High, low and average prices are based on the daily closing prices.
2. In the case of a year, average represents the average of the closing prices of all trading days of each year presented.
3. In case of two days with the same high or low price, the date with the higher volume has been chosen.

The following table sets forth the details of the number of Equity Shares traded on the Stock Exchanges and the turnover during Fiscals 2024, 2023 and 2022:

Fiscal	**Number of Equity Shares Traded**		**Turnover (In ₹ million)**	
	BSE	**NSE**	**BSE**	**NSE**
2024	5,206,704	118,063,542.00	24,935.79	619,001.04
2023	3,352,509	93,699,705.00	12,968.44	363,306.15
2022	19,034,522	140,220,434.00	77,265.73	615,577.93

(Source: www.bseindia.com and www.nseindia.com)

(ii) The following tables set forth the reported high, low and average market prices and the trading volumes of the Equity Shares on the Stock Exchanges on the dates on which such high and low prices were recorded during each of the last six months:

NSE											
Month	High (₹)	Date of high	Number of Equity Shares traded on date of high	Total turnover of Equity Shares traded on date of high (₹ million)	Low (₹)	Date of low	Number of Equity Shares traded on date of low	Total turnover of Equity Shares traded on date of low (₹ million)	Average price for the month (₹)	Equity Shares traded in the month	
										Volume	Turnover (₹ in million)
April 2024	5,898.85	April 4, 2024	647,624	3,761.68	5,080.00	April 22, 2024	332,642	1,704.65	5,410.39	7,544,673	41,054.59
March 2024	6,624.85	March 1, 2024	475,667	3,100.12	5,462.15	March 22, 2024	1,055,867	5,849.88	5,992.91	8,385,324	49,592.04
February 2024	6,847.45	February 19, 2024	370,439	2,498.61	6,102.65	February 1, 2024	290,416	1,795.22	6,556.05	6,940,883	4,546,430
January 2024	6,789.00	January 15, 2024	731,362	4,876.73	5,841.55	January 3, 2024	400,286	2,370.69	6,265.90	9,417,965	59,511.49
December 2023	6,530.00	December 15, 2023	1,260,254	8,064.31	5,506.00	December 5, 2023	322,669	1,803.35	6,031.17	9,336,569	56,807.89
November 2023	5,846.25	November 20, 2023	482,383	2,764.50	4,965.20	November 1, 2023	331,862	1,668.51	5,377.00	6,107,218	33,376.32

(Source: www.nseindia.com)
Notes:
1. High, low and average prices are based on the daily closing prices.
2. In the case of a year, average represents the average of the closing prices of all trading days of each year presented.
3. In case of two days with the same high or low price, the date with the higher turnover has been chosen.

BSE											
Month	High (₹)	Date of high	Number of Equity Shares traded on date of high	Total turnover of Equity Shares traded on date of high (₹ million)	Low (₹)	Date of low	Number of Equity Shares traded on date of low	Total turnover of Equity Shares traded on date of low (₹ million)	Average price for the month (₹)	Equity Shares traded in the month	
										Volume	Turnover (₹ in million)
April 2024	5,888.00	April 4, 2024	12,116	70.38	5,082.80	April 22, 2024	3,767	19.31	5,409.87	214,427	1,160.04
March 2024	6,622	March 1, 2024	164,864	1,076.58	5,466	March 22, 2024	18,605	102.94	5,991.23	328,439	2,036.60
February 2024	6,840	February 19, 2024	7,126	47.99	6,104	February 1, 2024	3,443	21.32	6,556.68	154,727	1,013.12
January 2024	6,788	January 15, 2024	20,488	136.74	5,846	January 3, 2024	8,876	52.58	6,264.32	232,520	1,469.49
December 2023	6,529	December 15, 2023	35,704	228.12	5,506	December 5, 2023	5,005	28.00	6,031.23	232,813	1,417.80
November 2023	5,843	November 20, 2023	9,047	51.81	4,971	November 1, 2023	2,890	14.53	5,376.06	94,856	520.64

(iii) The following table sets forth the market price on the Stock Exchanges on March 18, 2024 being the first working day following the approval of our Board for the Issue:

BSE					
Open	**High**	**Low**	**Close**	**Number of Equity Shares traded**	**Volume (₹ in million)**
6,058.2	6,058.2	5,666.05	5,695.15	30,752	177.42

(Source: www.bseindia.com)

NSE					
Open	**High**	**Low**	**Close**	**Number of Equity Shares traded**	**Volume (₹ in million)**
6,045.15	6,045.15	5,665.10	5,697.15	1,433,639	8,249.37

(Source: www.nseindia.com)

USE OF PROCEEDS

The gross proceeds from the Issue are expected to be approximately ₹ [●] million (the "**Gross Proceeds**"). Subject to compliance with applicable laws, the net proceeds from the Issue, after deducting fees, commissions, and the estimated expenses of the Issue of approximately ₹ [●] million, shall be approximately ₹ [●] million (the "**Net Proceeds**").

Objects of the Issue

Subject to compliance with applicable laws and regulations, our Company intends to utilize the Net Proceeds towards the following object:

(in ₹ million)

Particulars	Amount which will be financed from the Net Proceeds
Proposed acquisition of the equity shares of Cigniti including all associated costs in relation to the Proposed Acquisition	[●]

Our main objects clause and objects incidental or ancillary to the attainment of the main objects clauses of our Memorandum of Association enable us to undertake the aforesaid object.

Proposed schedule of implementation and deployment of Net Proceeds

The Net Proceeds are currently expected to be deployed in accordance with the schedule set forth below:

(in ₹ million)

Particulars	Amount to be financed from the Net Proceeds	Estimated Deployment
		Fiscal 2025
Proposed acquisition of the equity shares of Cigniti including all associated costs in relation to the Proposed Acquisition*	[●]	[●]

* *If the Net Proceeds are higher than the amount required for financing the aforesaid object, our Company will utilize the balance Net Proceeds, if any, for pursuing alternate inorganic growth initiatives in future without any approval from the Shareholders, in accordance with applicable laws.*

Subject to the receipt of regulatory approvals and other approvals required in respect of consummation of the acquisition of the equity shares of Cigniti, our Company currently proposes to deploy the Net Proceeds for the aforesaid object in Fiscal 2025. In the event of any delay in receipt of regulatory approvals, the deployment of the Net Proceeds will be made in subsequent fiscals. Such fund requirements and deployment of funds have not been appraised by any bank or financial institution. These are based on terms mentioned in the SPAs, mandatory and other regulatory approvals, current market conditions and business needs and are subject to changes in our business and strategy or external circumstances such as market conditions, competitive environment, interest or exchange rate fluctuations and finance charges, increasing regulations or changes in government policies, which may not be in our control. In this regard, please refer to the section titled "*Risk Factors – The objects of the Issue have not been appraised by any bank or financial institution. Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and may be subject to change based on various factors, some of which are beyond our control.*" on page 66.

Further, if the Net Proceeds are not utilised (in full or in part) for the objects during the period stated above due to factors such as (i) the timing of completion of the Issue; (ii) delay or non-receipt of regulatory approvals required for consummation of the Proposed Acquisition; (iii) market conditions outside the control of our Company; and (iv) any other business and commercial considerations, the remaining Net Proceeds shall be utilised for pursuing alternate inorganic growth initiatives in future without any approval from the Shareholders and in accordance with applicable laws. This may entail rescheduling and revising the planned expenditure and funding requirement and increasing or decreasing the expenditure for a particular purpose from the planned expenditure at the discretion of our management, subject to compliance with applicable law. For shortfall, if any, the same will be meet through, *inter alia*, internal accruals, and borrowings, etc.

Details of the object

Proposed acquisition of the equity shares of Cigniti including all associated costs in relation to the Proposed Acquisition

Subject to applicable laws and regulations and provisions of the SPAs, our Company proposes to utilize the Net Proceeds aggregating up to ₹ [●] million to finance the Proposed Acquisition including all associated costs in relation to the Proposed Acquisition, incurred by our Company from time to time.

The following sets forth the manner in which the Proposed Acquisition shall be completed:

Acquisition of equity shares pursuant to the SPA 1

Subject to the terms of the SPA 1, our Company has agreed to purchase from the promoters and members of the promoter group of Cigniti ("**Cigniti Promoter Group Shareholders**") up to 8,945,295 equity shares for a price of ₹ 1,415 per equity share, held by the Cigniti Promoter Group Shareholders in Cigniti. The acquisition pursuant to the SPA 1 is agreed to be made in two tranches, as specified below:

i. initial tranche of 2,754,696 equity shares representing 10.00% of the paid up share capital of Cigniti, on a fully diluted basis, at ₹ 1,415 per equity share aggregating to a purchase consideration of ₹ 3,897.89 million, from the Cigniti Promoter Group Shareholders simultaneously with the acquisition of equity shares from the Identified Public Shareholders as described below; and

ii. in the event of shareholding of our Company in Cigniti not reaching 54.00 % of the paid up share capital of Cigniti, on a fully diluted basis, pursuant to the Open Offer, as described below, our Company is required, under the SPA 1, to acquire such number of equity shares from the Cigniti Promoter Group Shareholders to reach 54% of the total paid up share capital of Cigniti, on a fully diluted basis.

As per the terms of the SPA 1, our Company has, on May 16, 2024, submitted an application to the CCI for obtaining its approval in terms of the Competition Act in respect of the consummation of the Proposed Acquisition on such terms as reasonably acceptable to our Company (the "**CCI Approval**"), and the approval under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended ("**HSR Approval**"). The consummation of the sale of shares contemplated under the SPA 1 and the SPA 2 is subject to the receipt of the CCI Approval and the HSR Approval. For risks in relation to the CCI Approval, please refer to the section titled "*Risk Factors – As of the date of this Preliminary Placement Document, the Proposed Acquisition has not received approval from the Competition Commission of India ("**CCI**"), or completed necessary filings under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 ("**HSR Act**"). We cannot assure you that such approval from regulatory authorities will be forthcoming, and in a timely manner.*" on pages 43-44. Further, the SPA 1 is subject to the fulfilment of, *inter-alia*, the following conditions:

a) The warranties by our Company, Cigniti and the Cigniti Promoter Group Shareholders being true and accurate;
b) There having been no law, injunction or order of any court or governmental authority been made or passed against either the Cigniti Promoter Group Shareholders, Cigniti or our Company that could restrict, prevent or make illegal the consummation of the transactions contemplated under the SPA 1; and
c) Cigniti having obtained a valuation certificate from an independent chartered accountant or a category – I merchant banker registered with the Securities and Exchange Board of India, determining the value of the shares purchases, as required under and in accordance with the Companies Act and FEMA Regulations.

Please also refer to the section titled "*Risk Factors – Risks Relating to the Acquisition of Cigniti – The completion of the Proposed Acquisition is subject to a number of conditions, which may not be fulfilled or waived.*" on pages 41-42.

Acquisition of equity shares pursuant to the SPA 2

Subject to the terms of the SPA 2, our Company has agreed to acquire, simultaneously with the acquisition of equity shares from the Cigniti Promoter Group Shareholders, from the identified public shareholders of Cigniti ("**Identified Public Shareholders**") up to 4,884,796 equity shares for a price of ₹ 1,415 per equity share, held by the Identified Public Shareholders in Cigniti aggregating to a total purchase consideration of ₹ 6,911.99 million. The SPA 2 is subject to the fulfilment of, *inter-alia*, the following conditions:

a) Compliance by our Company of its obligations and covenants under the SPA 2; and

b) Receipt of the CCI Approval and the HSR Approval

For further details in relation to the Proposed Acquisition, please refer to the section titled "*Our Business – Recent Developments – Acquisition of Cigniti*" on pages 183-186.

Open Offer

In accordance with the Takeover Regulations, pursuant to the execution of the SPAs, for the acquisition of equity shares of Cigniti, in excess of 25% of the issued and paid-up capital, our Company is required to make an open offer to the public shareholders of Cigniti for acquisition of up to 26% of the total paid up share capital of Cigniti, on a fully diluted basis ("**Open Offer**"). In furtherance of this requirement, our Company has made a public announcement of our intention to acquire shares of Cigniti on May 2, 2024 and has thereafter published a detailed public statement dated May 8, 2024 on May 9, 2024. Subsequently, our Company has also filed a draft letter of offer with SEBI on May 16, 2024. Post receipt of comments from SEBI and relevant regulatory approvals, including the CCI Approval and the HSR Approval, our Company will launch the open offer for participation by public shareholders of Cigniti. In order to complete the initial tranche of purchase as per the SPAs, our Company will be required to pre-fund 100% of the cost of acquisition of up 7,162,210 Equity Shares at a price of ₹ 1,415 per equity share, representing 26.00% of the paid up share capital of Cigniti, on a fully diluted basis, in an escrow account opened for the Open Offer. This amount is estimated to be ₹ 10,134.53 million. Accordingly, an amount of ₹ 10,134.53 million from the Net Proceeds will be utilised towards funding of the escrow account which will eventually be utilised for funding the Open Offer/ Proposed Acquisition. Pre-funding of the escrow account will also enable our Company to complete the acquisition of 27.73% of the paid up share capital of Cigniti, on a fully diluted basis, from the Cigniti Promoter Group Shareholders and the Identified Public Shareholders ahead of commencement of tendering in the open offer. It should be noted that the exact price at which the equity shares will be acquired under the open offer may be subject to upward revision, if any.

Upon completion of the actions required under the Takeover Regulations, including payment of all amounts to public shareholders who have tendered equity shares pursuant to the open offer, any amount lying to the credit of the escrow account shall be transferred to our Company, subject to utilisation of funds for acquisition of equity shares tendered in open offer, in accordance with Takeover Regulations.

Second Promoter Acquisition

In the event that the equity shares acquired pursuant to the open offer together with the SPAs, is less than 54% of the paid up share of Cigniti, on a fully diluted basis, then our Company has the right to acquire such further number of equity shares from the promoters of Cigniti, such that our aggregate shareholding upon completion of such additional acquisitions reaches 54.00% of the paid up share capital of Cigniti, on a fully diluted basis. The amounts received by our Company from the escrow account upon completion of the open offer shall be utilised towards acquisition of such additional equity shares. In case none of the public shareholders of Cigniti tender any equity shares in the open offer, we will acquire 50.21% of the paid up share capital of Cigniti, on a fully diluted basis, post completion of acquisition of under the SPAs, including the 27.73% of the paid up share capital of Cigniti, on a fully diluted basis, acquired earlier from the Cigniti Promoter Group Shareholders and the Identified Public Shareholders. The total purchase consideration, excluding costs associated with the Proposed Acquisition, would be between approximately ₹ 19,569.58 million and ₹ 21,048.63 million, depending on whether our Company acquires 50.21% or 54.00% of the paidup share capital of Cigniti, on a fully diluted basis, respectively. If the Net Proceeds are higher than the amount required for financing the aforesaid object, our Company will utilize the balance Net Proceeds, if any, for pursuing alternate inorganic growth initiatives in future without any approval from the Shareholders and in accordance with applicable laws. For shortfall, if any, the same will be meet through internal accruals, borrowings, etc.

Our Company will have flexibility in deploying the Net Proceeds as approved by our Board and/ or a duly authorized committee of our Board from time to time. Further, in the event that relevant regulatory approvals in relation to the Proposed Acquisition are not obtained within the timelines envisaged, or at all, or in the event of withdrawal/failure of the Open Offer, the surplus funds from the Net Proceeds may be utilized towards pursuing alternate inorganic growth initiatives. However, as on date, we have not identified any entities or acquisition targets and any such inorganic growth initiatives will be undertaken in accordance with applicable law.

Subject to applicable laws, our Board shall determine the quantum of Net Proceeds to be deployed by our Company from the Issue, depending on business opportunities or requirements of our Company from time to time. The amounts and timing of any deployment will depend on, factors such as, *inter alia*, the amount of cash generated by our operations, competitive and market developments and the availability of acquisition or investment opportunities on terms acceptable to us.

For details of the risks associated with consummation of the Proposed Acquisition, please refer to the section titled "*Risk Factors – Risks Relating to the Acquisition of Cigniti*" on pages 41-45.

Monitoring of utilisation of funds

Pursuant to Regulation 173A of the SEBI ICDR Regulations, our Company has appointed CRISIL Ratings Limited, a credit rating agency registered with the SEBI, as the monitoring agency ("**Monitoring Agency**") by way of an agreement dated May 21, 2024, as the size of our Issue exceeds ₹ 1,000 million. The Monitoring Agency shall submit its report to our Company in the format specified in Schedule XI of the SEBI ICDR Regulations on a quarterly basis, till 100% of the proceeds of the Issue have been utilised. The Board of Directors and the management of our Company will provide their comments on the findings of the Monitoring Agency as specified in Schedule XI of the SEBI ICDR Regulations. Our Company shall, within 45 days from the end of each quarter, upload the report of the Monitoring Agency on our website and also submit the same to the Stock Exchanges.

The report of the Monitoring Agency shall be placed before our Audit Committee on a quarterly basis, promptly upon its receipt. On an annual basis, our Company shall (i) prepare a statement of funds utilised for purposes other than those stated in this Preliminary Placement Document and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilised; and (ii) disclose every year, the utilization of the Net Proceeds during that year in its annual report. Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Issue from the Objects, as stated above; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Issue from the Objects, as stated above. This information will also be published on our website simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Director's report, after placing the same before the Audit Committee.

Interim use of Net Proceeds

In accordance with applicable laws, we undertake to not utilize proceeds from the Issue unless Allotment is made and the corresponding return of Allotment is filed with the RoC and final listing and trading approvals are received from each of the Stock Exchanges, whichever is later.

Pending utilisation of the Net Proceeds towards the purposes described in this section, our Company undertakes to deposit the Net Proceeds in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, or such interim use as permitted under applicable laws.

Other confirmations

Neither our Promoter, Promoter Group nor our Directors are making any contribution either as part of the Issue or separately in furtherance of the Objects. Further, neither our Promoter nor our Directors shall not receive any proceeds from the Issue, whether directly or indirectly. Since the Issue is only made to Eligible QIBs, our Directors, Key Managerial Personnel or members of Senior Management are not eligible to subscribe in the Issue.

Since the Net Proceeds are proposed to be utilised towards the purposes set forth above, and not being used towards implementation of any project, the following disclosure requirements are not applicable: (i) break-up of cost of the project, (ii) means of financing such project, and (iii) proposed deployment status of the proceeds at each stage of the project.

CAPITALISATION STATEMENT

The following table sets forth our capitalization and total borrowings, on a consolidated basis, as of March 31, 2024 which is derived from the Audited Consolidated Financial Statements and adjusted to give effect to the receipt of the Gross Proceeds.

This table should be read in conjunction with the sections titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", "*Financial Information*" and "*Selected Financial Information*" on pages 110, 270 and 34, respectively.

(in ₹ million, unless otherwise stated)

Particulars	Pre-Issue (as at March 31, 2024) (on a consolidated basis)	Amount after considering the Issue (i.e. Post Issue)*#^ (on a consolidated basis)
Total current borrowings (A)	967	
Total non-current borrowings (B)	3,399	[●]
Total borrowings (C= A+B)	**4,366**	**[●]**
Equity		
- Equity share capital (D)	618	[●]
- Other equity (E)	35,648	[●]
Non-controlling interest ("NCI") (F)	1,003	[●]
Total equity (G = D+E+F)	**37,269**	**[●]**
Total borrowings / Total equity (H = C/G)	0.12	[●]
Total capitalization (I = C+G)	**41,635**	**[●]**

Notes:

* *Will be finalized upon determination of the Issue Price.*

Adjustments do not include Issue related expenses

^ *As adjusted to reflect the number of Equity Share issued pursuant to the Issue*

CAPITAL STRUCTURE

The share capital of our Company as on the date of this Preliminary Placement Document is set forth below:

(in ₹, except share data)

Particulars		Aggregate nominal value at face value#
A	**AUTHORISED SHARE CAPITAL**	
	77,000,000 Equity Shares	770,000,000
B	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE ISSUE**	
	61,820,992 Equity Shares	618,209,920
C	**PRESENT ISSUE IN TERMS OF THIS PRELIMINARY PLACEMENT DOCUMENT**	
	Up to [●] Equity Shares aggregating up to ₹ [●] million(1)	[●]
D	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE ISSUE**	
	[●] Equity Shares(1)	[●]
E	**SECURITIES PREMIUM ACCOUNT**	
	Before the Issue	1,909,130,228
	After the Issue(2)(3)	[●]

(1) *This Issue has been authorised and approved by our Board of Directors pursuant to its resolution passed on March 16, 2024. The Shareholders of our Company have authorised and approved the Issue by way of a special resolution passed at the extra-ordinary general meeting dated April 12, 2024.*

(2) *To be determined upon finalisation of the Issue Price. The amount has been calculated on the basis of Gross Proceeds from the Issue.*

(3) *The securities premium amount 'after this Issue' will be calculated on the basis of gross proceeds from this Issue. Adjustments will not include Issue related expenses. To be included upon determination of the Issue Price and will be updated in Placement Document.*

Except for securities premium account

Equity Share capital history of our Company

The history of the Equity Share capital of our Company as on the date of this Preliminary Placement Document is provided in the following table:

[Remainder of this page has intentionally been left blank]

Date of allotment	Number of Equity Shares	Face value (₹)	Issue price per Equity Share (₹)*	Nature of consideration	Nature of the allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)
May 13, 1992	30	100	100	Cash	Initial subscription to MoA	30	3,000
March 29, 1994	15,000	100	100	Cash	Preferential allotment	15,030	1,503,000
January 3, 2000	9,970	100	100	Cash	Preferential allotment	25,000	2,500,000
Sub-division of 1 equity share of ₹ 100 each to 10 equity shares of ₹ 10 each, on December 17, 2003							
December 31, 2003	9,412,320	10	10	Cash	Preferential allotment	9,662,320	96,623,200
July 20, 2004	28,986,960	10	10	Cash	Pursuant to scheme of demerger	38,649,280	386,492,800
August 18, 2006	22,200	10	115	Cash	Allotment of equity shares pursuant to ESOP 2005 - Grant 1	38,671,480	386,714,800
September 1, 2006	17,450	10	115	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 2	38,688,930	386,889,300
September 18, 2006	3,150	10	115	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 3	38,692,080	386,920,800
October 6, 2006	1,000	10	115	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 4	38,693,080	386,930,800
October 17, 2006	14,250	10	115	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 5	38,707,330	387,073,300
November 1, 2006	12,250	10	115	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 6	38,719,580	387,195,800
November 17, 2006	18,950	10	115	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 7	38,738,530	387,385,300
December 1, 2006	11,250	10	115	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 8	38,749,780	387,497,800
December 23, 2006	16,700	10	10,000 equity shares issued at ₹150.85 each and 6,700 equity shares issued at ₹115 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 9	38,766,480	387,664,800
January 4, 2007	19,950	10	115	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 10	38,786,430	387,864,300
January 23, 2007	36,850	10	115	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 11	38,823,280	388,232,800
February 6, 2007	13,900	10	115	Cash	Allotment of equity shares pursuant to ESOP 2005 - Grant 12	38,837,180	388,371,800
February 19, 2007	1,600	10	115	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 13	38,838,780	388,387,800
March 2, 2007	35,250	10	29,250 equity shares issued at ₹115 each and 6,000 equity	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 14	38,874,030	388,740,300

Date of allotment	Number of Equity Shares	Face value (₹)	Issue price per Equity Share (₹)*	Nature of consideration	Nature of the allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)
			shares issued at ₹150.85 each				
March 19, 2007	141,750	10	115	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 15	39,015,780	390,157,800
March 29, 2007	47,350	10	115	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 16	39,063,130	390,631,300
March 30, 2007	37,400	10	115	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 17	39,100,530	391,005,300
May 1, 2007	5,700	10	115	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 18	39,106,230	391,062,300
July 9, 2007	11,150	10	115	Cash	Allotment of equity shares pursuant to ESOP 2005	39,117,380	391,173,800
August 9, 2007	1,550	10	115	Cash	Allotment of equity shares pursuant to ESOP 2005	39,118,930	391,189,300
September 3, 2007	19,559,465	10	-	N.A.	Bonus issue	58,678,395	586,783,950
November 21, 2007	12,190	10	76	Cash	Allotment of equity shares pursuant to ESOP 2005	58,690,585	586,905,850
December 14, 2007	2,000	10	76	Cash	Allotment of equity shares pursuant to ESOP 2005	58,692,585	586,925,850
February 6, 2008	5,810	10	76	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 23	58,698,395	586,983,950
June 11, 2008	7,300	10	76	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 24	58,705,695	587,056,950
July 15, 2008	20,550	10	76	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 25	58,726,245	587,262,450
October 16, 2008	450	10	76	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 26	58,726,695	587,266,950
May 26, 2009	300	10	76	Cash	Allotment of equity shares pursuant to ESOP 2005	58,726,995	587,269,950
August 25, 2009	14,325	10	76	Cash	Allotment of equity shares pursuant to ESOP 2005	58,741,320	587,413,200
November 13, 2009	1,625	10	108	Cash	Allotment of equity shares pursuant to ESOP 2005	58,742,945	587,429,450
December 21, 2009	23,900	10	108	Cash	Allotment of equity shares pursuant to ESOP 2005	58,766,845	587,668,450
January 23, 2010	9,000	10	108	Cash	Allotment of equity shares pursuant to ESOP 2005	58,775,845	587,758,450

Date of allotment	Number of Equity Shares	Face value (₹)	Issue price per Equity Share (₹)*	Nature of consideration	Nature of the allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)
January 29, 2010	6,000	10	108	Cash	Allotment of equity shares pursuant to ESOP 2005	58,781,845	587,818,450
March 18, 2010	6,000	10	108	Cash	Allotment of equity shares pursuant to ESOP 2005	58,787,845	587,878,450
April 23, 2010	5,900	10	108	Cash	Allotment of equity shares pursuant to ESOP 2005	58,793,745	587,937,450
May 28, 2010	54,200	10	108	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 35	58,847,945	588,479,450
June 22, 2010	16,000	10	108	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 36	58,863,945	588,639,450
June 30, 2010	9,000	10	108	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 37	58,872,945	588,729,450
September 13, 2010	12,000	10	108	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 38	58,884,945	588,849,450
October 20, 2010	12,250	10	750 equity shares issued at ₹108 each and 11,500 equity shares issued at ₹127.20 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 5 and 4	58,897,195	588,971,950
November 2, 2010	48,741	10	4,500 equity shares issued at ₹108 each and 44,241 equity shares issued at ₹127.20 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 5 and 4	58,945,936	589,459,360
November 16, 2010	72,650	10	26,500 equity shares issued at ₹108 each and 46,150 equity shares issued at ₹127.20 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 5 and 4	59,018,586	590185860
November 29, 2010	14,659	10	4,000 equity shares issued at ₹ 108 each and 10,659 equity shares issued at ₹127.20 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 5	59,033,245	590,332,450
December 15, 2010	84,200	10	75,000 equity shares issued at ₹ 108 each and 9,200 equity shares issued at ₹ 127.20 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 4 and 5	59,117,445	591,174,450

Date of allotment	Number of Equity Shares	Face value (₹)	Issue price per Equity Share (₹)*	Nature of consideration	Nature of the allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)
January 3, 2011	11,750	10	127.20	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 5	59,129,195	591,291,950
January 21, 2011	7,625	10	4,250 equity shares issued at ₹ 108 each, 3,375 equity shares issued at ₹ 127.20 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 4 and 5	59,136,820	591,368,200
February 21, 2011	12,850	10	900 equity shares issued at ₹ 108 each and 11,950 equity shares issued at ₹ 127.20 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 4 and 5	59,149,670	591,496,700
March 18, 2011	101,386	10	1,800 equity shares issued at ₹ 108 each, 99,586 equity shares issued at ₹ 127.20 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 4 and 5	59,251,056	592,510,560
April 21, 2011	19,750	10	127.20	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 5	59,270,806	592,708,060
May 16, 2011	14,693	10	127.20	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 5	59,285,499	592,854,990
June 14, 2011	13,580	10	127.20	Cash	Allotment of equity shares pursuant to ESOP 2005	59,299,079	592,990,790
July 28, 2011	11,015	10	5,815 equity shares issued at ₹ 108 each and 5,200 equity shares issued at ₹ 127.20 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 4 and 5	59,310,094	593,100,940
September 8, 2011	30,800	10	9,875 equity shares issued at ₹ 108 each and 20,925 equity shares issued at ₹ 127.20 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 4 and 5	59,340,894	593,408,940
October 17, 2011	31,625	10	15,000 equity shares issued at ₹ 108 each and 16,625 equity shares issued at ₹ 127.20 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 4 and 5	59,372,519	593,725,190

Date of allotment	Number of Equity Shares	Face value (₹)	Issue price per Equity Share (₹)*	Nature of consideration	Nature of the allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)
November 23, 2011	39,575	10	850 equity shares issued at ₹ 108 each and 38,725 equity shares issued at ₹ 127.20 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 4 and 5	59,412,094	594,120,940
December 16, 2011	21,235	10	485 equity shares issued at ₹ 108 each and 20,750 equity shares issued at ₹ 127.20 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 4 and 5	59,433,329	594,333,290
January 6, 2012	117,290	10	7,500 equity shares issued at ₹ 108 each and 109,790 equity shares issued at ₹ 127.20 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 4 and 5	59,550,619	595,506,190
February 10, 2012	47,500	10	15,000 equity shares issued at ₹ 108 each and 32,500 equity shares issued at ₹ 127.20 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 4 and 5	59,598,119	595,981,190
March 14, 2012	28,700	10	5,000 equity shares issued at ₹ 108 each and 23,700 equity shares issued at ₹ 127.20 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 4 and 5	59,626,819	596,268,190
March 26, 2012	5,500	10	127.20	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 5	59,632,319	596,323,190
May 9, 2012	44,400	10	127.20	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 5	59,676,719	596,767,190
May 24, 2012	59,500	10	2,600 equity shares issued at ₹ 108 each, 47,900 equity shares issued at ₹ 127.20 each and 9,000 equity shares issued at ₹ 223.75 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 4, 5, 6 and 7	59,736,219	597,362,190
June 18, 2012	190,220	10	35,650 equity shares issued at ₹ 108 each, 123,970 equity shares issued at ₹	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 4, 5, 6 and 10	59,926,439	599,264,390

Date of allotment	Number of Equity Shares	Face value (₹)	Issue price per Equity Share (₹)*	Nature of consideration	Nature of the allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)
			127.20 each, 10,600 equity shares issued at ₹ 182.15 and 20,000 equity shares issued at ₹ 10 each				
July 25, 2012	64,050	10	12,300 equity shares issued at ₹ 108 each, 44,250 equity shares issued at ₹ 127.20 each and 7,500 equity shares issued at ₹182.15 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 4, 5 and 6	59,990,489	599,904,890
August 22, 2012	39,400	10	6,000 equity shares issued at ₹ 108 each, 32,400 equity shares issued at ₹ 127.20 each and 1,000 equity shares issued at ₹182.15 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 4, 5 and 9	60,029,889	600,298,890
September 25, 2012	54,339	10	39,339 equity shares issued at ₹ 127.20 each and 15,000 equity shares issued at ₹182.15 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 5 and 6	60,084,228	600,842,280
October 25, 2012	44,107	10	10,500 equity shares issued at ₹108 each, 25,707 equity shares issued at ₹127.20 each and 7,900 equity shares issued at ₹182.15 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 4, 5 and 6	60,128,335	601,283,350
November 27, 2012	10,844	10	8,344 equity shares issued at ₹127.20 each and 2,500 equity shares issued at ₹182.15 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 5 and 6	60,139,179	601,391,790
December 21, 2012	18,900	10	8,250 equity shares issued at ₹ 108 each and 10,650 equity	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 4 and 5	60,158,079	601,580,790

Date of allotment	Number of Equity Shares	Face value (₹)	Issue price per Equity Share (₹)*	Nature of consideration	Nature of the allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)
			shares issued at ₹127.20 each				
January 24, 2013	23,830	10	127.20	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 5	60,181,909	601,819,090
February 26, 2013	26,210	10	25,710 equity shares issued at ₹ 127.20 each and 500 equity shares issued at ₹198 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 5 and 13	60,208,119	602,081,190
March 21, 2013	29,050	10	21,550 equity shares issued at ₹127.20 each and 7,500 equity shares issued at ₹182.15 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 5 and 6	60,237,169	602,371,690
April 25, 2013	53,740	10	48,440 equity shares issued at ₹127.20 each and 5,300 equity shares issued at ₹206.20 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 5 and 8	60,290,909	602,909,090
June 11, 2013	62,536	10	15,000 equity shares issued at ₹10 each, 33,436 equity shares issued at ₹127.20 each, 9,000 equity shares issued at 223.75 each and 5,100 equity shares issued at ₹198 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 5,7,10 and 13	60,353,445	603,534,450
August 7, 2013	29,000	10	1,000 equity shares issued at ₹198 each, 5,950 equity shares issued at ₹206.20 each, 14,550 equity shares issued at ₹127.20 each and 7,500 equity shares issued at ₹223.75 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 5, 7, 8 and 13	60,382,445	603,824,450
September 24, 2013	47,370	10	31,150 equity shares issued at ₹127.20	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 5, 8 and 16	60,429,815	604,298,150

Date of allotment	Number of Equity Shares	Face value (₹)	Issue price per Equity Share (₹)*	Nature of consideration	Nature of the allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)
			each, 5,220 equity shares issued at ₹206.20 each, 11,000 equity shares issued at ₹10 each				
October 25, 2013	134,023	10	121,943 equity shares issued at ₹ 127.20 each, 7,500 equity shares issued at ₹ 223.75 each and 4,580 equity shares issued at ₹ 206.20 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 7, 8 and 5	60,563,838	605,638,380
December 20, 2013	71,880	10	48,930 equity shares issued at ₹ 127.20 each, 13,950 equity shares issued at ₹ 206.20 each and 9,000 equity shares issued at ₹ 285.80 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 8, 5 and 15	60,635,718	606,357,180
February 4, 2014	31,014	10	20,514 equity shares issued at ₹ 127.20 each, 1,500 equity shares issued at ₹ 198 each, 9,000 equity shares issued at ₹ 285.80 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 5, 13 and 15	60,666,732	606,667,320
March 14, 2014	34,442	10	20,542 equity shares issued at ₹ 127.20 each, 2,900 equity shares issued at ₹ 198 each, 9,000 equity shares issued at ₹ 285.80 each and 2,000 equity shares issued at ₹ 274.85 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 5, 13, 15 and 17	60,701,174	607,011,740
May 15, 2014	24,350	10	127.20	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 5	60,725,524	607,255,240

Date of allotment	Number of Equity Shares	Face value (₹)	Issue price per Equity Share (₹)*	Nature of consideration	Nature of the allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)
June 17, 2014	22,850	10	10,350 equity shares issued at ₹ 127.20 each, 1,500 equity shares issued at ₹ 198 each, 4,000 equity shares issued at ₹ 285.80 each and 7,000 equity shares issued at ₹ 10 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 5, 13, 15 and 18	60,748,374	607,483,740
July 30, 2014	32,000	10	12,000 equity shares issued at ₹ 127.20 each, 9,000 equity shares issued at ₹ 285.80 each and 11,000 equity shares issued at ₹ 10 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 5, 18 and 15	60,780,374	607,803,740
September 2, 2014	24,825	10	7,200 equity shares issued at ₹ 127.20 each, 4,000 equity shares issued at ₹ 188.25 each, 1,625 equity shares issued at ₹ 198 each, 1,000 equity shares issued at ₹ 274.85 each and 11,000 equity shares issued at ₹ 10 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 5, 9, 13, 17 and 19	60,805,199	608,051,990
September 23, 2014	14,800	10	127.20	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 5	60,819,999	608,199,990
November 11, 2014	131,175	10	69,675 equity shares issued at ₹ 127.20 each, 19,000 equity shares issued at ₹ 223.75 each, 40,000 equity shares issued at ₹ 10, 1,500 equity shares issued at ₹ 198 each and 1,000 equity shares issued at ₹ 274.85 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 5, 7, 12, 13 and 17	60,951,174	609,511,740

Date of allotment	Number of Equity Shares	Face value (₹)	Issue price per Equity Share (₹)*	Nature of consideration	Nature of the allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)
December 16, 2014	52,500	10	32,500 equity shares issued at ₹ 127.20 each, 19,000 equity shares issued at ₹ 223.75 each and 1,000 equity shares issued at ₹ 198	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 5, 7 and 13	61,003,674	610,036,740
February 12, 2015	41,225	10	2,725 equity shares issued at ₹ 127.20 each, 10,000 equity shares issued at ₹ 188.25 each, 21,500 equity shares issued at ₹ 285.80 each and 7,000 equity shares issued at ₹ 10 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 5, 9, 15 and 18	61,044,899	610,448,990
June 22, 2015	14,500	10	5,500 equity shares issued at ₹ 206.15 each and 9,000 equity shares issued at ₹ 285.80 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 15, 28 and 17	61,059,399	610,593,990
July 17, 2015	12,000	10	5,000 equity shares issued at ₹ 206.15 each and 7,000 equity shares issued at ₹ 10 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 11 and 18	61,071,399	610,713,990
September 11, 2015	37,000	10	18,000 equity shares issued at ₹ 256.60 each, 5,500 equity shares issued at ₹ 285.80 each, 11,000 equity shares issued at ₹ 10 each and 2,500 equity shares issued at ₹ 296.60 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 14, 15, 16 and 23	61,108,399	611,083,990
November 4, 2015	12,000	10	2,000 equity shares issued at ₹ 285.80 each, 9,000 equity shares issued at ₹	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 15, 17 and 28	61,120,399	611,203,990

Date of allotment	Number of Equity Shares	Face value (₹)	Issue price per Equity Share (₹)*	Nature of consideration	Nature of the allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)
			374.05 each and 1,000 equity shares issued at ₹ 274.85 each				
December 22, 2015	18,000	10	14,000 equity shares issued at ₹ 10 each and 4,000 equity shares issued at ₹ 296.60 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 22 and 23	61,138,399	611,383,990
January 25, 2016	48,125	10	3,625 equity shares issued at ₹ 198 each, 12,500 equity shares issued at ₹ 285.80 each, 10,000 equity shares issued at ₹ 274.85, 11,000 equity shares issued at ₹ 10 each, 11,000 equity shares issued at ₹ 374.05 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 13, 15, 17, 19 and 28	61,186,524	611,865,240
June 1, 2016	19,000	10	10,500 equity shares issued at ₹ 285.80 each, 7,000 equity shares issued at ₹ 10 each and 1,500 equity shares issued at ₹ 296.60 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 15, 18 and 23	61,205,524	612,055,240
July 18, 2016	104,000	10	7,500 equity shares issued at ₹ 285.80 each, 36,000 equity shares issued at ₹ 282 each, 40,000 equity shares issued at ₹409.75 each, 4,000 equity shares issued at ₹ 10 each, 4,000 equity shares issued at ₹10 each, 10,500 equity shares issued at ₹ 206.15	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 21, 27, 15, 34, 26, 11 and 23	61,309,524	613,095,240

Date of allotment	Number of Equity Shares	Face value (₹)	Issue price per Equity Share (₹)*	Nature of consideration	Nature of the allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)
			each and 2,000 equity shares issued at ₹ 296.60 each				
September 16, 2016	45,650	10	18,000 equity shares issued at ₹ 10 each, 24,000 equity shares issued at ₹ 282 each and 3,650 equity shares issued at ₹ 356.50 each	Cash	Allotment of equity shares pursuant to ESOP 2005	61,355,174	613,551,740
November 7, 2016	7,000	10	2,000 equity shares issued at ₹ 285.80 each and 5,000 equity shares issued at ₹ 374.05 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 15 and 28	61,362,174	613,621,740
June 12, 2017	34,000	10	15,000 equity shares issued at ₹ 10 each, 3,000 equity shares issued at ₹ 285.80, 9,000 equity shares issued at ₹ 374.05 and 7,000 equity shares issued at ₹ 10 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 10, 15, 28 and 37	61,396,174	613,961,740
August 16, 2017	21,350	10	1,500 equity shares issued at ₹ 285.80 each, 6,000 equity shares issued at ₹ 372.10, 10,000 equity shares issued at ₹ 10 each and 3,850 equity shares issued at ₹ 356.50 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 15, 24, 30 and 33	61,417,524	614,175,240
September 8, 2017	7,000	10	10	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 27	61,424,524	614,245,240
September 22, 2017	8,000	10	372.10	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 24	61,432,524	614,325,240
February 1, 2018	5,100	10	2,800 equity shares issued at ₹ 503.65	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 42 and 23	61,437,624	614,376,240

Date of allotment	Number of Equity Shares	Face value (₹)	Issue price per Equity Share (₹)*	Nature of consideration	Nature of the allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)
			each and 2,300 equity shares issued at ₹ 296.60 each				
February 16, 2018	1,000	10	459.65	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 38	61,438,624	614,386,240
March 19, 2018	17,500	10	5,000 equity shares issued at ₹ 374.05 each, 5,000 equity shares issued at ₹ 10 each and 7,500 equity shares issued at ₹ 10 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 28, 34 and 45	61,456,124	614,561,240
April 16, 2018	3,500	10	1,500 equity shares issued at ₹296.60 each and 2,000 equity shares issued at ₹ 459.65 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 23 and 38	61,459,624	614,596,240
May 14, 2018	7,000	10	10	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 27	61,466,624	614,666,240
June 11, 2018	20,200	10	10,500 equity shares issued at ₹ 374.05 each, 5,000 equity shares issued at ₹425.40 and 4,700 equity shares issued at ₹503.65 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 28, 46 and 42	61,486,824	614,868,240
July 6, 2018	8,000	10	2,000 equity shares issued at ₹ 296.60 each and 6,000 equity shares issued at ₹ 409.75 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 23 and 46	61,494,824	614,948,240
August 21, 2018	49,500	10	20,000 equity shares issued at ₹ 393.70 each, 5,500 equity shares issued at ₹374.05 each, 7,500 equity shares issued at ₹503.65 each, 7,500 equity shares issued at ₹ 459.65	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 27, 42, 28 and 37	61,544,324	615,443,240

Date of allotment	Number of Equity Shares	Face value (₹)	Issue price per Equity Share (₹)*	Nature of consideration	Nature of the allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)
			each and 9,000 equity shares issued at ₹ 374.05 each				
September 4, 2018	15,200	10	10,500 equity shares issued at ₹ 374.05 each and 4,700 equity shares issued at ₹296.60 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 28 and 23	61,559,524	615,595,240
October 29, 2018	27,600	10	3,500 equity shares issued at ₹ 10 each, 7,500 equity shares issued at ₹356.50, 4,500 equity shares issued at ₹459.65 each and 12,100 equity shares issued at ₹ 572.90 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 27, 33, 38 and 49	61,587,124	615,871,240
November 13, 2018	28,250	10	10,250 equity shares issued at ₹ 10 each, 18,000 equity shares issued at ₹546.40 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 27, 36 and 50	61,615,374	616,153,740
December 7, 2018	20,000	10	393.70	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 32	61,635,374	616,353,740
On December 28, 2018, pursuant to a scheme of amalgamation for the transfer of vesting of PIPL Business Advisors and Investments Private Limited and GSPL Advisory Services and Investment Private Limited into our Company, our Board approved the issue and allotment of 4,351,882 equity shares of ₹ 10 each to the respective shareholders in PIPL Business Advisors and Investments Private Limited and GSPL Advisory Services and Investment Private Limited. Subsequently, our Board also took note of cancellation of all equity shares held by PIPL Business Advisors and Investments Private Limited (i.e. 2,175,911 equity shares) and GSPL Advisory Services and Investment Private Limited (i.e. 2,175,911 equity shares) in the share capital of our Company, pursuant to the scheme of amalgamation.							
January 3, 2019	78,000	10	10	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 47 and 48	61,713,374	617,133,740
January 31, 2019	53,970	10	25,900 equity shares issued at ₹ 10 each, 10,500 equity shares issued at ₹ 374.05 each, 6,920 equity shares issued at ₹ 534.30 and 10,650 equity shares issued at ₹ 572.90 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 27, 28,34,39 and 49	61,767,344	617,673,440

Date of allotment	Number of Equity Shares	Face value (₹)	Issue price per Equity Share (₹)*	Nature of consideration	Nature of the allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)
March 13, 2019	16,530	10	7,450 equity shares issued at ₹ 10 each and 9,080 equity shares issued at ₹ 534.30 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 27, 39 and 40	61,783,874	617,838,740
June 21, 2019	57,360	10	19,000 equity shares issued at ₹ 10 each, 6,000 equity shares issued at ₹ 409.75 each, 9,000 equity shares issued at ₹ 374.05 each, 13,360 equity shares issued at ₹ 534.30 each, 10,000 equity shares issued at ₹ 503.65 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 25, 44, 28, 39, 51 and 43	61,841,234	618,412,340
August 27, 2019	576,680	10	6,680 equity shares issued at ₹534.30 each, 60,000 equity shares at ₹ 409.75 each, 60,000 equity shares issued at ₹ 393.70 each, 200,000 equity shares issued at ₹493.60 each, 50,000 equity shares issued at ₹ 10 each and 206,680 equity shares issued at ₹ 534.30 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 39,26,32,35,40 and 41	62,417,914	624,179,140
December 17, 2019	61,000	10	10	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 47 and 54	62,478,914	624,789,140
December 31, 2019	4,000	10	10	Cash	Allotment of equity shares pursuant to ESOP 2005	62,482,914	624,829,140
February 13, 2020	11,645	10	2,935 equity shares issued at ₹ 10 each, 2,260 equity shares issued at ₹ 503.65	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 43, 58, 59 and 60	62,494,559	624,945,590

Date of allotment	Number of Equity Shares	Face value (₹)	Issue price per Equity Share (₹)*	Nature of consideration	Nature of the allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)
			each and 6,450 equity shares issued at ₹ 1,209.60 each				
June 22, 2020	(1,956,290)	10	1,725	Cash	Buy-back	60,538,269	605,382,690
July 19, 2020	37,300	10	15,250 equity shares issued at ₹ 10 each, 8,350 equity shares issued at ₹ 534.30 each, 3,700 equity shares issued at ₹572.90 each, 10,000 equity shares issued at ₹503.65 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 50, 49, 39, 57, 43, 44 and 39	60,575,569	605,755,690
Name of the Company changed from NIIT Technologies Limited to Coforge Limited. Additional options issued under ESOP 2005 amounting to 900,000 options							
December 8, 2020	11,890	10	7,000 equity shares at ₹ 10 each and 4,890 equity shares issued at ₹ 534.30 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 54, 52 and 39	60,587,459	605,874,590
March 22, 2021	4,890	10	534.30	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 39	60,592,349	605,923,490
June 26, 2021	7,000	10	3,000 equity shares issued at ₹ 572.90 each and 4,000 equity shares issued at ₹ 10 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 49 and 52	60,599,349	605,993,490
September 16, 2021	19,249	10	2,333 equity shares issued at ₹ 10 each, 4,000 equity shares issued at ₹ 10 each, 2,300 equity shares issued at ₹ 10 each, 3,000 equity shares issued at ₹ 572.90 each. 7,016 equity shares issued at ₹ 10 each and 600 equity shares issued at ₹ 10 each	Cash	Allotment of equity shares pursuant to ESOP 2005	60,618,598	606,185,980

Date of allotment	Number of Equity Shares	Face value (₹)	Issue price per Equity Share (₹)*	Nature of consideration	Nature of the allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)
October 31, 2021	12,464	10	639 equity shares issued at ₹ 10 each, 970 equity shares issued at ₹ 10 each, 7,855 equity shares issued at ₹ 10 each and 3,000 equity shares issued at ₹572.90 each	Cash	Allotment of equity shares pursuant to ESOP 2005	60,631,062	606,310,620
November 30, 2021	58,770	10	3,000 equity shares issued at ₹ 10 each, 22,181 equity shares issued at ₹ 10 each, 8,859 equity shares issued at ₹ 10 each, 2,491 equity shares issued at ₹ 10 each, 3,182 equity shares issued at ₹ 10 each, 4,347 equity shares issued at ₹ 10 each, 6,730 equity shares issued at ₹ 1048.90 each, 7,980 equity shares issued at ₹ 10 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 54,67,68 and 55	60,689,832	606,898,320
December 16, 2021	176,860	10	40,000 equity shares issued at ₹ 10 each, 97,511 equity shares issued at ₹ 10 each, 25,912 equity shares issued at ₹ 10 each, 8,638 equity shares issued at ₹ 10 each, 1,799 equity shares issued at ₹ 10 each and 3,000 equity shares issued at ₹ 1048.90 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 48,67,69,77,70 and 55	60,866,692	608,666,920

Date of allotment	Number of Equity Shares	Face value (₹)	Issue price per Equity Share (₹)*	Nature of consideration	Nature of the allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)
December 31, 2021	14,230	10	10,500 equity shares issued at ₹ 10 each and 3,730 equity shares issued at ₹ 1048.90 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 67 and 55	60,880,922	608,809,220
January 23, 2022	22,230	10	10,500 equity shares issued at ₹1048.90 each, 6,730 equity shares issued at ₹1048.90 each and 5,000 equity shares issued at ₹706.05 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 55 and 53	60,903,152	609,031,520
March 29, 2022	10,000	10	706.05	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 53	60,913,152	609,131,520
May 20, 2022	8,210	10	3,200 equity shares issued at ₹10 each and 5,010 equity shares issued at ₹1048.90 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 68 and 55	60,921,362	609,213,620
July 19, 2022	18,535	10	10	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 68, MIP2020 and MIP21	60,939,897	609,398,970
September 3, 2022	5,000	10	10	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant MIP2020	60,944,897	609,448,970
September 27, 2022	20,020	10	10,020 equity shares issued at ₹1048.90 each and 10,000 equity shares issued at ₹10 each	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 55 and MIP2021	60,964,917	609,649,170
October 25, 2022	2,116	10	10	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 80 and 67	60,967,033	609,670,330
November 11, 2022	23,617	10	10	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 87, 67, 79, 68 and 67	60,990,650	609,906,500
December 6, 2022	6,064	10	10	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 67, 79, MIP21, 86 and 89	60,996,714	609,967,140
December 10, 2022	66,374	10	10	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 67 and 69	61,073,088	610,630,880

Date of allotment	Number of Equity Shares	Face value (₹)	Issue price per Equity Share (₹)*	Nature of consideration	Nature of the allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)
January 3, 2023	7,658	10	10	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant MIP21, 67, 78 and 79	61,070,746	610,707,460
February 10, 2023	5,500	10	10	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 68 and MIP21	61,076,246	610,762,460
March 19, 2023	10,834	10	10	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant MIP21 and 68	61,087,080	610,870,800
April 11, 2023	8,747	10	10	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant MIP 21, 86, 71 and 80	61,095,827	610,958,270
June 15, 2023	924	10	10	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 80	61,096,751	610,967,510
August 3, 2023	10,512	10	10	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 80, MIP2020, MIP21 and 68	61,107,263	611,072,630
August 31, 2023	14,240	10	10	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 68, 80, MIP2020 and MIP21	61,121,503	611,215,030
September 11, 2023	188,621	10	10	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 75, MIP21 and 76	61,310,124	613,101,240
September 19, 2023	98,184	10	10	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 94 and 75	61,408,308	614,083,080
September 22, 2023	139,879	10	10	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 99, 68, 75 and 76	61,548,187	615,481,870
October 13, 2023	8,732	10	10	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 75, 95, 68, 89 and 95	61,556,919	615,569,190
October 22, 2023	37,545	10	10	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 67, 96, 89 and 84	61,594,464	615,944,640
November 21, 2023	14,711	10	10	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 98 and 67	61,609,175	616,091,750
December 3, 2023	19,179	10	10	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 76, 92, 97 and 98	61,628,354	616,283,540
December 17, 2023	41,083	10	10	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 67, 92, 97, 79, 88 and 75	61,669,437	616,694,370
December 29, 2023	83,005	10	10	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 67, 69 and 97	61,752,442	617,524,420
January 28, 2024	13,173	10	10	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 84, MIP21, 68, MIP2020, 80 and 98	61,765,615	617,656,150

Date of allotment	Number of Equity Shares	Face value (₹)	Issue price per Equity Share (₹)*	Nature of consideration	Nature of the allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)
February 5, 2024	26,509	10	10	Cash	Allotment of equity shares pursuant to ESOP 2005 – Grant 68, 80, 93 and MIP21	61,792,124	617,921,240
February 24, 2024	7,766	10	10	Cash	Allotment of equity shares pursuant to ESOP 2005 Grant 68, 80 and 98	61,799,890	617,998,900
March 12, 2024	16,631	10	10	Cash	Allotment of equity shares pursuant to ESOP 2005 Grant 68, 93, 80 and 86	61,816,521	618,165,210
March 19, 2024	4,471	10	10	Cash	Allotment of equity shares pursuant to ESOP 2005 Grant 102	61,820,992	618,209,920

**Inclusive of face value*

Except as stated in "– *Equity Share capital history of our Company*" above, our Company has not made any allotment of Equity Shares in the one year immediately preceding the date of this Preliminary Placement Document, including for consideration other than cash.

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Proposed Allottees in the Issue

In compliance with the requirements prescribed under the SEBI ICDR Regulations, Allotment shall be made at the sole discretion of our Company in consultation with the BRLMs to Eligible QIBs. For details of the names of the proposed Allottees and the percentage of the post-Issue Equity Share capital that may be held by them, please refer to the section titled "*Details of Proposed Allottees*" on page 274.

Pre-Issue and post-Issue shareholding pattern

The following table provides the pre-Issue shareholding pattern as of March 31, 2024 and the post-Issue shareholding pattern:

Sr. No.	Category	Pre-Issue^		Post-Issue*	
		Number of Equity Shares held	% of shareholding	Number of Equity Shares held	% of shareholding
A.	**Promoter's holding****				
1.	Indian				
	Individual	-	-	[●]	[●]
	Bodies corporate	-	-	[●]	[●]
	Sub-total	-	-	**[●]**	**[●]**
2.	Foreign promoters	-	-	[●]	[●]
	Sub-total (A)	-	-	**[●]**	**[●]**
B	**Non-Promoter holding**				
1.	Institutional investors	55,206,837	89.30	[●]	[●]
2.	Non-Institutional investors	128,047	0.20	[●]	[●]
	Private corporate bodies	925,999	1.50	[●]	[●]
	Directors and relatives	315,327	0.51	[●]	[●]
	Indian public	4,557,182	7.37	[●]	[●]
	Others including Non- resident Indians (NRIs)	687,600	1.12	[●]	[●]
	Sub-total (B)	61,820,992	100.00	**[●]**	**[●]**
	Grand Total (A+B)	**61,820,992**	**100.00**	**[●]**	**[●]**

^*Based on beneficiary position data of our Company as on March 31, 2024.*
**The post-Issue shareholding pattern has been intentionally left blank and will be filled in the Placement Document.*
***Includes shareholding of our Promoter Group as well.*

Employee stock option plan

*Coforge Limited Employee Stock Options Plan 2005 ("**ESOP 2005**")*

Pursuant to the resolution passed by our Board dated January 22, 2024, based on the recommendation of the Nomination and Remuneration Committee of our Company dated December 26, 2023 and by the Shareholders of our Company *vide* a special resolution passed by postal ballot dated March 30, 2024, our Company approved the ESOP 2005 with respect to the ceiling limit on the grant of the number of options, duly increased by up to 1,852,574 employee stock options. Each such option is exercisable for one equity share of face value of ₹10 each. As of the date of this Preliminary Placement Document, 5,568,537 Equity Shares have been issued pursuant to the ESOP 2005. The following table sets forth details in respect of the ESOP 2005, as on date of this Preliminary Placement Document:

Particulars	ESOP 2005
Maximum number of Equity Shares which may be issued under the scheme	8,292,749**
Total number of options granted	8,882,292
Options lapsed or forfeited	2,724,371
Options vested	5,611,431
Options exercised	5,568,537
Option exercisable	42,894
Option vested and outstanding	42,894
Total number of options outstanding	589,384
Available pool balance	2,134,828

***Includes 1,852,574 equity shares that have to be added subject to the approval of the Stock Exchanges*

Other confirmations

(i) Our Equity Shares have been listed for a period of at least one year prior to the date of the issuance of the notice of the extra-ordinary general meeting of our Shareholders, i.e., April 12, 2024, for approving the Issue.

(ii) There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares as on the date of this Preliminary Placement Document.

(iii) Our Company has not allotted securities on preferential basis in the last one year preceding the date of this Preliminary Placement Document.

(iv) There would be no change in control in our Company consequent to the Issue.

Our Company shall not make any subsequent qualified institutions placement until the expiry of two weeks from the date of the Issue. Further, Equity Shares allotted pursuant to this Issue cannot be sold by the Allottees for a period of one year from the date of Allotment, except on the Stock Exchanges.

RELATED PARTY TRANSACTIONS

For details of the related party transactions during (i) Fiscal 2024; (ii) Fiscal 2023; and (iii) Fiscal 2022, as per the requirements under Ind AS 24 'Related party disclosures' notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standard) Rules 2015, as amended and as reported, please refer to the section titled "*Financial Information*" on page 270.

DIVIDENDS

The declaration and payment of final dividends by our Company, if any, will be recommended by our Board and approved by our Shareholders at their discretion, subject to the provisions of the Articles of Association and the applicable laws, including the Companies Act. For further information, please refer to the section titled "*Description of the Equity Shares*" on page 249.

Our Board may also, from time to time, declare interim dividends. Our Board approved and adopted a formal dividend distribution policy in October 15, 2016 which was amended on March 20, 2019, in terms of Regulation 43A of the SEBI Listing Regulations ("**Dividend Distribution Policy**").

In accordance with the Dividend Distribution Policy, the dividend pay-out shall be determined by our Board after taking into account a number of factors, including but not limited to, internal factors and financial parameters such as operating cash flows, capital expenditure, profits earned during the year, dividend payout ratio and dividend yield, external factors such as any significant changes in the macro-economic environment affecting India or geographies in which the Company operates, statutory and regulatory restrictions and other factors that may be considered relevant from time to time.

The following table details the dividend (including interim dividend, if any) declared and paid or payable by our Company on the Equity Shares for Fiscals 2022, 2023, 2024:

Particulars	Fiscal 2022	Fiscal 2023	Fiscal 2024
Face value per share (in ₹)	10	10	10
Aggregate dividend (₹ in million)	3,160	3,906	4,680
Dividend per share (in ₹)	52	64	76(1)
Rate of dividend (%)	520%	640%	760%

(1) The dividend amount mentioned above includes the dividend of ₹ 19 per share declared on May 2, 2024 and is yet to be paid in near future.

Further, for Fiscal 2024, there are certain dividends that have been declared but are yet to be paid out by our Company, details of which are set out below:

Particulars	Fiscal 2024
Face value per share (in ₹)	10
Aggregate dividend (₹ in million)	1,175
Dividend per share (in ₹)	19
Rate of dividend (%)	190%

Investors are cautioned not to rely on past dividends as an indication of the future performance of our Company or for an investment in the Equity Shares offered in the Issue. The amounts paid as dividends in the past are not necessarily indicative of the Dividend Distribution Policy of our Company or dividend amounts, if any, in the future. There is no guarantee that any dividends will be declared or paid in the future or that the amount thereof will not be decreased. The form, frequency and amount of future dividends declared by our Company will depend on a number of internal and external factors, including, but not limited to, the factors set out in the Dividend Distribution Policy and such other factors that the Board may deem relevant in its discretion, subject to the approval of our Shareholders.

The Equity Shares to be issued in connection with this Issue shall qualify for dividend including interim dividend, if any, that is declared and record date thereof occurs after the Allotment. For a summary of some of the restrictions that may inhibit our ability to declare or pay dividends, please refer to the section titled "*Risk Factors – We cannot assure payment of dividends on the Equity Shares in the future*" on page 72.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of our financial condition and results of operations should be read in conjunction with our "Financial Information" on page 270. Unless otherwise indicated or the context otherwise requires, the financial information for Fiscals 2022, 2023 and 2024 included herein is derived from the Audited Consolidated Financial Statements included in this Preliminary Placement Document. For further information, see "Financial Information" on page 270.

This Preliminary Placement Document also contains forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" on page 19 for a discussion of the risks and uncertainties related to such statements and also "Risk Factors" and " – Significant Factors Affecting our Results of Operations and Financial Condition" on pages 40 and 113-118, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

Our fiscal year commences on April 1 and ends on March 31 of the subsequent year, and references to a particular Fiscal are for the 12 months ended March 31 of that year. Unless otherwise stated or the content otherwise requires, references in this section to "our Company" or "the Company" are to Coforge Limited on a standalone basis, while references to "we", "us", or "our" (including in the context of any financial or operational information) are to Coforge Limited on a consolidated basis. Also, see "Definitions and Abbreviations" on page 24 for certain terms used in this section.

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Assessment of IT services and IT enabled services industries in India" dated May 2024 (the "**CRISIL Report**") prepared and issued by CRISIL Market Intelligence & Analytics, a division of CRISIL Limited, which has been exclusively commissioned and paid for by us to enable the investors to understand the industry in which we operate in connection with the Issue. The data included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation.*

Unless otherwise indicated, financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year. For further information, see "Industry Overview" on page 145. For further information, see "Risk Factors – Industry information included in this Preliminary Placement Document has been derived from an industry report prepared by CRISIL exclusively commissioned and paid for by us for such purpose." on page 65. Also see "Industry and Market Data" on page 17.

OVERVIEW

We are a global enterprise IT solutions and services company offering clients comprehensive capabilities in product engineering services, intelligent automation services, data and integration services, cloud and infrastructure management services, software engineering services and business process management ("**BPM**") services. Leveraging our global footprint and network of 24,726 IT professionals as of March 31, 2024, we serve clients across three primary verticals – insurance; banking and financial services ("**BFS**"); and travel, transportation and hospitality ("**TTH**"). Having established an entrenched presence in our core verticals, we have increasingly also focused on the retail, healthcare, hi-tech, manufacturing and government (outside India) verticals, which we classify as 'others' for operational convenience. We offer solutions and services that enable our clients to undertake digital transformation, develop better products, establish new markets and improve efficiency and quality, thereby creating real-world business impact.

We are aided in our growth by our continued focus on diversifying our revenues across industries, service offerings and geography. While our primary geographic markets are the Americas and EMEA, our global delivery platform has a presence across 21 countries, with 23 delivery centers in 11 countries supported by sales offices in 35 cities worldwide, as of March 31, 2024. We also have three branches in the United States, Switzerland and Belgium. We are able to service our client base of over 250 clients as of March 31, 2024, through our breadth of services, knowledge of the industries we serve, client-centric approach and our committed employee pool, who engineer, design, consult, operate and modernize clients across the world. We leverage the collective experience of 24,726 employees with whom we are associated, as of March 31, 2024.

Our products and solutions across verticals are powered by a strong partnership with prominent software providers. Our teams collaborate with such providers to design and implement digital IT solutions, with the goal of assisting clients achieve digital transformation and efficiency. Consequently, we have developed proven capabilities in product engineering, digital solutions, data analytics, artificial intelligence/machine learning ("**AI/ML**"), cloud business process re-engineering, digital process automation and low code/ no code platforms.

Led by a dynamic and professional leadership team with extensive experience in the IT services industry, in-depth understanding of managing complex projects and a proven performance track record, we have been able to achieve strong financial and operational performance. We believe that we have established operational drivers that have helped deliver us growth in terms of revenue and profitability. The following table sets forth certain financial information for the years indicated:

Particulars	**As at/ For the year ended March 31,**		
	2022	**2023**	**2024**
Revenue from Operations (₹ million)	64,320	80,146	91,790
Total Income (₹ million)	64,838	80,765	92,404
Profit before tax (₹ million)	8,615	9,512	10,449
Total equity[(1)] (₹ million)	28,314	31,699	37,269
Earnings before interest, taxes, depreciation and amortisation expenses (EBITDA) (₹ million)[(2)]	11,154	13,250	14,791
EBITDA Margin (%)[(3)]	17.34%	16.53%	16.11%
Profit for the year (₹ million)	7,147	7,451	8,356
PAT Margin (%)[(4)]	11.11%	9.30%	9.10%
Return on Equity (%)[(5)]	26.98%	24.83%	24.23%

(1) *Total equity is aggregate of equity share capital, other equity and Non-controlling interest ("NCI").*

(2) *Earnings before interest, taxes, depreciation and amortisation expenses (EBITDA) is calculated by adding profit for the year, other income (net), depreciation and amortisation, total tax expense and exceptional items.*

(3) *EBITDA Margin is calculated as EBITDA, divided by revenue from operations.*

(4) *PAT Margin is calculated as profit for the year divided by revenue from operations.*

(5) *Return on Equity is calculated as profit for the year divided by average total equity. Total equity is calculated by adding equity share capital, other equity and non-controlling interests ("NCI"). Average total equity is calculated by adding the opening total equity and closing total equity and dividing by 2.*

For a reconciliation of EBITDA, EBITDA Margin, PAT Margin and Return on Equity, see "Management's Discussion and Analysis of Financial Condition and Results of Operations – Non-GAAP Measures- Reconciliation of Non-GAAP Measures" on pages 118-119.

PRESENTATION OF FINANCIAL INFORMATION

As required under applicable regulations, and for the convenience of prospective investors, we have included the following in this Preliminary Placement Document:

(i) audited consolidated financial statements of our Company as at and for Fiscals 2024, 2023 and 2022, prepared in accordance with the Indian Accounting Standards ("**Ind AS**") notified under Section 133 of the Companies Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and other relevant provisions of the Companies Act; and

(ii) audited consolidated financial statements of Cigniti Technologies Limited as at and for Fiscal 2024, prepared in accordance with Ind AS notified under Section 133 of the Companies Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and other relevant provisions of the Companies Act; and

Unaudited Pro Forma Condensed Combined Financial Statements

We have also included the unaudited pro forma condensed combined financial statements, comprising the unaudited pro forma condensed consolidated balance sheet as of March 31, 2024, and the unaudited pro forma condensed consolidated statement of income for the year ended March 31, 2024, and the notes thereto.

Our Company has entered into SPA 1 to acquire 8,945,295 equity shares, constituting 32.47% of the paid-up share capital of Cigniti on a fully diluted basis; and SPA 2 to acquire 4,884,796 equity shares constituting 17.73% of the paid up share capital of Cigniti on a fully diluted basis. Our Company has agreed to acquire the Cigniti Equity Shares at ₹ 1,415 per Cigniti Equity Share pursuant to the SPAs ("**Proposed Acquisition**"). The completion of the Proposed Acquisition is subject to the satisfaction of certain conditions precedent, including the receipt of prior written approvals from/ under: (i) the Competition Commission of India, and (ii) the Hart-Scott-Rodino Antitrust Improvements Act of 1976 ("**Mandatory Statutory Approvals**").

In terms of SPA 1, Cigniti and our Company shall convene a meeting of their respective of board of directors to approve a scheme of arrangement, to be entered into *inter-alia* between our Company and Cigniti in accordance with applicable law and relating to the merger of Cigniti into our Company (the "**Merger**"), within specified timelines. Our Company, the Cigniti Promoter Group Shareholders and Cigniti agree to undertake commercially reasonable efforts to undertake such actions as may be required for the consummation of the Merger.

Upon (a) the receipt of the Mandatory Statutory Approvals and the completion of the conditions precedent under the SPAs, (b) the completion of 21 workings days, as defined in the SPA 1, from the detailed public statement dated May 8, 2024 published on May 9, 2024 in terms of Regulations 3(1) and 4 read with Regulations 13(4), 14(3), 15(2) and other applicable regulations of the Takeover Regulations to the public shareholders of Cigniti, and (c) subject to the completion of this Issue, our Company will complete the acquisition of 10.00% of the paid up share capital of Cigniti on a fully diluted basis from the Cigniti Promoter Group Shareholders simultaneously with purchase of the Identified Public Shareholder Shares. In accordance with the Takeover Regulations, pursuant to the execution of the SPAs, for the acquisition of equity shares in excess of 25.00% of the issued and paid-up capital of Cigniti, our Company is required to make an open offer to the public shareholders of Cigniti for acquisition of up to 26% of the equity share capital of Cigniti ("**Open Offer**"). Upon completion of the Open Offer, if the shareholding of our Company in Cigniti does not reach 54.00% of the paid-up share capital of Cigniti on a fully diluted basis our Company will acquire a further number of Cigniti Equity Shares from the Cigniti Promoter Group Shareholders , such that the shareholding of our Company does not exceed 54.00% of the paid-up share capital of Cigniti on a fully diluted basis.

For further information, see "*Our Business – Recent Developments – Acquisition of Cigniti"* on pages 183-186.

We have prepared and presented the Unaudited Pro Forma Condensed Combined Financial Statements to illustrate the proforma impact of the Proposed Acquisition on our results of operations for the year ended March 31, 2024 that would have resulted had the Proposed Acquisition been completed at April 1, 2023 and the financial position as at March 31, 2024 had the Proposed Acquisition been completed as at March 31, 2024, but the Unaudited Pro Forma Condensed Combined Financial Statements are not intended to be indicative of our expected results or operations in the future periods or our future financial position. The Unaudited Pro Forma Condensed Combined Financial Statements for the year ended March 31, 2024 combine the historical audited consolidated statement of profit and loss of our Company for the year ended March 31, 2024 and historical audited statement of profit and loss of Cigniti for the year ended March 31, 2024 to give effect to the transactions on our financial statements as if the Proposed Acquisition occurred on April 1, 2023. If the various assumptions underlying the preparation of the Unaudited Pro Forma Condensed Combined Financial Statements do not come to pass, our actual results could be materially different from those indicated in the Unaudited Pro Forma Condensed Combined Financial Statements. The Unaudited Pro Forma Condensed Combined Financial Statements is based on: (i) the consolidated balance sheet and consolidated statement of profit and loss of our Company as at and for the year ended March 31, 2024; and (ii) the consolidated balance sheet and consolidated statement of profit and loss of Cigniti as at and for the year ended March 31, 2024.

The assumptions and estimates underlying the unaudited adjustments to the Unaudited Pro Forma Condensed Combined Financial Statements are described in the accompanying notes, which should be read together with the Unaudited Pro Forma Condensed Combined Financial Statements. The Unaudited Pro Forma Condensed Combined Financial Statements should be read together with the historical audited consolidated financial statements of our Company and Cigniti included in this Preliminary Placement Document.

The proforma impact of the Proposed Acquisition is reflected in the Unaudited Pro Forma Condensed Combined Financial Statements for Fiscal 2024, and reflects proforma adjustments to make (i) reclassification adjustments to make the accounting policies of financial information of Cigniti consistent with that of our Company, and (ii) other directly attributable adjustments relating to the Proposed Acquisition.

The Unaudited Pro Forma Condensed Combined Financial Statements have been prepared by the management of our Company specifically for inclusion in this Preliminary Placement Document to be filed by our Company with the Stock Exchanges and SEBI in connection with the Issue. The inclusion of Cigniti as part of the Unaudited Pro Forma Condensed Combined Financial Statements has been voluntarily done by us considering that the Proposed Acquisition is significant for the purpose of the business of our Company.

The proforma adjustments are based upon available information, certain assumptions and estimates that our management believes to be reasonable. The Unaudited Pro Forma Condensed Combined Financial Statements has not been prepared in accordance with generally accepted accounting principles including accounting standards and accordingly should not be relied upon as if it had been prepared in accordance with those principles and standards. Accordingly, the degree of reliance placed by anyone on the Unaudited Pro Forma Condensed Combined Financial Statements should be limited.

Further, the Unaudited Pro Forma Condensed Combined Financial Statements have not been prepared in accordance with accounting or other standards and practices generally accepted in jurisdictions other than India, such as Regulation S-X under the U.S. Securities Act, and accordingly should not be relied upon as if they had been prepared in accordance with those standards and practices of any other jurisdiction. Accordingly, the degree of reliance placed by anyone in other jurisdictions on such Unaudited Pro Forma Condensed Combined Financial Statements should be limited. In addition, the rules and regulations related to the preparation of proforma financial information in other jurisdictions may also vary significantly from the basis of preparation as set out in the Unaudited Pro Forma Condensed Combined Financial Statements included in this Preliminary Placement Document.

Because of their nature, the Unaudited Pro Forma Condensed Combined Financial Statements addresses a hypothetical situation and therefore, do not represent our factual financial position or results. Accordingly, the Unaudited Pro Forma Condensed Combined Financial Statements do not necessarily reflect our financial condition or results of operations would have been had the Proposed Acquisition occurred on the dates indicated and is also not intended to be indicative of our expected financial position or results of operations in future periods. The actual statements of assets and liabilities and statement of profit and loss may differ significantly from the proforma amounts reflected herein due to a variety of factors. Our historical operational and financial information prior to the Proposed Acquisition and / or the Merger is not comparable to that subsequent to such acquisition/ merger, and the degree of reliance placed by investors on our Unaudited Pro Forma Condensed Combined Financial Statements should be limited. Also see "*Risk Factors –The Unaudited Pro Forma Condensed Combined Financial Statements included in this Preliminary Placement Document are not indicative of our future financial condition, cash flows or results of operations*." on pages 53-54.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Demand for our services

The need to adapt to ongoing technical innovation, the proliferation of digital services and our customers' greater adoption of IT outsourcing policies has driven the growing demand for our services. Demand for our services depends on the willingness of corporate enterprises to increase their engagements of technology service providers like us.

The constantly evolving global IT sector plays a crucial role in our interconnected world, encompassing a diverse array of technologies and services, such as software development and services, cybersecurity, and cloud computing, and between 2019 and 2022, the IT industry has grown at a CAGR of 4.8%. (*Source: CRISIL Report*) The increased demand for technology services in these industries provides us the opportunity to further penetrate our existing clients and add new clients to increase our revenues.

Expansion of customer base and new sales to existing customers

The growth of our business depends on our ability to create and maintain customer relationships. We invest in both attracting new customers as well as maintaining our customer relationships. As our customer relationships develop, customers typically increase the scope of services, resulting in an increase in spending. Accordingly, each new customer provides both an immediate increase in revenue and also forms the foundation for future growth.

We are focused on deepening and broadening strategic engagements with our existing clients thereby constantly growing our share of wallet and further strengthening our long-term relationships with our existing customer portfolio. This should also enable us to fulfill our goal of maintaining long-term profitable growth.

We have been able to create a balanced and well diversified portfolio of clients. None of our clients contributed more than 10% of our revenues in Fiscal 2022, 2023 and 2024. Our top five clients contributed only 22.90%, 23.20% and 23.47% of our revenue in Fiscal 2022, 2023 and 2024, respectively. Our top ten clients contributed only 34.00%, 35.50% and 34.49% of our revenue in Fiscal 2022, 2023 and 2024, respectively. We have had long-term relationships with a number of our clients, with tenures of over five years, and in some cases, over 20 years.

The following table sets forth the revenue contribution from our top clients for the years indicated:

Particulars	Fiscal					
	2022		2023		2024	
	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)
Top five clients	14,729	22.90%	18,594	23.20%	21,541	23.47%
Top 10 clients	21,869	34.00%	28,452	35.50%	31,659	34.49%

Our ability to expand our relationships with existing clients is driven by several factors such as our success in offering new capabilities and solutions to our clients, providing high quality services to our clients' satisfaction; our clients' strategic initiatives to embrace outsourcing and digital services; our clients' challenges in accessing technical talents, pricing, competition and overall economic conditions.

Our ability to efficiently manage, forecast demand for, and utilize, talent

Our ability to recruit, retain and manage our IT professionals has an effect on our gross profit margin and our results of operations. Our IT professional headcount was 21,294, 21,815 and 23,243 as of March 31, 2022, 2023 and 2024, respectively. Our margins depend in part on our ability to forecast demand for, and maintain favorable utilization rates among, our personnel. Our utilization rates among our personnel were 76.10%, 81.50% and 81.70% in Fiscal 2022, 2023 and 2024, respectively. We define employee utilization for IT services as the proportion of total billed person months to total available person months, excluding sales, administrative and support personnel. We manage utilization by monitoring project requirements and timetables. The number of technology professionals that we assign to a project will vary according to the size, complexity, duration, and demands of the project. Our ability to forecast demand for, and effectively utilize, our personnel is typically improved by longer-term strategic client relationships where we are provided with advance information on resource demand forecasts. However, we also need to keep an optimal bench of employees to support growth and allow for attrition. The majority of our engineers have transferable skills, which can be used across clients and verticals, allowing us to efficiently utilize and meet resource demands. We manage employee headcount and utilization based on ongoing assessments of our business pipeline and requirements for personnel with appropriate skills and seniority.

Talent acquisition is also an important part of our business. We focus on hiring highly educated talent with strong technical skills, many of whom have domain expertise, to drive quality delivery and innovative services. We have invested in programs that helps us meet our need for a broad, diverse and integrated employee skill set. Moreover, we believe that we are able to retain our employees by providing opportunities for skill development. We also recruit graduates from on-campus recruitment and train them to improve our workforce experience pyramid. Accordingly, we provide numerous opportunities for continued and self-directed training by employees. We also seek to retain top talent by managing career aspirations through opportunities for mobility across skillsets, geographies and functions. Our ability to train our people on the right technology is very important in managing their deployment into projects and also motivate them to stay engaged. All the above aspects of people and its correct management is critical to the continued success of our Company. In addition, as we continue to invest in the recruitment and retention of sales staff in line with our growth strategies, we are likely to incur costs in relation to our market penetration, sales and marketing initiatives, and for the recruitment of sales employees located in India and overseas.

Our ability to identify, integrate and effectively manage the businesses we acquire

We have made, and intend to continue to make, strategic investments and acquisitions to expand our client base, add complementary products, services and capabilities and further our geographic penetration. We have successfully acquired and integrated multiple businesses, including Coforge Business Process Solutions Private Limited (erstwhile SLK Global), Coforge BPM (erstwhile RuleTek Inc.) and Coforge SF Private Limited (erstwhile WHISHWORKS), which have enhanced our capabilities in various services and solutions across verticals, and added new or improved service offerings related to intelligent automation, digital integration and BPM. These acquisitions not only enhanced our offerings and improved our competitiveness but also expanded our client base and presence across geographies. In relation to the Proposed Acquisition, we have entered into the SPAs, pursuant to which we propose to subscribe to equity shares comprising an aggregate of 54.00% of the paid up share capital of Cigniti on a fully diluted basis. While we have announced the Proposed Acquisition and have entered into the SPAs, the consummation of the Proposed Acquisition remains subject to completion of customary conditions and receipt of regulatory approvals, including approval from the Competition Commission of India and filings under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as well as completion of an open offer to the public shareholders of Cigniti, as well as other terms set out in the SPA.

We propose to fund the Proposed Acquisition through a combination of the proceeds of this Issue, debt funding and internal accruals. For further information in relation to the SPAs and the manner of utilization of the Net Proceeds towards the Proposed Acquisition, see "*Use of Proceeds - Proposed acquisition of the equity shares of Cigniti*" on pages 81-82. Also see "*Risk Factors - Risks Relating to the Acquisition of Cigniti*" on pages 41-44. Further, the goodwill and other acquisition related adjustments computed in case of Cigniti acquisition is based on purchase price allocation (“**PPA**”) available with us as at March 31, 2024 assessed on a provisional basis. The final PPA will be determined when we have completed detailed valuations and necessary calculations.

The final allocation could differ from the provisional allocation used in proforma adjustments. The final allocation may include (i) changes in fair values of property, plant and equipment, (ii) changes in allocations to specified intangible assets as well as goodwill, and (iii) other changes to assets and liabilities. We have built a robust process to identify, rigorously select, prudently purchase and rapidly integrate strategic tuck-in acquisitions that help us expand and grow our business. We also have a strong track record of retaining senior management during the integration of our acquisitions.

We believe that our track record of successful acquisitions shows that our acquisition strategy is repeatable and a value-added growth driver for our business. At the same time, costs associated with our acquisitions could affect our margins in the short term. Our margins can also be affected by the acquisition of entities with higher or lower overall margins than us. As a result, our strategic investments and acquisitions may affect our future financial results. The Proposed Acquisition is likely to impact our results of operations, and we may need to incur additional debt funding and expenses in order to consummate the Proposed Acquisition. For further information, see "*Risk Factors - We may fail to identify or successfully acquire target businesses and our acquisitions could prove difficult to integrate, disrupt our business, dilute shareholder value and strain our resources*" on page 48.

Our ability to optimize our investments in our delivery platform, systems and processes

Our local-global delivery model combines a responsive local presence within or near our clients with the efficiencies, reach and flexibility of our global delivery centers for scale. We sourced 56.00%, 50.10% and 48.28% of our revenue from onshore delivery, where our delivery personnel are within the geography of the client, in Fiscal 2022, 2023 and 2024, respectively, compared to 44.00%, 49.90% and 51.72% of our revenues from offshore delivery (including nearshore) (where our delivery personnel are outside of the geography of the client), respectively. We had 4,100, 4,195 and 4,505 onshore employees delivering services in Fiscal 2022, 2023 and 2024, respectively, compared to 18,400, 19,029 and 20,221 offshore employees delivering services in the same periods. We had 23 delivery centers in 11 countries supported by sales offices in 35 cities worldwide, as of March 31, 2024. We continue to invest in new offices, engineering and other software, our solutions team and our quality review team, technology demonstration projects and client workshops, and dedicated support at various engagement levels.

We believe these investments will deliver returns over time as we continue to scale our business. Our local-global delivery model is supported by robust IT tools and other internal systems and processes that enable us to provide our services efficiently and effectively. While we believe we have sufficient delivery center capacity to address our near-term needs and opportunities, we expect to continue to expand capacity to meet the long-term growth in demand. In addition, we plan to maintain and strengthen our internal IT systems, tools and processes to support our growth. We believe our ability to effectively manage our investments in our delivery platform, systems and processes will significantly impact our ability to grow revenues and manage margins.

Pricing of and margin on our services

Our services are generally billed under time-and-material, fixed-price, fixed-capacity/fixed-monthly or per-transaction arrangements. The fees we charge depend on the type of project and the services provided to a client, the mix and locations of personnel involved and, in the case of certain software licenses or platforms, the level of usage by our clients. Our revenue by contract type is relatively balanced between time-and-material projects and fixed-price projects.

Set forth below are details regarding our fixed-price projects and time-and-material contracts in the corresponding years:

Particulars	**Fiscal**					
	2022		**2023**		**2024**	
	Amount (₹ million)	**Percentage of Revenue from Operations (%)**	**Amount (₹ million)**	**Percentage of Revenue from Operations (%)**	**Amount (₹ million)**	**Percentage of Revenue from Operations (%)**
Fixed-price projects	36,161	54.00%	41,676	48.00%	45,490	50.44%
Time-and-material contracts	28,159	46.00%	38,470	52.00%	46,300	49.56%

For time-and-material contracts, the hourly or monthly rates we charge our clients for services provided by our engineering personnel are a key factor impacting margins. Hourly or monthly rates for projects vary by complexity and delivery structure. By contrast, fixed-price contracts often give us more flexibility in allocating our internal resources and we are better able to control our costs or manage our productivity compared to time-and-material contracts. However, we bear the risk of unexpected cost overruns under fixed-price contracts, which can negatively affect our margins and our results of operations. After a project has been completed, such as upon delivery of a software system that we have developed for a customer, we may also receive recurring revenues associated with ongoing maintenance fees or warranty fees, typically billed on a recurring, periodic basis. We also charge periodic license or usage fees for certain other software products or platforms that we have developed.

As our client relationships deepen and mature, we also seek to maximize our revenues and profitability by expanding the scope of services offered to our existing clients and winning high value engagements that are strategically important or provide higher fee potential. As we scale our client relationships, we may from time to time offer volume discounts to a client; such volume discounts may impact margins but are given in the context of an overall objective of growing our revenues from the client. The margin on our services is impacted by the changes in our costs in providing those services, which is influenced by wage inflation among other factors. Wage inflation has historically been high in countries such as India, where we maintain a significant number of personnel. Wages have been significant drivers for increased operating expenses in the past. As of March 31, 2022, 2023 and 2024, we employed 22,500, 23,224 and 24,726 employees, out of which 4,100, 4,195 and 4,505 employees were based in India. We have historically managed to mitigate the impact of wage inflation on our margins through our efficient delivery systems and processes by effectively managing the mix of personnel, optimum utilization, robust hiring, training and employee development programs, as well as foreign exchange benefits and increases in billing rates linked to personnel with greater experience and expertise.

Our ability to develop new products and enhance existing products in accordance with evolving customer needs

The requirements of our customers vary across a range of industries, geographies and service or technical requirements. To service and grow our relationships with our existing customers and to win new customers, we must be able to provide them with products that address their requirements, to anticipate and understand trends in their relevant markets and to continually address their requirements as those requirements change and evolve. In this regard, we believe that our strong culture of innovation, our workforce and our research and testing facilities have enabled us to expand the range of our offerings to customers and improve the delivery of our software platform and services.

If we are able to anticipate and respond to our customers' requirements on a timely and cost-efficient basis, we would expect to receive repeat business from existing customers. Further, leveraging on our present portfolio of customers and expertise in the verticals of our existing customers we aim to develop new customer relationships by identifying potential customers that operate within the same verticals as our existing customers. In addition, if we are able to generate healthy demand for our products and services, we may be able to increase our price, which would consequently lead to an increase in our revenues and profit margins. Conversely, if we are unable to provide innovative services to our customers, either at all or at an acceptable price, or if our customers are dissatisfied with our work for any other reason, it would have an adverse effect on our revenues and our profits.

We believe our broad technical and creative skills, digital and software engineering capabilities and work in next-generation technologies allow us to grow our business, including by attracting and scaling clients, and maintain favorable margins through cost-effective solutions. In addition to our core expertise, we have also developed next-generation digital expertise across pervasive technologies, helping our clients remain at the forefront of digital innovation. Our ability to converge capabilities across platforms such as engineering, data and integration, and automation creates quantifiable business value for our clients. We leverage deep industry knowledge to reimagine and automate business processes, modernize, and integrate cloud native applications, drive operational insights and intelligence from data to help our clients grow and compete effectively in the new world. Our core platforms use some of the most innovative technologies, which offer us options for extending and integrating the core with new business models. Our core modernization, extension and innovation frameworks enable our clients to differentiate and deliver services to their customers. We have also invested in technology development projects to enhance our technological operating platforms, such as AdvantageGo, which provides a strong basis for recurring revenue. We also use technology to enhance our capabilities in various skills, and we dedicate a significant amount of resources to the educational development of our personnel.

Foreign exchange fluctuations

Our reporting and functional currency is the Indian Rupee. However, we conduct business in multiple countries and currencies, such as the US Dollar, Euro and United Kingdom Pound Sterling and exchange rate fluctuations, especially between the Indian Rupee and the US Dollar, impact our results of operations. In Fiscal 2024, approximately 52.80% of our revenues were denominated in US Dollars, approximately 25.40% in United Kingdom Pound Sterling and approximately 21.80% of our revenues were denominated in other currencies, primarily the Indian Rupee, Euro and Australian Dollars. We are exposed to fluctuations in foreign exchange rates primarily on (i) fluctuations between the Indian Rupee, on the one hand, and the other currencies in which we earn revenue or hold assets, on the other hand, since our reporting currency is the Indian Rupee and we translate revenues earned or assets denominated in such currencies to the Indian Rupee when preparing our consolidated financial results and (ii) expenditures in other relevant currencies. Currency fluctuations, especially the depreciation of the Indian Rupee relative to the US Dollar, the Euro, and United Kingdom Pound Sterling, could positively impact our results of operations, while an appreciation of the Indian Rupee relative to the US Dollars could negatively impact our results of operations. We are also exposed to foreign exchange rate fluctuations on assets denominated in other foreign currencies. We utilize forward foreign exchange derivative contracts to hedge the risk of foreign exchange volatility on part of our future revenues. For further information regarding the impact of foreign exchange rate fluctuations on our results of operations and our use of foreign exchange derivative contracts, see "*Risk Factors — Risks Related to Our Business — Foreign exchange-related risk could adversely affect our business, financial condition, cash flows and results of operations*" on pages 51-52.

Income tax expense

Our profit after tax is significantly impacted by the tax regimes applicable to us and our effective tax rate may fluctuate significantly as a result of differences between domestic and foreign jurisdiction tax rates, tax credits and non-taxable items, non-deductible share-based compensation expenses and other non-deductible expenses, as well as the impact of tax concessions and benefits in certain jurisdictions. For example, our Indian operations are eligible to claim income tax exemption with respect to profits earned from export revenue by various units located in the Special Economic Zones (each such unit, a "**SEZ unit**"). Under the SEZ Act, SEZ units which begin providing services on or after April 1, 2005 are eligible for an income tax deduction of 100% of profits or gains derived from the export of services for the first five years from the financial year in which the unit has commenced the provision of services and 50% of such profits or gains for the five years thereafter. An income tax deduction of up to 50% of such profits or gains is also available for another five years subject to the creation of a Special Economic Zone Re-Investment Reserve out of the profits of the eligible SEZ units and the utilization of such reserve by us to acquire new plant and machinery for the purpose of our business as per the provisions of the Income Tax Act, 1961. Under the SEZ Act, the tax benefits of SEZ units will expire in stages from April 1, 2012 to March 31, 2029. In Fiscal 2024, we had two SEZ units operating under tax exemption, one at 100% and the other at 50% rates, respectively, in the Greater Noida region. Moreover, we are also classified as a SEZ Developer, which has allowed us to claim the 100% tax deduction from 2013 through 2022.

As a resident company in India, we are required to pay taxes to the Government of India on global income in accordance with the provisions of Section 5 of the Indian Income Tax Act, 1961, which is reflected on our financial statements as domestic taxes. The taxes paid in countries where business is conducted through overseas branches are claimed as a credit against the tax liability in India, subject to double tax avoidance treaty being signed with the respective countries. Our net profit earned from providing software development and other services outside India is subject to tax in the country where we perform the work.

As a result of the tax benefits described above, our total income derived from business operations are subject to corporate tax in India at a lower rate as compared to the statutory tax rate of 34.94%. Currently, minimum tax rate statute is applicable to our operations in India and we are paying taxes in India at a rate of 17.47% in each of Fiscals 2022, 2023 and 2024. As such, we have accumulated credit of taxes available to be utilized in future periods to offset the normal taxes. In addition, the aforementioned taxed incentives result in a portion of our pre-tax income not being subject to income tax in Fiscals 2022, 2023 and 2024. The following table sets forth our consolidated total tax expense and effective tax rate in Fiscals 2022, 2023 and 2024:

Particulars	Fiscal 2022	Fiscal 2023	Fiscal 2024
Total tax expense (₹ million) (A)	1,468	2,061	2,093
Profit before tax (₹ million) (B)	8,615	9,512	10,449
Effective tax rate (%) (C=A/B)	17.04%	21.67%	20.03%

NON-GAAP MEASURES

Certain metrics such as EBITDA, EBITDA Margin, PAT Margin and Return on Equity ("**Non-GAAP Measures**"), presented in this Preliminary Placement Document are a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. Such Non-GAAP Measures are a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. In addition, these Non-GAAP Measures and other statistical information relating to our operations and financial performance are not standardised terms, hence a direct comparison of these Non-GAAP measures between companies may not be possible. Other companies may calculate Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Although such Non-GAAP measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us as they are widely used measures to evaluate a company's operating performance. For further information, see "*Risk Factors – This Preliminary Placement Document includes certain non-GAAP financial measures and certain other selected statistical information related to our operations and financial performance. These non-GAAP measures and statistical information may vary from any standard methodology that is applicable across the IT services industry, and therefore may not be comparable with financial or statistical information of similar nomenclature computed and presented by other broking companies*" on pages 66-67.

Reconciliation of Non-GAAP Measures

Reconciliation for certain non-GAAP measures included in this Preliminary Placement Document are given below:

Reconciliation from Profit for the year to EBITDA and EBITDA Margin

The table below reconciles profit for the year to EBITDA and EBITDA Margin. EBITDA is calculated by adding profit for the year, other income (net), depreciation and amortisation, total tax expense and exceptional items, while EBITDA Margin is the percentage of EBITDA divided by revenue from operations.

Particulars	**Fiscal**		
	2022	**2023**	**2024**
	(₹ million, unless otherwise stated)		
Profit for the year (I)	**7,147**	**7,451**	**8,356**
Finance Costs (II)	650	806	1,256
Interest Income on Deposits (III)	(383)	(176)	(100)
Add: Other income (net) (IV=II+III)	267	630	1,156
Add: Exceptional Items (V)	-	523	-
Add: Depreciation and amortisation (VI)	2,272	2,585	3,186
Add: Total tax expense (VII)	1,468	2,061	2,093
Earnings before interest, taxes, depreciation and amortisation expenses (EBITDA) (VIII = I+IV+V+VI+VII)	**11,154**	**13,250**	**14,791**
Revenue from Operations (IX)	64,320	80,146	91,790
EBITDA Margin% (X) = (VIII/IX)	**17.34%**	**16.53%**	**16.11%**

Reconciliation from Profit for the year to PAT Margin

The table below reconciles profit for the year to PAT Margin. PAT Margin is the percentage of profit for the year divided by revenue from operations.

Particulars	**Fiscal**		
	2022	**2023**	**2024**
	(₹ million, unless otherwise stated)		
Profit for the year (I)	7,147	7,451	8,356
Revenue from operations (II)	64,320	80,146	91,790
PAT Margin% (III) = (I/II)	**11.11%**	**9.30%**	**9.10%**

Reconciliation from Profit for the year to Return on Equity

Particulars	**As at/ For the year ended March 31,**		
	2022	**2023**	**2024**
	(₹ million, unless otherwise stated)		
Profit for the year (I)	7,147	7,451	8,356
Opening total equity (II)	24,661	28,314	31,699
Closing total equity (III)	28,314	31,699	37,269
Average total equity (IV)=(II+III)/2	26,488	30,007	34,484
Return on Equity % (V)=(I/IV)	**26.98%**	**24.83%**	**24.23%**

BASIS OF PREPARATION

The consolidated financial statements of Coforge Limited and its subsidiaries (collectively, the "**Group**") have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the consolidated financial statements.

MATERIAL ACCOUNTING POLICIES

Revenue from operations

The Group derives revenues primarily from business information technology services comprising of software development and related services, consulting and package implementation and from the licensing of software products offerings (together, the "software related services”). The Group’s arrangements with customers for software related services are time-and-material, fixed-price, fixed capacity / fixed monthly, transaction based or multiple element contracts involving supply of hardware or software with other services. The Group classifies revenue from sale of its own licenses and revenue from contracts where sale of hardware is a distinct performance obligation as sale of products and the remaining software related services as sale of services.

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services. The Group presents revenues net of indirect taxes in its statement of profit and loss.

In case of arrangement involving resale of third-party products or services, the Group evaluates whether the Group is the principal (i.e. report revenues on a gross basis) or agent (i.e. report revenues on a net basis). In doing so, the Group first evaluates whether the Group controls the good or service before it is transferred to the customer. If Group controls the good or service before it is transferred to the customer, the Group is the principal; if not, the Group is the agent.

In case of multiple element contracts, at contract inception, the Group assesses its promise to transfer products or services to a customer to identify separate performance obligations. The Group applies judgement to determine whether each product or service promised to a customer is capable of being distinct, and are distinct in the context of the contract, if not, the promised products or services are combined and accounted as a single performance obligation. The Group allocates the arrangement consideration to separately identifiable performance obligation based on their relative stand-alone selling price or residual method. Standalone selling prices are determined based on sale prices for the components when it is regularly sold separately, in cases where the Group is unable to determine the stand-alone selling price the Group uses third-party prices for similar deliverables or the Group uses expected cost-plus margin approach in estimating the stand-alone selling price.

Method of revenue recognition

Revenue on time-and material contracts are recognized over time as the related services are performed.

Revenue from fixed-price, fixed-capacity and fixed monthly contracts, where the performance obligations are satisfied over time, is recognized as per the percentage-of completion method. The performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses.

Percentage of completion is determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. The cost expended (or input) method has been used to measure progress towards completion as there is a direct relationship between input and productivity. If the Group is not able to reasonably measure the progress of completion, revenue is recognized only to the extent of costs incurred, for which recoverability is probable. When total cost estimates exceed revenues in an arrangement, the estimated losses are recognized in the consolidated statement of income in the period in which such losses become probable based on the current contract estimates as an onerous contract provision.

Revenue from transaction based contracts is recognised at the amount determined by multiplying transaction rate to actual transactions taking place during a period.

Revenue from licenses where the customer obtains a “right to use” the licenses is recognized at the time the license is made available to the customer. Revenue from licenses where the customer obtains a “right to access” is recognized over the access period.

Contract balances

Revenues in excess of invoicing are treated as contract assets while invoicing in excess of revenues are treated as contract liabilities. The Group classifies amounts due from customer as receivable or contract assets 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 contract assets.

Contract costs

Incremental costs of obtaining a contract and costs incurred in fulfilling a contract with customer are recognised as contract costs assets and amortized over the term of the contract on a systematic basis.

Others

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch-up basis. Services that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

The Group accounts for variable considerations like, volume discounts, rebates and pricing incentives to customers and penalties as reduction of revenue on a systematic and rational basis over the period of the contract. The Group estimates an amount of such variable consideration using expected value method or the single most likely amount in a range of possible consideration depending on which method better predicts the amount of consideration to which the Group may be entitled and when it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is resolved.

The Group assesses the timing of the transfer of goods or services to the customer as compared to the timing of payments to determine whether a significant financing component exists. As practical expedient, the group does not adjust the consideration for the effects of a significant financing component if the period between the transfer of the promised good or service and the payment is one year or less. If the difference in timing arises for reasons other than the provision of finance to either the customer or us, no financing component is deemed to exist.

Income Taxes

Tax expense comprises current tax expense and deferred tax.

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 and to unused tax losses.

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 subsidiaries (including 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 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 consolidated financial. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also 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.

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 entity 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.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries and branches where the group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries and branches where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Current tax and deferred tax are recognized in statement of profit or loss, except to the extent that it relates to items recognized in Other Comprehensive Income or directly in equity. In this case, the tax is also recognized in Other Comprehensive Income or directly in equity, respectively.

Minimum Alternate Tax (MAT) paid as per Indian Income Tax Act, 1961 is in the nature of unused tax credit which can be carried forward and utilised when the Group will pay normal income tax during the specified year. Deferred tax assets on such tax credit are recognised to the extent that it is probable that the unused tax credit can be utilised in the specified future year based on the internal projections of the Management. The net amount of tax recoverable from the taxation authority is included as part of the deferred tax assets in the consolidated financial statements.

Leases

The Group as a lessee

The Group's lease asset classes primarily consist of leases for land, buildings and vehicles. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contact involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("**ROU**") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. 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 lease liability is initially measured at amortized cost at the present value of the future lease payments.

Lease liability and ROU asset have been separately presented in the consolidated statement of financial position and lease payments have been classified as financing cash flows.

Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash in hand, deposits held at call with financial institutions, other short-term highly liquid investments 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 and bank overdraft.

Bank overdrafts are shown within borrowings in current liabilities in the consolidated statement of financial position.

Inventories

Inventories represent items of traded goods that are specific to execute composite contracts of software services and IT infrastructure management services and also include finished goods which are interchangeable and not specific to any project. Inventory is carried at the lower of cost or net realizable value. The net realizable value is determined with reference to selling price of goods less the estimated cost necessary to make the sale. Cost of goods that are procured for specific projects is assigned by specific identification of their individual costs. Cost of goods which are interchangeable and not specific to any project is determined using weighted average cost formula.

Investments and other financial assets

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

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, except Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories: (i) Debt instruments at amortised cost, (ii) Debt instruments at fair value through other comprehensive income (FVTOCI), (iii) Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL), (iv) Equity instruments measured at fair value through other comprehensive income (FVTOCI).

Debt instruments

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

Amortized cost

A ‘debt instrument’ is measured at the amortised cost if both the following conditions are met: (i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and (ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest ("**SPPI**") on the principal amount outstanding.

This category is the most relevant to the entity. 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 other income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Fair value through other comprehensive income

A ‘debt instrument’ is classified as at the FVTOCI if both of the following criteria are met: (i) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and (ii) The asset’s contractual cash flows represent SPPI.

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 Group recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of 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 Group 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, however no such designation has been made. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the entity may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The entity makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the entity decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the entity may transfer the cumulative gain or loss within equity. Equity 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 entity of similar financial assets) is primarily derecognised (i.e. removed from the entity's consolidated balance sheet) when: (i) The rights to receive cash flows from the asset have expired, or (ii) The entity 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 entity has transferred substantially all the risks and rewards of the asset, or (b) the entity has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the entity 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 entity continues to recognise the transferred asset to the extent of the entity's continuing involvement. In that case, the entity 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 entity 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 entity could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the entity 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., loans, debt securities, deposits, trade receivables and bank balance
- Trade receivables, unbilled revenue/ contract assets or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.
- Financial assets that are debt instruments and measured as at FVTOCI

The entity follows 'simplified approach' for recognition of impairment loss allowance on: trade receivables or contract revenue receivables; and the application of simplified approach does not require the entity 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.

ECL is the difference between all contractual cash flows that are due to the entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension, call and similar options) 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 entity is required to use the remaining contractual term of the financial instrument

As a practical expedient, the entity uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables and contract assets. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for contractual revenue receivables (ECL) is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the entity does not reduce impairment allowance from the gross carrying amount.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at amortized cost or financial liabilities at fair value through profit or loss, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings 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/ loss are not subsequently transferred to the statement of profit and loss. However, the group 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 or loss. The group has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

This is the category most relevant to the group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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 as finance costs in the statement of profit and loss. This category generally applies to borrowings.

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 or loss.

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 group or the counterparty.

Other Income

Interest income

Interest income is recognized using effective interest rate method taking into account the amount outstanding and the rate of Interest applicable (refer policy to investment and other financial assets).

Dividends

Dividends are recognized in profit or 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 group, and the amount of the dividend can be measured reliably.

Government incentives

Government incentives are recognized where there is reasonable assurance that the incentive will be received and all attached conditions have been complied with. The incentives received under the schemes are recorded as other income.

Derivatives and hedging activities

The Group uses derivative financial instruments, being forward currency contracts to hedge its exposure to foreign currency risk in forecast transactions and firm commitments. Such derivative financial instruments are 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.

Cash flow hedges

For the purpose of hedge accounting, cash flow hedges are designated 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 Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the group'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 entity 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. 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.

The Group uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments.

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

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the forecast sale occurs.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to statement of profit and loss.

Property, plant and equipment

Freehold land is carried at historical cost less impairment losses, if any. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation less impairment losses, if any. 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 group and the cost of the item can be measured reliably. Such cost also includes the cost of replacing part of the plant and equipment if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

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.

The cost of assets not ready for used before balance sheet date are disclosed under capital work in progress. Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

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
Buildings	60 years
Plant and Machinery:	
Computers and peripherals	2-5 years
Office Equipment	5 years
Other assets	3-15 years
Furniture and Fixtures	4-10 years
Leasehold improvements	3 years or lease period whichever is lower
Vehicles	8 years

The useful lives as given above best represent the period over which the management expects to use these assets, based on technical assessment. The estimated useful lives for these assets may differ from the useful lives prescribed under Part C of Schedule II of the Companies Act 2013. The asset's residual values and useful life are reviewed, and adjusted if appropriate, at the end of each reporting period.

Intangible assets

Goodwill

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortized but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity/ operations include the carrying amount of goodwill relating to the entity / operations sold.

Goodwill is allocated to cash-generating units ("**CGU**") or group of CGUs for the purpose of impairment testing. The allocation is made to those cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The CGU are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the acquired business / operations. In case the acquired business/operations are spread across multiple operating segments, the goodwill as well as other assets of the CGU are further allocated to ensure that goodwill impairment testing does not cross limits of an operating segments.

Brand, Customer Relationships and other rights

Separately acquired patents and copyrights are shown at historical cost. Non-compete, brand and customer relationship acquired in a business combination are recognized at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortization and impairment losses.

Computer software

Costs associated with maintaining software programs are recognized as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the group are recognized as intangible assets when the following criteria are met:

- It is technically feasible to complete the software so that it will be available for use
- Management intends to complete the software and use or sell it
- There is an ability to use or sell the software
- It can be demonstrated how the software will generate probable future economic benefits
- Adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- The expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalized as part of the software include employee costs and an appropriate portion of relevant overheads.

During the period of development, the asset is tested for impairment annually. Capitalized development costs are recorded as intangible assets and amortized from the point at which the asset is available for use.

The external computer software acquired separately are measured on initial recognition at cost. After initial recognition/ capitalisation, all software are carried at cost less accumulated amortization and impairment losses, if any.

Research and development

Research expenditure and development expenditure that do not meet the criteria in above are recognized as an expense as incurred. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period.

Amortization methods and periods

The Group amortizes intangible assets with a finite useful life using the straight-line method over the following periods:

Internally developed software	3-5 years
Computer software - external	3 years
Non - compete fees	3-6 years
Brand	10 years
Customer Contract/ Relationships	5-10 years
Patents	3-21 years

Contract specific software are amortized over the duration of contract agreed with customer. The asset's residual values and useful life are reviewed, and adjusted if appropriate, at the end of each reporting period.

Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. For other non-financial assets, including property, plant and equipment, ROU assets and intangible assets having finite useful lives, the Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset’s recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal or value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on most recent budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment losses are recognised in the statement of profit or loss under the head depreciation and amortisation expense.

For assets excluding goodwill, 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 Group estimates the asset's or CGU's recoverable amount.

Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time, that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. The Group has not capitalised any material borrowing costs.

Other borrowing costs are expensed in the period in which they are incurred.

Provisions and contingent liabilities

Provisions for legal claims and service warranties are recognized when the Group 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. Provisions are not recognized for future operating losses. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement (recognised only if realisation is virtually certain). 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.

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

Contingent liability is a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognised; however, their existence is disclosed in the consolidated financial statements.

Employee benefit obligations

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields on government bonds at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements comprising of as a result of experience adjustments and changes in actuarial assumptions are recognised immediately in the statement of profit and loss in the period in which they occur.

Post - employment obligations

Defined benefit plans

Provident Fund

Employees Provident Fund contributions are made to a Trust administered by the Group. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of the year. The contributions made to the trust are recognised as plan assets. The defined benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as reduced by the fair value of plan assets. If the interest earnings and cumulative surplus of Trust are less than the present value of the defined benefit obligation the interest shortfall is provided for as additional liability of employer and charged to the statement of profit and loss.

Gratuity

Gratuity is a post-employment defined benefit plan. The liability recognized in the Balance Sheet in respect of gratuity is the present value of the defined benefit obligation at the Balance Sheet date less fair value of plan assets. The Group's liability is actuarially determined (using the projected unit credit method) at the end of each year.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Past service costs are recognised in profit or loss on the earlier of: (i) The date of the plan amendment or curtailment, and (ii) The date that the Group recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss: (i) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and (ii) Net interest expense or income.

Defined contribution plan

Superannuation

The Group makes defined contribution to a Trust established for this purpose. The Group has no further obligation beyond its monthly contributions. The Group's contribution towards Superannuation Fund is charged to Statement of Profit and Loss on accrual basis.

Overseas Employees

In respect of employees of the overseas branches where ever applicable , the Group makes defined contributions on a monthly basis towards the retirement saving plan which are charged to the statement of profit and loss on accrual basis.

Share-based payments

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

Equity settled employee stock options

The fair value of options granted under Employee Stock Option Plan is recognized as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

(i) including any market performance conditions, (ii) excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and (iii) including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time).

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. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

Dividends

Dividend to shareholders is recognised as a liability and deducted from equity, in the year / period in which the dividends are approved by the shareholders.

Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing: (i) the profit attributable to owners of the group, (ii) by weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

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.

Business combinations

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

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed.

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

Liability for non-controlling interests

Liability for put option issued to non-controlling interests which do not grant present access to ownership interest to the Group is recognised at present value of the redemption amount and is reclassified from equity. At the end of each reporting period, the non-controlling interests subject to put option is derecognised and the difference between the amount derecognised and present value of the redemption amount, which is recorded as a financial liability, is accounted for as an equity transaction.

Non-current assets held for sale

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately from other items in the balance sheet.

Fair value measurements

The Group measures financial instruments, such as investment in mutual funds and derivatives, at fair value at each balance sheet date. The Group also measures assets and liabilities acquired in business combination at fair value. 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 Consolidated 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 Group'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.

Current versus non-current classification

The Group 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.

The Group classifies all other liabilities as non-current.

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

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

PRINCIPAL COMPONENTS OF INCOME AND EXPENDITURE

Income

Our total income comprises of revenue from operations and other income.

Revenue from operations

Our revenue from operations comprises revenue from (i) sale of products, and (ii) sale of services.

The following table sets forth a breakdown of our revenue from operations, as per disclosure requirements under Ind AS 115, for the years indicated:

(₹ million)

Particulars	Fiscal 2022	Fiscal 2023	Fiscal 2024
Sales of products	2,333	753	545
Sale of services	61,987	79,393	91,245
Revenue from operations	**64,320**	**80,146**	**91,790**

Our revenues from operations are generated principally from software-related services provided either on a time-and-material, fixed-price, fixed-capacity/fixed-monthly or on a transaction basis. We primarily enter into master service agreements with our clients, which provide a framework for services and statements of work. These statements of work define the scope, timing, pricing terms and performance criteria for each individual engagement under the respective master service agreements. Under time-and-material contracts, we are compensated for actual time incurred by our personnel at agreed hourly or daily rates, as well as travel and out-of-pocket expenses. We also have license-based arrangements involving the supply and/or installation, configuration and implementation of software licenses that we grant to our customers.

Other income

Our other income consists primarily of dividend income from investment in mutual funds, interest income from financial assets at amortized cost, gain on sale of investments in mutual funds, income on financial investments at fair value through profit and loss, finance income, government incentives, gain on exchange fluctuations (net), profit on sale of asset, and miscellaneous income.

Expenses

Our expenses comprise of (i) purchase of stock-in-trade/ contract cost, (ii) employee benefits expense, (iii) depreciation and amortisation expense, (iv) finance cost, and (v) other expenses.

Purchase of stock-in-trade/ contract cost

Our purchase of stock-in-trade/ contract cost primarily comprise our cost of hardware and third-party software purchased for implementation of a client project, such as setting up data centers or replacing a client's technology infrastructure. In addition, such line item includes annual maintenance of such hardware and software purchased. This line item also includes sub-contracting / technical fee, which consists primarily of cost of third party consultants we retain to assist in work for client delivery.

Employee benefits expense

Our employee benefits expense comprises of (i) salaries, wages and bonus, (ii) contribution to provident (and other) funds, (iii) employee share-based payment expense, (iv) gratuity, and (v) staff welfare expenses.

Depreciation and amortisation

Depreciation consists of depreciation expense recorded on property and equipment over an item's useful life. Amortization consists of expenses relating to the amortization of intangible assets obtained through acquisitions.

Other expenses

Other expenses primarily comprise (i) professional charges to third parties, such as consultants we retain, (ii) travelling and conveyance expenses, (iii) other production expenses (incl. third party license cost), which primarily consist of licenses we pay to third parties for software we use to provide our services, (iv) recruitment expenses, (v) communication expenses, (vi) legal and professional expenses, (vii) repairs and maintenance, (viii) rent, (ix) electricity and water, (x) advertisement and publicity expenses, and (xi) miscellaneous expenses.

Finance cost

Our finance cost comprises (i) interest on borrowings, (ii) bank and financial charges, and (ii) unwinding of discounts.

Income tax expense

We are subject to income taxes in India, the United States, the United Kingdom, and other jurisdictions in Europe, the Middle East and Asia Pacific. Our provision for income taxes, which is reflected on our consolidated statements of income as income tax expense consists of (i) current income tax expense arising from income from operations and (ii) deferred income tax expense/(benefit) arising from temporary differences. We use the asset and liability method in accounting for income taxes.

Under this method, deferred income tax assets and liabilities are determined based on the difference between financial reporting and tax bases of assets and liabilities and are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. The tax rates on reversal of temporary differences might be different from the tax rates used for creation of the respective deferred tax assets/liabilities. As of March 31, 2022, 2023 and 2024, we had deferred tax assets (net) of ₹ 2,736 million, ₹ 3,757 million and ₹ 5,583 million, respectively, and deferred tax liabilities of ₹ 766 million, ₹ 583 million and ₹ 466 million, respectively.

SEGMENT REPORTING

We have identified four reportable segments: (i) Americas, (ii) Europe, Middle East and Africa (EMEA), (iii) Asia Pacific (APAC), and (iv) India. Set forth below are our revenue from operations, as per disclosure requirements under Ind AS 108 – Operating segments, based on our reportable segments:

Particulars	**Fiscal 2022**	**Fiscal 2023**	**Fiscal 2024**
	(₹ in million)		
Revenue from Operations			
Americas	33,288	40,020	44,350
Europe, Middle East and Africa	22,771	31,175	36,160
Asia Pacific	5,439	5,817	6,360
India	2,822	3,134	4,920
Total	**64,320**	**80,146**	**91,790**

RESULTS OF OPERATIONS

The following table sets forth our consolidated statement of profit and loss for the years indicated.

Particulars	Fiscal 2022		Fiscal 2023		Fiscal 2024	
	Amount (₹ in million)	Percentage of Total Income (%)	Amount (₹ in million)	Percentage of Total Income (%)	Amount (₹ in million)	Percentage of Total Income (%)
Revenue from Operations	64,320	99.20%	80,146	99.23%	91,790	99.34%
Other income	518	0.80%	619	0.77%	614	0.66%
Total income	**64,838**	**100.00%**	**80,765**	**100.00%**	**92,404**	**100.00%**
EXPENSES						
Purchases of stock-in-trade	1,724	2.66%	551	0.68%	94	0.10%
Employee benefits expense	38,346	59.14%	48,280	59.78%	55,069	59.60%
Finance costs	650	1.00%	806	1.00%	1,256	1.36%
Depreciation and amortisation expense	2,272	3.50%	2,585	3.20%	3,186	3.45%
Other expenses	13,231	20.41%	18,508	22.92%	22,350	24.19%
Total expenses	**56,223**	**86.71%**	**70,730**	**87.58%**	**81,955**	**88.69%**
Profit before exceptional items and tax	**8,615**	**13.29%**	**10,035**	**12.42%**	**10,449**	**11.31%**
Exceptional items	-	-	523	0.65%	-	-
Profit before tax	**8,615**	**13.29%**	**9,512**	**11.78%**	**10,449**	**11.31%**
Income tax expense						
Current tax	1,774	2.74%	2,492	3.09%	2,493	2.70%
Deferred tax	(306)	(0.47)%	(431)	(0.53)%	(400)	(0.43)%
Total tax expense	**1,468**	**2.26%**	**2,061**	**2.55%**	**2,093**	**2.27%**
Profit for the year	**7,147**	**11.02%**	**7,451**	**9.23%**	**8,356**	**9.04%**

Fiscal 2024 compared to Fiscal 2023

Income

Our total income increased by 14.41% from ₹ 80,765 million in Fiscal 2023 to ₹ 92,404 million in Fiscal 2024, due to increase in revenues from operations.

Revenue from operations

Our revenue from operations increased by 14.53% from ₹ 80,146 million in Fiscal 2023 to ₹ 91,790 million in Fiscal 2024.

The following table sets forth details of our revenue from operations, as per disclosure requirements under Ind AS 115, by vertical in Fiscal 2023 and Fiscal 2024:

Revenue by Vertical	Fiscal 2023	Fiscal 2024	Increase/ (Decrease) (%)
	(₹ million, unless otherwise stated)		
Banking and Financial Services	24,619	29,557	20.06%
Insurance	18,152	20,377	12.26%
Travel, Transportation and Hospitality	15,326	16,522	7.80%
All Others	22,049	25,334	14.90%
Revenue from operations	**80,146**	**91,790**	**14.53%**

On a vertical basis, our revenue from operations primarily grew as a result of increased revenue from each of our BFS, TTH and Others verticals, as indicated above. The growth in the BFS vertical was due to an increase in the number of large deals signed, and growth in the TTH vertical was due to large deals signed in Middle East and Europe. The growth in the Others vertical was a result of revenue from government customers increasing in APAC. Revenue from the insurance vertical increased by 12.26% from Fiscal 2023 to Fiscal 2024 on account of large deals across geographies.

Other income

Our other income decreased by 0.81% from ₹ 619 million in Fiscal 2023 to ₹ 614 million in Fiscal 2024, primarily due to decrease in gain on foreign exchange fluctuation.

Expenses

Our total expenses increased by 15.87% from ₹ 70,730 million in Fiscal 2023 to ₹ 81,955 million in Fiscal 2024, primarily due to increase in employee benefit expense, depreciation and amortisation expense and other expenses.

Employee benefits expense

Our employee benefits expense increased by 14.06% from ₹ 48,280 million in Fiscal 2023 to ₹ 55,069 million in Fiscal 2024 primarily due to increase in salaries, wages and bonus from ₹ 43,895 million in Fiscal 2023 to ₹50,710 million in Fiscal 2024, and increase in contribution to provident (and other) funds from ₹ 2,408 million in Fiscal 2023 to ₹ 2,762 million in Fiscal 2024. Our employee share-based payment expense also increased from ₹ 574 million in Fiscal 2023 to ₹ 943 million in Fiscal 2024. These increases were on account of increase in the number of employees from 23,224 as of March 31, 2023 to 24,726 as of March 31, 2024, as well as pay hikes given to employees during Fiscal 2024.

Depreciation and amortisation expense

Our depreciation and amortisation expense increased by 23.25% from ₹ 2,585 million in Fiscal 2023 to ₹ 3,186 million in Fiscal 2024. The increase was mainly on account of increase in amortisation of intangible assets from ₹ 1,271 million in Fiscal 2023 to ₹ 1,608 million in Fiscal 2024, as well as increase in depreciation of right of use assets from ₹ 469 million in Fiscal 2023 to ₹ 653 million in Fiscal 2024.

Other expenses

Our other expenses increased by 20.76% from ₹ 18,508 million in Fiscal 2023 to ₹ 22,350 million in Fiscal 2024, primarily due to increase in: (i) other production expenses (incl. third party license cost) from ₹ 4,751 million in Fiscal 2023 to ₹ 7,412 million in Fiscal 2024, on account of increase in our system integration business, (ii) professional charges from ₹ 9,267 million in Fiscal 2023 to ₹ 9,463 million in Fiscal 2024, (iii) travelling and conveyance from ₹ 828 million in Fiscal 2023 to ₹ 1,202 million in Fiscal 2024, (iv) legal and professional from ₹ 861 million in Fiscal 2023 to ₹ 1,183 million in Fiscal 2024, and (v) business promotion expenses from ₹ 164 million in Fiscal 2023 to ₹ 470 million in Fiscal 2024.

Finance costs

Our finance costs increased by 55.83% from ₹ 806 million in Fiscal 2023 to ₹ 1,256 million in Fiscal 2024. This increase was on account of increase in interest on borrowings from ₹ 598 million in Fiscal 2023 to ₹ 926 million in Fiscal 2024, as well as increase in unwinding of discounts from ₹ 170 million in Fiscal 2023 to ₹ 279 million in Fiscal 2024.

Profit before exceptional items and tax

As a result of the foregoing, our profit before exceptional items and tax increased by 2.97% from ₹ 10,035 million in Fiscal 2023 to ₹ 10,449 million in Fiscal 2024.

Exceptional item

The shareholders in the Annual General Meeting held on July 30, 2021, approved raising of funds in one or more tranches by the issuance of equity shares and/or depository receipts and/or other eligible securities. Subsequently, our Company filed a draft registration statement with the U.S. Securities and Exchange Commission ("**SEC**") for registration of its American Depository Receipts. In accordance with the underlying arrangements, the expenses pertaining to the offering were to be borne by the selling shareholder upon successful completion of the offering. Accordingly, ₹ 523 million was considered as recoverable from the selling shareholder as on March 31, 2023. As the market conditions were not supportive of the offering and considering the uncertainty of timing of the offering, we had recorded provision of ₹ 523 million and disclosed the same as an exceptional item in the financial statements for Fiscal 2023. Due to consideration of prevailing market conditions and other relevant factors, the Board of Directors of our Company, at their meeting held on March 2, 2024, has decided to not proceed with the proposed offering of American Depository Receipts. Our Company has filed the applications with SEC to withdraw the Form F – 1 registration statement filed with the SEC.

Profit before tax

As a result of the foregoing, our profit before tax increased by 9.85% from ₹ 9,512 million in Fiscal 2023 to ₹ 10,449 million in Fiscal 2024.

Total tax expense

Our total tax expense increased by 1.55% from ₹ 2,061 million in Fiscal 2023 to ₹ 2,093 million in Fiscal 2024, primarily due to increase in current tax from ₹ 2,492 million in Fiscal 2023 to ₹ 2,493 million in Fiscal 2024, as a result of increase in taxable income.

Profit for the year

Due to the factors discussed above, our profit for the year increased by 12.15% from ₹ 7,451 million in Fiscal 2023 to ₹ 8,356 million in Fiscal 2024.

Fiscal 2023 compared to Fiscal 2022

Income

Our total income increased by 24.56% from ₹ 64,838 million in Fiscal 2022 to ₹ 80,765 million in Fiscal 2023, due to increase in revenues from operations.

Revenue from operations

Our revenue from operations increased by 24.61% from ₹ 64,320 million in Fiscal 2022 to ₹ 80,146 million in Fiscal 2023.

The following table sets forth details of our revenue from operations, as per disclosure requirements under Ind AS 115, by vertical in Fiscal 2022 and Fiscal 2023:

Revenue by Vertical	Fiscal 2022	Fiscal 2023	Increase/ (Decrease) (%)
	(₹ million, unless otherwise stated)		
Banking and Financial Services	16,420	24,619	49.93%
Insurance	18,187	18,152	(0.19)%
Travel, Transportation and Hospitality	12,220	15,326	25.42%
All Others	17,493	22,049	26.04%
Revenue from operations	**64,320**	**80,146**	**24.61%**

On a vertical basis, our revenue from operations primarily grew as a result of increased revenue from each of our BFS, TTH and All Others verticals, as indicated above. The growth in the BFS and TTH verticals was due to an increase in the number of large deals signed. The growth in the All Others vertical was a result of growth in overseas public sector assignments. Revenue from the insurance vertical was moderately lower by 0.19% from Fiscal 2022 to Fiscal 2023 on account of lower product sales.

Other income

Our other income increased by 19.50% from ₹ 518 million in Fiscal 2022 to ₹ 619 million in Fiscal 2023, primarily due to increase in (i) gain on exchange fluctuations (net) from ₹ 161 million in Fiscal 2022 to ₹ 259 million in Fiscal 2023, (ii) interest income from financial assets at amortised cost from ₹ 110 million in Fiscal 2022 to ₹ 157 million in Fiscal 2023, and (iii) finance income from ₹ 115 million in Fiscal 2022 to ₹ 162 million in Fiscal 2023.

Expenses

Our total expenses increased by 25.80% from ₹ 56,223 million in Fiscal 2022 to ₹ 70,730 million in Fiscal 2023, primarily due to increase in employee benefit expense, other expenses and depreciation and amortisation expense.

Employee benefits expense

Our employee benefits expense increased by 25.91% from ₹ 38,346 million in Fiscal 2022 to ₹ 48,280 million in Fiscal 2023, primarily due to increase in salaries, wages and bonus from ₹ 35,561 million in Fiscal 2022 to ₹ 43,895 million in Fiscal 2023, and increase in contribution to provident (and other) funds from ₹ 1,924 million in Fiscal 2022 to ₹ 2,408 million in Fiscal 2023. These increases were on account of increase in the number of employees from 22,500 as of March 31, 2022 to 23,224 as of March 31, 2023, as well as pay hikes given to employees during Fiscal 2023 and provision for cost of special non-monetary incentive, amounting to ₹ 803 million, to over 21,000 employees to mark the milestone of our Company's achievement of US$ 1 billion in revenue.

Depreciation and amortisation expense

Our depreciation and amortisation expense increased by 13.78% from ₹ 2,272 million in Fiscal 2022 to ₹ 2,585 million in Fiscal 2023. The increase was mainly on account of increase in amortisation of intangible assets from ₹ 1,049 million in Fiscal 2022 to ₹ 1,271 million in Fiscal 2023.

Other expenses

Our other expenses increased by 39.88% from ₹ 13,231 million in Fiscal 2022 to ₹ 18,508 million in Fiscal 2023, primarily due to increase in: (i) professional charges from ₹ 6,572 million in Fiscal 2022 to ₹ 9,267 million in Fiscal 2023, (ii) other production expenses (incl. third party license cost) from ₹ 2,352 million in Fiscal 2022 to ₹ 4,751 million in Fiscal 2023 due to increase in third party onsite cost and system integration deals, (iii) travelling and conveyance from ₹ 272 million in Fiscal 2022 to ₹ 828 million in Fiscal 2023, and (iv) business promotion expenses from ₹ 50 million in Fiscal 2022 to ₹ 164 million in Fiscal 2023.

Finance costs

Our finance costs increased by 24.00% from ₹ 650 million in Fiscal 2022 to ₹ 806 million in Fiscal 2023. This increase was on account of increase in interest on borrowing from ₹ 479 million in Fiscal 2022 to ₹ 598 million in Fiscal 2023.

Profit before exceptional items and tax

As a result of the foregoing, our profit before exceptional items and tax increased by 16.48% from ₹ 8,615 million in Fiscal 2022 to ₹ 10,035 million in Fiscal 2023.

Exceptional item

The shareholders in the Annual General Meeting held on July 30, 2021, approved raising of funds in one or more tranches by the issuance of equity shares and/or depository receipts and/or other eligible securities. Subsequently, our Company filed a draft registration statement with the U.S. Securities and Exchange Commission for registration of its American Depository Receipts. In accordance with the underlying arrangements, the expenses pertaining to the offering were to be borne by the selling shareholder upon successful completion of the offering. Accordingly, ₹ 523 million was considered as recoverable from the selling shareholder as on March 31, 2023. As the market conditions were not supportive of the offering and considering the uncertainty of timing of the offering, we had recorded provision of ₹ 523 million and disclosed the same as an exceptional item in the financial statements for Fiscal 2023.

Profit before tax

As a result of the foregoing, our profit before tax increased by 10.41% from ₹ 8,615 million in Fiscal 2022 to ₹ 9,512 million in Fiscal 2023.

Total tax expense

Our total tax expense increased by 40.40% from ₹ 1,468 million in Fiscal 2022 to ₹ 2,061 million in Fiscal 2023, primarily due to increase in current tax from ₹ 1,774 million in Fiscal 2022 to ₹ 2,492 million in Fiscal 2023, as a result of increase in taxable income. Further, the effective tax rate in Fiscal 2022 was lower due to tax benefit on account of dividend received in India from foreign subsidiaries.

Profit for the year

Due to the factors discussed above, our profit for the year increased by 4.25% from ₹ 7,147 million in Fiscal 2022 to ₹ 7,451 million in Fiscal 2023.

LIQUIDITY AND CAPITAL RESOURCES

Our primary sources of liquidity have historically been cash generated from operations and short term borrowings from banks. We expect that cash generated from operations and short term borrowings from banks will continue to be our primary sources of liquidity.

Cash flows

The following table sets out a condensed summary of our cash flows for the years indicated.

	Fiscal 2022	Fiscal 2023	Fiscal 2024
	(₹ in million)		
Net cash inflow from operating activities	7,656	9,505	9,034
Net cash (outflow) from investing activities	(9,564)	(2,716)	(2,478)
Net cash (outflow) from financing activities	(1,558)	(5,582)	(8,870)
Cash and cash equivalents at the beginning of the financial year	7,999	4,468	5,699
Cash and cash equivalents at the end of the financial year	4,468	5,699	3,213

Operating activities

Fiscal 2024

Our net cash inflow from operating activities was ₹ 9,304 million in Fiscal 2024. Our profit before tax after exceptional items was ₹ 10,449 million in Fiscal 2024, which was primarily adjusted by depreciation and amortisation expense of ₹ 3,186 million, interest and finance charges of ₹ 1,205 million and employee share-based payment expense of ₹ 810 million. Our changes in operating assets and liabilities comprised increase in trade receivables of ₹ 1,668 million, increase in trade payables of ₹ 1,725 million and increase in other assets of ₹ 2,024 million.

Fiscal 2023

Our net cash inflow from operating activities was ₹ 9,505 million in Fiscal 2023. Our profit before tax after exceptional items was ₹ 9,512 million in Fiscal 2023, which was primarily adjusted by depreciation and amortisation expense of ₹ 2,585 million, interest and finance charges of ₹ 768 million and employee share-based payment expense of ₹ 544 million. Our changes in operating assets and liabilities comprised increase in trade receivables of ₹ 2,126 million, increase in other liabilities of ₹ 1,104 million and increase in other assets of ₹ 769 million.

Fiscal 2022

Our net cash inflow from operating activities was ₹ 7,656 million in Fiscal 2022. Our profit before tax was ₹ 8,615 million in Fiscal 2022, which was primarily adjusted by depreciation and amortisation expense of ₹ 2,272 million, interest and finance charges of ₹ 609 million and employee share-based payment expense of ₹ 355 million. Our changes in operating assets and liabilities comprised increase in trade receivables of ₹ 3,152 million, increase in trade payables of ₹2,153 million and increase in other assets of ₹ 1,276 million.

Investing activities

Fiscal 2024

Net cash outflow from investing activities was ₹ 2,478 million in Fiscal 2024. This was primarily due to purchase of property, plant and equipment of ₹ 2,655 million, largely on account of IT assets purchased or developed in the ordinary course of business.

Fiscal 2023

Net cash outflow from investing activities was ₹ 2,716 million in Fiscal 2023. This was primarily due to purchase of property, plant and equipment of ₹ 1,582 million and acquisition of a subsidiary/ operations, net of cash acquired of ₹ 1,222 million, on account of strategic investment in the business of On Demand Agility Solution.

Fiscal 2022

Net cash outflow from investing activities was ₹ 9,564 million in Fiscal 2022. This was primarily due to purchase of property, plant and equipment of ₹ 1,541 million and acquisition of a subsidiary/ operations, net of cash acquired of ₹ 8,557 million, on account of strategic investment in n M/s SLK Global Solutions Private Limited, presently known as Coforge Business Process Solutions Private Limited.

Financing activities

Fiscal 2024

Net cash outflow from financing activities was ₹ 8,870 million. This was primarily on account of purchase of additional stake in subsidiaries of ₹ 3,523 million, interest paid of ₹ 1,060 million and dividends paid to the Company's shareholders of ₹ 4,664 million.

Fiscal 2023

Net cash outflow from financing activities was ₹ 5,582 million. This was primarily on account of dividends paid to the Company's shareholders of ₹ 3,534 million, dividends paid to the NCI of ₹ 751 million and interest paid of ₹ 714 million.

Fiscal 2022

Net cash outflow from financing activities was ₹ 1,558 million. This was primarily on account of dividends paid to the Company's shareholders of ₹ 3,152 million, proceeds from term loan of ₹ 3,578 million, dividends paid to the NCI of ₹ 596 million and purchase of additional stake in subsidiaries of ₹ 729 million.

BORROWINGS

As of March 31, 2024, our total non current borrowings and total current borrowings stood at ₹ 3,399 million and ₹ 967 million respectively, primarily comprising listed, rated, redeemable, non-convertible bonds and working capital loans. The following table sets forth certain information relating to outstanding indebtedness as of March 31, 2024 and our repayment obligations for the total borrowings indicated:

	Payment due by period				
	Total	**Less than one year**	**1-2 years**	**2-4 years**	**More than 4 years**
	(₹ in million)				
Total Borrowings	**4,366**	967	-	3,399	-

CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

The following table sets forth our contingent liabilities as per Ind AS 37 as of March 31, 2024:

Particulars	As of March 31, 2024 (₹ in million)
Contingent Liabilities	
Claims against the Group not acknowledged as debts	
- Income tax matters pending disposal by the tax authorities	1,087
- Others	301

The following table sets forth our capital commitments as of March 31, 2024:

Particulars	As of March 31, 2024 (₹ in million)
Capital commitments	
Property, plant and equipment	**253**

RELATED PARTY TRANSACTIONS

Related party transactions primarily relate to contribution made to post employee benefit plan, directors' sitting fees and managerial remunerations. For further details of such related parties, see "*Related Party Transactions*" on page 108.

OFF-BALANCE SHEET ARRANGEMENTS AND CONTINGENT LIABILITIES

Other than as disclosed in this Preliminary Placement Document, we have no other off-balance sheet commitments and arrangements that materially affect our financial condition or results of operations.

CAPITAL EXPENDITURES

Our capital expenditures include expenditures on property, plant and equipment, intangible assets and right-of-use assets. Property, plant and equipment include computer systems, office equipments, furniture and fixtures, land, building and leasehold improvements. Intangible assets include goodwill, trademark, customer relationships, non-compete, exclusive license and computer software. Right-of-use assets include office equipments, computer systems, building and motor vehicles. In Fiscal 2022, 2023 and 2024, we spent towards capital expenditure for purchase of property, plant and equipment of ₹ 1,541 million, ₹ 1,582 million and ₹ 2,655 million, respectively.

QUALITATIVE DISCLOSURE ABOUT MARKET RISKS

Our principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables. The borrowings of our Company constitute mainly non-convertible bonds. All the repayments are made out of internal accruals. Our principal financial assets include trade and other receivables, cash and short-term deposits that derive directly from our operations. We also enter into derivative transactions. We are exposed to market risk, credit risk and liquidity risk.

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 loans and borrowings, deposits, fair value through profit and loss investments and derivative financial instruments.

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. We have issued non-convertible bonds in Fiscal 2022 with fixed interest rate for the next two years and accordingly there is no significant concentration of interest rate risk.

Foreign currency risk

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

Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. We are exposed to credit risk from our operating activities (primarily trade receivables) and from our financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Our customers are primarily corporations based in the United States of America and Europe and accordingly, trade receivables are concentrated in the respective countries. We periodically assess the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivables. We have 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 the normal course of business, we sell certain trade receivables to banks. Under the terms of arrangements, we surrender control over these assets and transfer is on a non-recourse basis.

Liquidity Risk

Our principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. Our corporate treasury department is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors our net liquidity position through rolling forecasts based on the expected cash flows.

RESERVATIONS, QUALIFICATIONS AND ADVERSE REMARKS

Except as set out below, there have been no reservations/ qualifications/ adverse remarks/ emphasis of matters highlighted by the statutory auditors of our Company in the five Fiscals immediately preceding the year of this Preliminary Placement Document:

Fiscal 2020

Emphasis of Matter

The statutory auditors have drawn attention a note in the consolidated financial statements, which describes the impact of COVID-19 on carrying value of receivables, unbilled revenues, goodwill and intangible assets as assessed by the management. The actual results may differ from such estimates.

Our Company has considered the possible effects that may result from COVID-19 on the carrying amount of receivables, unbilled revenue, goodwill and intangible assets. In developing the assumption relating to the possible future uncertainties in the global conditions because of the pandemic, our Company, as on date of approval of these financial statements has used various information, as available. Our Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered.

Fiscal 2022

Our Statutory Auditor's report on the audited consolidated financial statements as at and for the year ended March 31, 2022 includes as an annexure, a statement on certain matters specified in the Companies (Auditor's Report) Order, 2020 which included qualifications of the auditors to indicate:

- Delay in deposit of undisputed statutory dues pertaining to provident fund in few cases of a subsidiary, Coforge Business Process Limited
- Delay in deposit of undisputed statutory dues pertaining to Goods and Service Tax in few cases of a subsidiary, Coforge DPA Private Limited
- Delay in deposit of undisputed statutory dues pertaining to provident fund in few cases of a subsidiary, Coforge SF Private Limited

Fiscal 2023

Our Statutory Auditor's report on the audited consolidated financial statements as at and for the year ended March 31, 2023 includes as an annexure, a statement on certain matters specified in the Companies (Auditor's Report) Order, 2020, which included qualifications of the auditors to indicate:

- Delay in deposit of statutory dues in few cases of a subsidiary, Coforge Business Process Limited.

Fiscal 2024

Our Statutory Auditor's report on "Other Legal and Regulatory Requirements" included in their report dated May 2, 2024 on the 2024 Audited Consolidated Financial Statements, included modifications to indicate that the audit trail (edit log) feature was not enabled for direct changes to database and that they were not able to obtain sufficient and appropriate audit evidence to determine whether there were any instances of the audit trail feature being tampered with.

Further our Statutory Auditor's report dated May 2, 2024 on the 2024 Audited Consolidated Financial Statements included, as an annexure, a statement on certain matters specified in the Companies (Auditor's Report) Order, 2020, as amended ("**CARO 2020**"), which included qualifications of the auditors to indicate:

- Delay in deposit of statutory dues pertaining to provident fund in few cases of our Company
- Delay in deposit of statutory dues pertaining to provident fund in few cases of a subsidiary, Coforge Business Process Limited.

KNOWN TRENDS AND UNCERTAINTIES

There are no known trends or uncertainties which are expected to have a material adverse impact on our revenues or income from continuing operations.

UNUSUAL OR INFREQUENT EVENTS OR TRANSACTIONS

As of the date of this Preliminary Placement Document, there have been no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses.

SIGNIFICANT ECONOMIC CHANGES THAT MATERIALLY AFFECTED OR ARE LIKELY TO AFFECT REVENUE FROM OPERATIONS

There are no significant economic changes that materially affected our Company's operations or are likely to affect income from continuing operations except as described in the sections "*Risk Factors*", "*Industry Overview*" and "*Our Business*" on pages 40, 145 and 181, respectively.

MATERIAL INCREASE IN REVENUE FROM CONTRACT WITH CUSTOMERS OR OTHER INCOME

Our business has been affected and we expect that it will continue to be affected by the trends identified above in "*Significant Factors Affecting Our Results of Operations*" and the uncertainties described in the section "*Risk Factors*" on pages 113-118 and 40, respectively. To our knowledge, except as disclosed in this Preliminary Placement Document, there are no known factors which we expect to have a material adverse impact on revenue from operations or other income.

FUTURE RELATIONSHIPS BETWEEN COSTS AND INCOME

Other than as described in this section and the sections "*Risk Factors*" and "*Our Business*" and on pages 40 and 181, respectively, there are no known factors which will have a material adverse impact on our business operations or financial condition.

NEW PRODUCTS OR BUSINESS SEGMENTS

Except as set out in this Preliminary Placement Document, we have not announced and do not expect to announce in the near future any new products or business segments.

COMPETITIVE CONDITIONS

We expect competition in our industry from existing and potential competitors to intensify. For details, please refer to the discussions of our competition in "*Risk Factors – We operate in a highly competitive environment and may not be able to compete successfully.*" on page 51.

SUPPLIERS OR CUSTOMERS CONCENTRATION

Other than as set forth in "*Risk Factors - If we cannot maintain and expand our existing client base, our business, financial condition and results of operations may be adversely affected*" on pages 49-50, we are not dependent on any particular supplier or customer.

SEASONALITY OF BUSINESS

Our business is not seasonal in nature.

SIGNIFICANT DEVELOPMENTS AFTER MARCH 31, 2024

Except as set out below and elsewhere in this Preliminary Placement Document, to our knowledge, no circumstances have arisen since the date of the last financial statements as disclosed in this Preliminary Placement

Document which have materially or adversely affected or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months:

(i) The Board of Directors have appointed Om Prakash Bhatt as an Additional Director and Non-Executive Independent Director with effect from May 1, 2024 *vide* its circular resolution dated April 22, 2024, subject to approval of the Shareholders of our Company.

(ii) The Board has, on May 2, 2024, approved the re-appointment of Sudhir Singh as an Executive Director of our Company for a period up to five years with effect from January 29, 2025 and appointment of Gautam Samanta, President of our Company, as Executive Director for a period up to five years with effect from May 2, 2024, subject to necessary approvals under the provisions of the Companies Act, 2013 and all other relevant provisions. The Board also took note of the resignation of Hari Gopalakrishnan and Patrick John Cordes as the non-executive directors of our Company, with effect from close of business hours on May 2, 2024, citing pre-occupation and other professional commitment;

(iii) The Board has, on May 2, 2024, declared the fourth interim dividend of ₹ 19 per Equity Share for each fully paid up Equity Share held as of May 15, 2024, which has been fixed as the record date;

(iv) Amendment in bonds deeds and early redemption of non-convertible bonds pursuant to Regulation 30(6) and 51(2) of the SEBI Listing Regulations read with Paragraph A of Part B of Schedule III of the SEBI Listing Regulations - The Board of Directors has, on May 2, 2024, considered and approved carrying out of certain amendments to the terms of the listed, rated, redeemable, non-convertible bonds of a face value of ₹ 10,00,000 each and aggregating up to ₹ 340,00,00,000 issued by our Company ("**Bonds**") *inter alia* to the change in the benchmark rate for calculation of the interest in relation to the Bonds and change in "interest reset dates" which provides option for early voluntary redemption in respect of the Bonds, in accordance with the provisions of applicable laws and subject to the consent from the debenture holders, in relation to the Bonds:

- change in the benchmark rate / screen rate for determination of the interest rate from 12 months MIFOR to three months modified MIFOR, on and from April 26, 2024, as MIFOR is no longer being considered as a significant benchmark under the relevant RBI circulars; and
- change in the definition of "interest reset dates" to change the frequency on which voluntary redemption of the Bonds is permitted, from annual basis to quarterly basis. This will allow for early voluntary redemption without payment of any break costs at the end of each financial quarter.

(v) The Board has, on May 2, 2024, approved issuance of corporate guarantee for up to US$312.50 million for Coforge Pte. Ltd., a wholly owned subsidiary based at Singapore to secure the facility to be availed by Coforge Pte. Ltd for an amount up to $250.00 million from the Hongkong and Shanghai Banking Corporation Limited; and

(vi) The Board has approved a qualified institutions placement of Equity Shares by our Company under Chapter VI of the SEBI ICDR Regulations and Sections 42 and 62 of the Companies Act, 2013, read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, each as amended.

(vii) On May 2, 2024, our Company entered into the SPAs to acquire equity shares comprising an aggregate of 54.00% of the paid up share capital of Cigniti on a fully diluted basis. The completion of the Proposed Acquisition is subject to the satisfaction of certain conditions precedent, including the receipt of prior written approvals from/ under: (i) the Competition Commission of India, and (ii) the Hart-Scott-Rodino Antitrust Improvements Act of 1976. The execution of the SPAs has also triggered a requirement to make a mandatory open offer to the public shareholders of Cigniti in terms of the Takeover Regulations.

(viii) Our Company has made an open offer to the public shareholders of Cigniti for acquisition of 71,62,210 equity shares of face value of ₹10 each, representing 26.00% of the paid up share capital of Cigniti on a fully diluted basis pursuant to applicable provisions of the Takeover Regulations.

INDUSTRY OVERVIEW

*The industry-related information contained in this section is derived from the industry report titled "Assessment of IT services and IT enabled services industries in India" dated May 2024 prepared by CRISIL ("**CRISIL Report**") prepared and issued by CRISIL Market Intelligence & Analytics, a division of CRISIL Limited, which has been exclusively commissioned and paid for by us to enable the investors to understand the industry in which we operate in connection with the Issue.*

References to IT services and IT enabled services in the CRISIL Report and information derived therefrom, are in accordance with the presentation, analysis and categorization in the CRISIL Report. Our segment reporting in the financial statements is based on the criteria set out in Ind AS 108 – Operating segments and accordingly, we do not prepare our financial statements as per the segments outlined in the CRISIL Report.

The CRISIL Report has been commissioned and paid for by our Company in connection with the Issue. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in the CRISIL Report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the Issue. Unless otherwise indicated, financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year.

Global and India's macroeconomic assessment

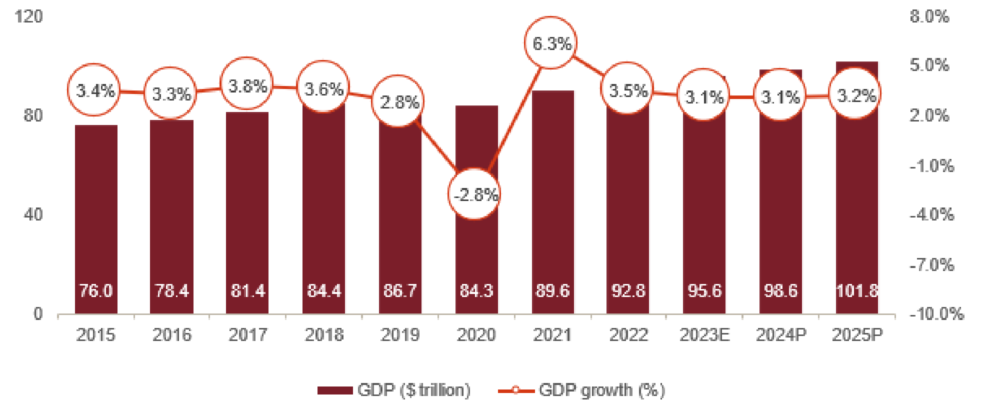
Global economic overview

Global GDP is estimated to grow at 3.2% in 2024 and 2025 amid moderating inflation and steady growth in key economies

As per the International Monetary Fund's ("**IMF**") April 2024 update, global gross domestic product ("**GDP**") growth is estimated at 3.2% for 2023 and projected to grow at the same rate in 2024 and 2025. The latest estimate for 2024 is 0.1 percentage points higher compared with IMF's previous forecast in January 2024, mainly due to greater-than-expected resilience in the US and several large emerging markets and developing economies, as well as fiscal support in China Emerging market and developing economies are expected to experience stable growth through 2024 and 2025, with regional differences.

With disinflation and steady growth, the likelihood of a hard landing has receded, and risks to global growth are broadly balanced. Amid favourable global supply developments, inflation has been falling faster than expected. On the upside, faster disinflation could lead to further easing of financial conditions. On the downside, new commodity price spikes from geopolitical shocks and supply disruptions or more persistent underlying inflation could prolong tight monetary conditions. Property sector distress in China or, elsewhere, a disruptive turn to tax hikes and spending cuts could also lead to moderation in growth in the near term.

Global GDP trend and outlook (2015-2025P, US$ trillion)



Note: E: Estimated, P: Projection

Source: IMF economic database, CRISIL Market Intelligence and Analytics (MI&A) Research

India among the world's fastest-growing key economies

Following the recovery from the COVID-19 pandemic, India exhibited a faster growth rate of 7.2% in Fiscal 2023, surpassing both advanced economies at 2.6% and emerging and developing economies at 4.1%. This trend is expected to continue, with India leading the growth compared to its key counterparts mentioned before

United States: In the United States, growth is projected to shift from 2.5% in 2023 to 2.7% in 2024 and 1.7% in 2025, with the lagged effects of monetary policy tightening, gradual fiscal tightening, and a softening in labour markets slowing the aggregate demand.

United Kingdom: Growth in the United Kingdom is projected to rise modestly from an estimated 0.1% in 2023 to 0.5% in 2024, due to lagged negative effects of high energy prices wane. Then in 2025, as disinflation allows an easing in financial conditions and permits real incomes to recover, the economy is expected to see a growth of 1.5%.

European Union: Growth in the euro area is projected to recover from 0.4% in 2023, which reflected relatively high exposure to the war in Ukraine, to 0.8% in 2024 and 1.5% in 2025. As per IMF estimates, the growth in is driven by strong household consumption as the energy prices subside and inflation falls, supporting the real income growth. Further, in recent years, the EU technology industry has faced disruptions due to currency fluctuations on account of fall in Euro and Pound against US dollar impacting the imports coupled with Russia-Ukraine war disrupting the supply chains which further impacted the sector.

In terms of emerging and developing economies, growth is projected to be relatively stable at 4.2% in 2024 and 2025, respectively.

Real GDP growth comparison among India vs Advanced and emerging economies

Regions	2018	2019	2020	2021	2022	2023	2024P	2025P
US	2.9	2.3	-2.8	5.9	1.9	2.5	2.7	1.9
Euro area	1.8	1.6	-6.1	5.6	3.4	0.4	0.8	1.5
UK	1.7	1.6	-11.0	7.6	4.3	0.1	0.5	1.5
China	6.8	6.0	2.2	8.4	3.0	5.2	4.6	4.1
India*	**6.5**	**3.9**	**-5.8**	**9.1**	**7.2**	**7.8**	**6.8**	**6.5**
Advanced economies	2.3	1.7	-4.2	5.6	2.6	1.6	1.7	1.8
Emerging market and developing economies	4.6	3.6	-1.8	6.9	4.1	4.3	4.2	4.2
World	**3.6**	**2.8**	**-2.8**	**6.3**	**3.5**	**3.2**	**3.2**	**3.2**

Note: E: Estimated, P: Projection as per IMF update

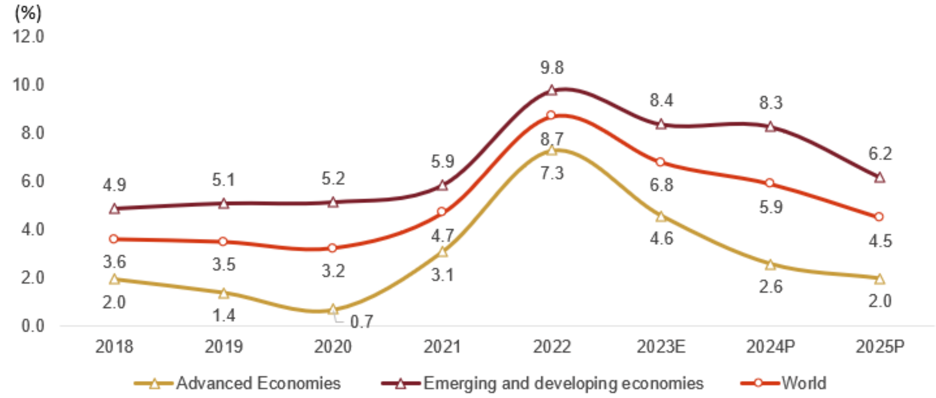
* Numbers for India are for financial year (2020 is Fiscal 2021 and so on) and as per the IMF's forecast. CRISIL's GDP forecast for India: 6.8% in Fiscal 2025

Source: IMF economic database, World Bank national accounts data, OECD national accounts data, CRISIL MI&A

Global inflation to subside in medium term

As per the IMF, global headline inflation is expected to fall from an estimated 6.8% in 2023 (annual average) to 5.9% in 2024 and 4.5% in 2025. Disinflation is likely to be faster in advanced economies (inflation falling 2% in 2024 to 2.6%) than emerging market and developing economies, where inflation is projected to decline by just 0.1% to 8.3%. Overall, annual average headline and core inflation is likely to be lower in majority of the world's economies.

Trends and outlook on consumer prices



Note: E: Estimate, P: Projection
Source: IMF, CRISIL MI&A Research

Indian economic overview

India GDP to grow at 6.8% in the Fiscal 2025

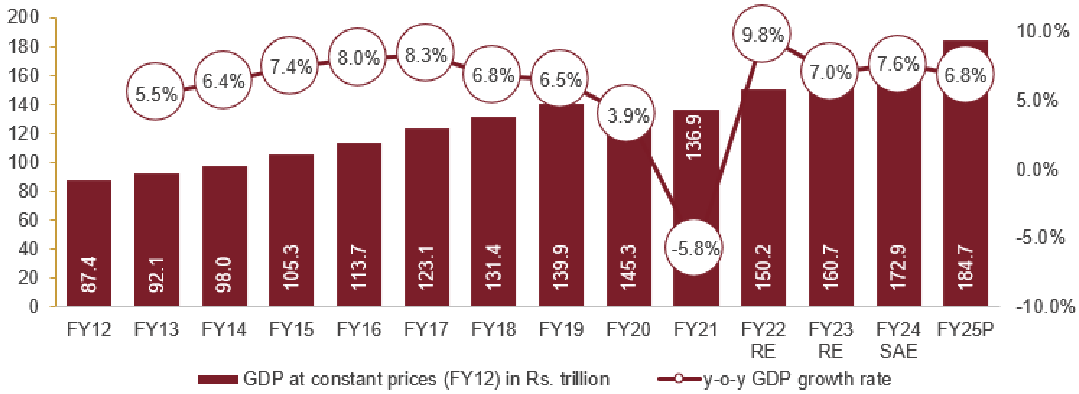
India's GDP rose at 5.7% CAGR between Fiscals 2012 and 2023 to ₹160 trillion. A large part of the lower growth rate was because of challenges heaped by the Covid-19 pandemic in Fiscal 2020 and 2021. In Fiscal 2022, the economy recovered with abating of the pandemic and subsequent easing of restrictions and resumption in economic activity. Inflation, though, rose sharply in the last quarter of the fiscal owing to geopolitical pressures. The GDP reported 9.1% growth vs -5.8% in Fiscal 2021.

In Fiscal 2023, GDP rose 7.2% on continued strong growth momentum, propelled by investments and private consumption. In fact, the share of investments in GDP rose to an 11-year high of 34.0% and that of private consumption to an 18-year high of 58.5%.

In Fiscal 2024, even as the agricultural economy slowed sharply in the following a weak monsoon, the surge in non-agricultural economy has more than made up for it. The government's investment push, along with easing input cost pressures for industry, has also played a major role in shoring up growth. However, services have been slowing owing to waning pent-up demand (post the pandemic), with the exception of financial, real estate and professional services, which has powered ahead on the back of robust growth in banking and real estate sectors.

In Fiscal 2025, CRISIL expects the GDP to expand 6.8%. Uneven growth in key trade partners will restrict healthy export recovery but budgetary support to capex, investments and domestic incomes to support growth.

India real GDP growth at constant prices (new series)



RE – revised estimates, SAE – second advance estimates, P – projection

Notes:

1) *The values are reported by the government under various stages of estimates*
2) *Actuals, estimates and projected data of GDP are provided in the bar graph*

Source: Provisional estimates of national income 2022-2023 and quarterly estimates of GDP for the fourth quarter of Fiscal 2023, Central Statistics Office (CSO), Ministry of Statistics and Programme Implementation (MoSPI), CRISIL MI&A Consulting

Consumption expenditure is the largest contributor to GDP

Private final consumption expenditure ("**PFCE**") has been the largest component of India's GDP historically. In the current fiscal, it is estimated to contribute 56.9%. Between Fiscals 2012 and 2024, PFCE logged 5.7% CAGR. The increasing share of discretionary spending from Fiscal 2012 suggests rise in disposable income and spending capacity of households.

In the medium-to-long term, a positive economic outlook and growth across key employment-generating sectors (such as real estate, infrastructure and automobiles) are expected to have a cascading effect on overall per capita income. This, in turn, is expected to drive discretionary spending.

Trend of PFCE

	Fiscal 2012	Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021 RE	Fiscal 2022 RE	Fiscal 2023 PE	Fiscal 2024 SAE	CAGR Fiscal 2012-Fiscal 2024
PFCE (Rs trillion)	49.1	51.8	55.6	59.1	63.8	69.0	73.3	78.5	82.6	78.2	87.3	93.2	96.05	5.7%
Share of PFCE in GDP	56.2%	56.2%	56.7%	56.2%	56.1%	56.1%	55.8%	56.1%	56.8%	57.2%	58.1%	58.0%	55.6%	-

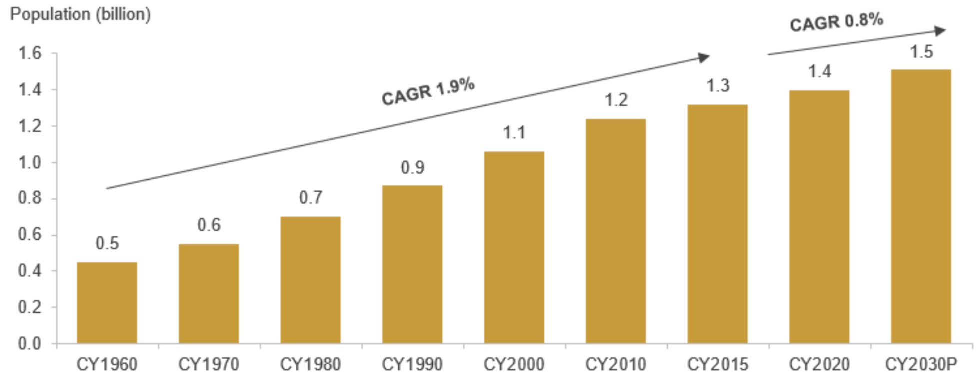
RE: Revised estimates, PE: Provisional estimates, SAE: Second Advance Estimates
; PFCE data is from the latest available National Account Statistics 2023;
Source: MoSPI, CRISIL MI&A

Growing population, increasing urbanisation, decreasing dependency ratio and a young demographic profile to strengthen India's consumer base and consumer demand

India's population grew to approximately 1.2 billion according to Census 2011, increasing at 1.9% CAGR between 2001 and 2011. As of the 2010 census, the country had approximately 246 million households. Additionally, as per United Nations Population Fund's ("**UNFPA**"), State of World Population Report of 2023, India's population by mid-2023 is estimated to have surpassed China by around approximately 2.9 million. This demographic expansion along with increasing per capita income will increase consumer spending in India.

India's urban population is also expected to continue increasing on the back of economic growth. The share of the urban population is projected to increase to nearly 40% by 2030, according to a UN report on urbanisation.

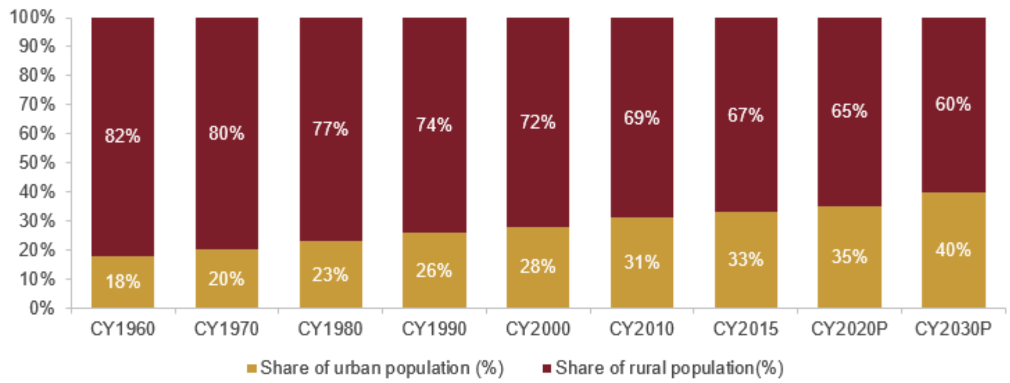
India's population growth



P: Projected

Source: UN Department of Economic and Social Affairs, World Population Prospects 2022, CRISIL MI&A

India's urban vs. rural population (million)

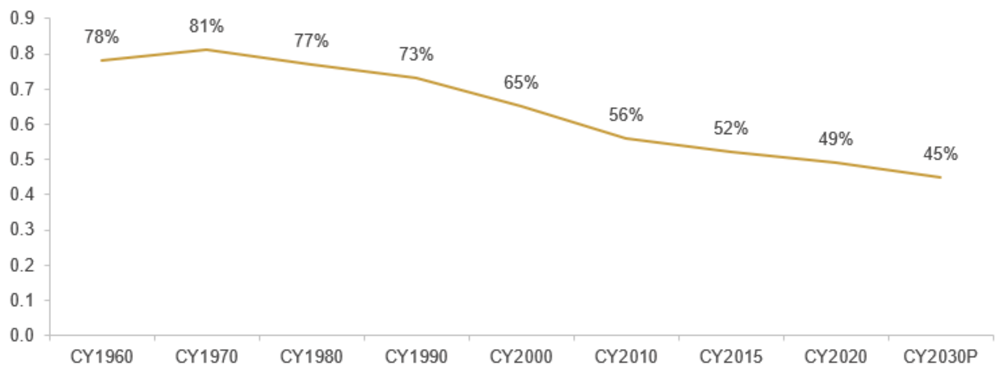


P: projected

As per the United Nations' 2022 Revision of World Population Prospects, India's youth (0-24 years) accounted for nearly half its population in 2010, significantly higher than that for some of its peers (Brazil at 42.5%, China at 35.1% and the Russian Federation at 29.7%). With approximately 31% of India's population aged below 15, a high proportion of the country's young population is expected to remain so in the coming years.

This share is expected to reach approximately 39% by 2030 and remain significantly higher than that of its peers (Brazil at 31.5%, China at 25.4% and the Russian Federation at 27.7%). This also indicates a higher proportion of the population entering the workforce.

India's dependency ratio



P: Projected

Source: World Population Prospects 2022, CRISIL MI&A

As per the UN's 2022 Revision of World Population Prospects, India's dependency ratio was 56% in 2010, which decreased to 49% in 2020 and is projected to decrease further till year 2030. The dip in dependency ratio for any country is a sign of prosperity since it shows a country has a larger population that could be economically active.

Age-wise population break-up (%) for key countries

Country	0-14 years	15-24 years	25-49 years	50-69 years	70+	Total
Brazil						
2010	24.8%	17.7%	37.6%	15.6%	4.4%	100%
2020	20.8%	15.6%	38.3%	19.5%	5.8%	100%
2030P	18.2%	13.3%	37.4%	22.6%	8.4%	100%
China						
2010	18.5%	16.6%	40.3%	19.0%	5.7%	100%
2020	18.0%	11.4%	37.6%	25.5%	7.5%	100%
2030P	13.1%	12.3%	34.0%	28.6%	12.0%	100%
India						
2010	31.0%	19.1%	33.9%	12.9%	3.1%	100%
2020	26.1%	18.2%	36.2%	15.5%	3.9%	100%
2030P	22.3%	16.2%	38.0%	17.9%	5.5%	100%
Russian Federation						
2010	15.2%	14.6%	37.2%	23.2%	9.8%	100%
2020	17.7%	9.8%	37.4%	25.5%	9.7%	100%
2030P	15.4%	12.4%	33.8%	25.2%	13.3%	100%
UK						
2010	17.6%	13.1%	34.8%	22.9%	11.6%	100%
2020	17.8%	11.6%	32.5%	24.4%	13.7%	100%
2030P	15.4%	12.2%	31.9%	24.5%	15.9%	100%
US						
2010	19.9%	14.1%	34.1%	22.8%	9.1%	100%
2020	18.5%	13.1%	33.0%	24.7%	10.7%	100%
2030P	16.4%	12.5%	33.2%	23.0%	14.8%	100%

P: Projected

Source: United Nations, Department of Economic and Social Affairs, Population Division (2022); World Population Prospects 2022, CRISIL MI&A

Budgetary Push to the IT sector

In the Union Budget 2023-24, ₹165.49 billion was allocated to the IT ministry 40% more than the previous year allocation. Budget was mainly allocated for themes such as setting up semiconductor manufacturing, semiconductor designing, promotion of digital payments and Production Linked Incentive scheme for large scale electronics manufacturing and IT hardware.

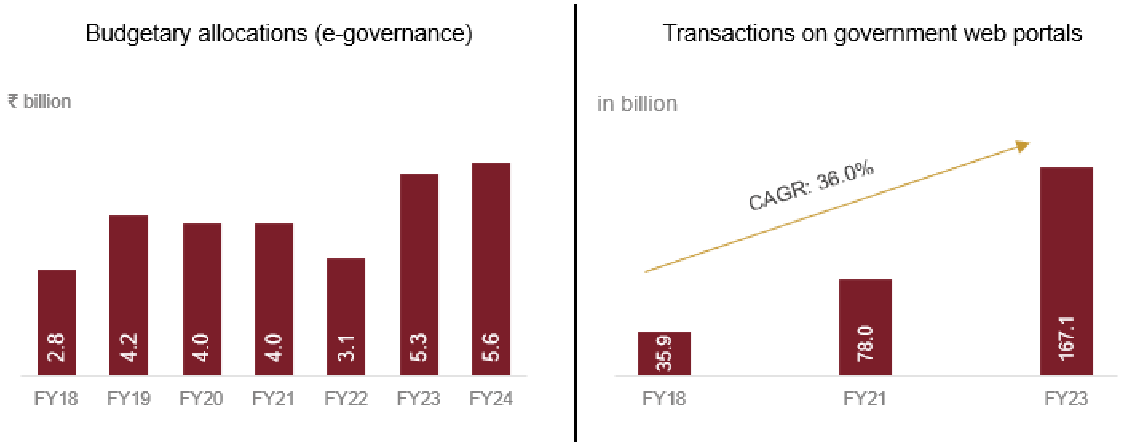
Digitisation: Catalyst for the next growth cycle for IT firms

Digitizing provides benefits like improved productivity, better resource management, data driven insights and increase in governance. CRISIL MI&A expects large scale businesses to have gained operational benefits from technology driven expense, we also expect medium, small and micro businesses to increase spending in technology investments. In B2B spending most of the smaller companies start by investing in automating their sales process followed by accounting process.

While relatively smaller firms invest to automate their core business process, larger firms are deploying newer technologies such as AI, IoT, Big Data Analytics, Cloud/Edge Computing to discover new ways of technology helping them expand business. India provides many digital solutions for diverse business models. India as its developing, also has a huge domestic market for IT solutions. With the talent pool in India and a young working age group, India is establishing itself as a global investment and innovation centre.

E-Governance provides a growth opportunity in Indian economy

Electronic governance involves the usage of information and communication technology ("**ICT**") to improve efficiency, transparency, and accountability of government services. ICT can be used store, process, transfer and retrieve information simultaneously and faster than traditional systems thereby improving on efficiency and reach. In order to promote and facilitate e-governance in India, government has increased its budgetary spends over the years. This can also be reflected in rise of number of transactions per day on government web portals.



Source: Ministry of Electronics and Information Technology (MeitY), eTaal, CRISIL MI&A

However, as per E-Government Development Index ("**EGDI**") 2022, published by United Nations Department of Economic and Social Affairs ("**UN DESA**"), India stands at 105th position among the 193 countries compared. Though India has moved 13 ranks ahead when compared 118th rank during 2014 its ranks lower when compared to major economies such as United States (10th), United Kingdom (11th), China (43rd), Germany (22nd), Brazil (49th), and South Africa (65th) indicating the under-penetration of e-government facilities in India providing an opportunity for IT companies to help digitise government initiatives and accelerate them.

Financial inclusion on a fast path in India owing to increased technology innovation

India has made huge stride in financial inclusivity with government initiative like UPI, Jan Dhan Yojana, Direct Benefit Transfer. Now government after creating the infrastructure is enabling private players to build on it and transform the digital landscape in India. This has caused the private players to build on the existing technology platforms and create newer innovative solutions and products.

Therefore, an opportunity exists for private players and IT solutions provider to make newer products and solutions which caters to India's mass market. IT solutions which can innovate and simplify user experience, reduce turnaround time ("**TAT**") for lending operations, automate loan processing, assess credit risks, onboard client online and help in collections and loan monitoring on a real time basis. For the IT companies, building technology for ensuring last mile delivery of financial services will continue to remain a key driver of growth.

Key steps taken to boost Financial Inclusion in India

To improve financial inclusion, the government is focusing on improving rural banking infrastructure for penetration of financial services as well as empowering the development of parallel supporting institutions. Considerable progress has been made over the past 5-7 years to bring unbanked individuals into the formal banking system.

Steps	Overview
Government Schemes	In order to provide formal banking and social security system government has introduced schemes such as Pradhan Mantri Jan Dhan Yojana, Pradhan Mantri Suraksha Bima Yojana, Pradhan Mantri Jeevan Bima Yojana
Aadhaar	Aadhaar-enabled payments backed by UIDAI's authentication, will help residents transact electronically, reducing the cost of transactions. Also, it has helped reduce the KYC approval turnaround time from the previous 10-15 days, when the customer had to submit various documents for identity and address proof, to almost-instant KYC approval.
Digital India	Digital India is an umbrella programme to transform India into a knowledge economy and further the financial inclusion initiative. It aims to develop digital infrastructure, delivery of government services digitally and improvement in digital literacy, especially in rural India. Under Digital India initiative to increase the penetration of e-governance as well as increase the financial inclusion in the country various advancements have been made which include introduction of Aadhaar, UPI, Common service centres, e-sign, DigiLocker, UMANG, Pradhan Mantri Gramin Digital Saksharta Abhiyaan among others.

Source: CRISIL MI&A

Global Interests and Investments in Digital India

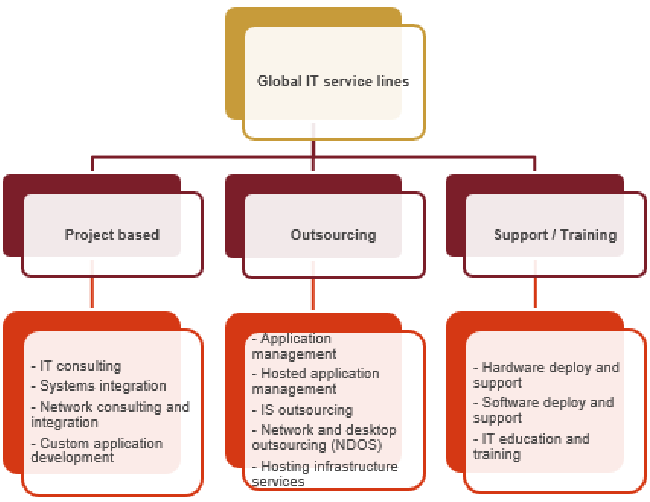
The World Investment Report 2023 of UNCTAD ranks India 8th largest recipient of FDI in the top 20 host countries in 2022. According to Ministry of Commerce and Industry, India received the highest-ever FDI inflow of US$84.84 billion in Fiscal 2022, however FDI inflows received in Fiscal 2023 was US$70.97 billion. FDI inflows decreased in Fiscal 2023 on account of high global inflation, higher global cost of borrowings, weak demand in developed economies and global slow down. Government of India to facilitate investment in the digital infrastructure has introduced National Single- Window System which is a common platform for seeking approvals and clearances.

The Indian IT companies is likely to play a key role in the Digital India mission owing to its talent pool, cutting edge research work and innovative initiatives to bring in operating efficiencies by digitising almost every industry.

Overview of Global IT services industry

Overview and structure of Global IT industry

The global IT services industry is dynamic and multifaceted, encompassing a wide range of services that support organisations in managing and leveraging technology for their business objectives. The industry can be defined based on the service lines. The industry provides a diverse array of solutions that cater to the multifaceted requirements of businesses worldwide. Categorised into three key pillars, these services encompass project-based initiatives, outsourcing solutions, and support/training services.



In the realm of project-based services, IT consulting takes the centre stage, offering strategic insights and recommendations for technology adoption and optimisation. Systems integration and network consulting and integration services ensure the seamless interoperability of IT systems, fostering connectivity across the organisational landscape. Custom application development is a pivotal component, tailoring software solutions to meet specific business requirements and promoting innovation.

Outsourcing services constitute a substantial part of the IT service lines, providing organisations with opportunities to streamline operations and enhance efficiency. Application management services deliver ongoing support and maintenance for software applications, ensuring their optimal performance throughout their lifecycle. Hosted application management and network/desktop outsourcing ("**NDOS**") extend these capabilities, enabling businesses to delegate specific IT functions and infrastructure services for improved operational agility.

The third category, support and training services, is integral for empowering organizations with the necessary resources and knowledge to maximise their IT investments. Hardware deployment and support services guarantee the smooth integration and functionality of IT hardware, complemented by software deployment and support services that efficiently implement and maintain software solutions. IT education and training services play a pivotal role in upskilling personnel, ensuring that they possess the expertise to navigate the dynamic IT landscape effectively.

Global IT professional services industry

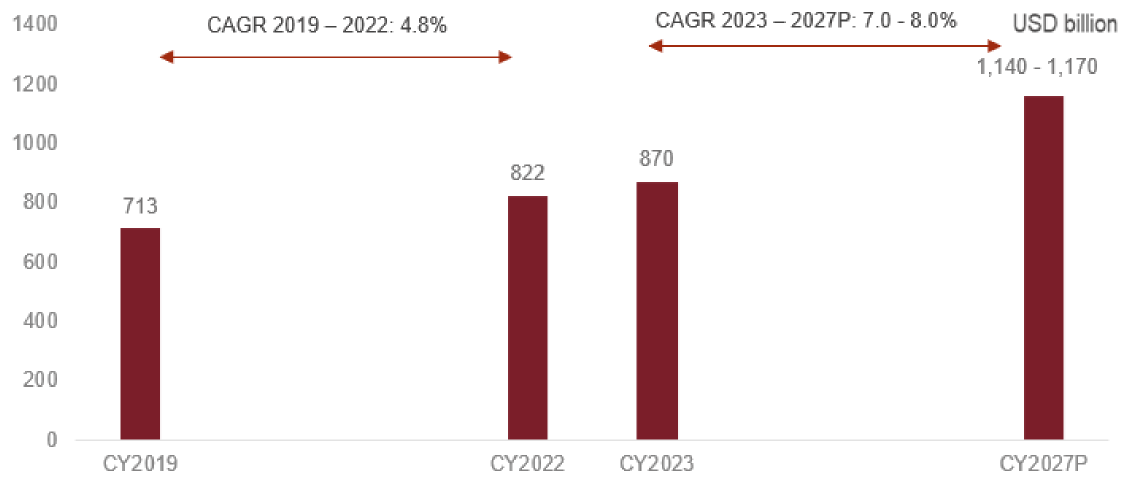
Trend and Outlook Global IT professional services industry

The constantly evolving global IT sector plays a crucial role in our interconnected world, encompassing a diverse array of technologies and services, such as software development and services, cybersecurity, and cloud computing.

Between 2019 and 2022, the IT industry has seen a growth of 4.8% CAGR. In recent years, the IT industry has been characterised by rapid innovation and digital transformation, due to the emerging technologies such as artificial intelligence, blockchain, and the Internet of Things. Moreover, the COVID-19 pandemic accelerated the adoption of remote work and digital solutions, further highlighting the industry's significance.

Moving forward, as global business organisations continue to rely on IT to drive efficiency, connectivity, and innovation, the global IT professional services industry is poised to grow at a considerable pace. The industry is expected to grow at a CAGR of 7.0-8.0% to US$1,140 – 1,170 billion between 2023 and 2027.

Global IT professional services industry



Note: The above values include revenues from project-oriented services, ITO services, IT support and training services, and enterprise cloud computing services segments

Source: Grand View Research, CRISIL MI&A

Recent trends and growth drivers in global IT industry

Parameter	Description
Increasing focus on digital services across sectors	Digital services are gaining traction across all the major sectors due to which IT companies are increasingly shifting their focus on their digital solutions offering portfolio. Additionally, increasing adoption of digital-first strategy by brands is further expected to boast this trend.
Increasing adoption of IT in emerging economies	As the emerging economies continue to develop economically and technologically, they are recognizing the pivotal role that IT services play in enhancing productivity, fostering innovation, and driving economic growth. With the growing availability of affordable hardware and internet connectivity, businesses and governments in emerging economies are leveraging IT services to streamline operations, improve public services, and bolster their global competitiveness.
Increasing focus on sustainability	Companies are increasingly incorporating sustainability into their IT strategies. Green IT services, energy-efficient data centres, and environmentally friendly practices are gaining prominence to reduce the environmental impact of IT operations

Source: CRISIL MI&A

The shift in consumer demand towards digital products and services has resulted in the IT services market to focus on digital transformation services, which has become a key, fast growing market. Across key industries, companies are investing in IT services providers with digital engineering expertise to implement the latest technologies and solutions, such as the following:

- Personalized Solutions bridge conceptualization with user experience design and graphics to develop bespoke, user-friendly applications accessible anywhere across a variety of devices;
- Data and Analytics convert raw business data from internal teams, business partners and end customers into actionable insights;
- Digital Automation reduce unnecessary human intervention in business processes which increases efficiency across the organization, lowers costs and enables employees to focus on more complex assignments;
- Artificial Intelligence and Machine Learning enhance the speed, precision and effectiveness of human efforts such as improved product recommendations and virtual assistant interactions;
- Cloud Computing — enable businesses to access servers, data and applications through the Internet rather than private, local storage devices.

Global IT professional services industry by region

The global IT professional services market is estimated to be worth around US$ 870 billion in 2023, with North America being the largest market, accounting for approximately 37% of the total market share. Europe and Asia Pacific follow closely, with market shares of 22% and 31% respectively. Latin America and the Middle East and Africa ("**MEA**") hold smaller market shares of 7% and 4% respectively.

The dominance of North America in the global IT professional services market can be attributed to the presence of major technology companies and high adoption of advanced technologies in the region. The United States is the largest market within North America, followed by Canada and Mexico.

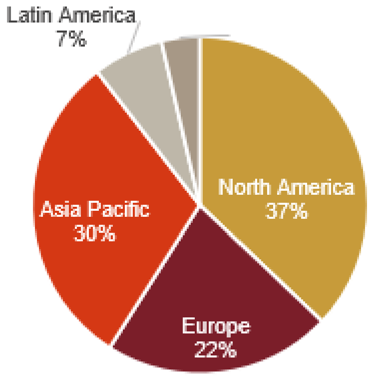
In Europe, the United Kingdom and Germany are the leading markets for IT professional services. The increasing adoption of cloud computing and digital transformation initiatives by businesses is expected to drive the growth of the market in this region.

The Asia Pacific region is expected to witness high growth in the IT professional services market, driven by the increasing demand for technology services in emerging economies such as China, India, and Japan. The growing trend of outsourcing IT services to countries with a skilled workforce and lower labor costs is also contributing to the growth of the market in this region.

Latin America and the MEA regions are also experiencing significant growth in the IT professional services market, driven by the increasing adoption of cloud-based services and digital transformation initiatives by businesses in these regions.

Overall, the global IT professional services market is expected to continue to grow in the coming years, driven by the increasing demand for advanced technology services and solutions by businesses across various industries.

IT professional services industry market by region (2023)



Source: Grand view research and, CRISIL MI&A

Global IT professional services industry by end user segment

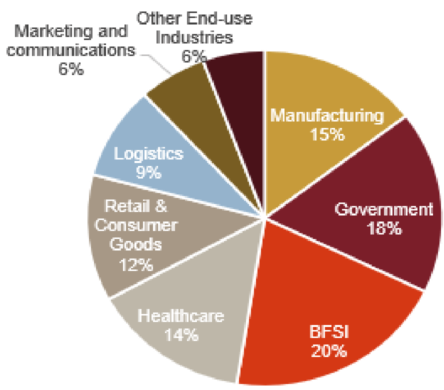
IT professional services market is a rapidly growing sector, driven by the increasing adoption of technology in various industries. The demand for IT professional services is expected to grow significantly in the coming years, as organizations across different sectors are investing in digital transformation to improve their operations, enhance customer experience, and stay competitive in the market.

The end user segment of the IT professional services market includes various industries such as manufacturing, government, BFSI, healthcare, retail & consumer goods, logistics, marketing and communications, and other end-use industries. BFSI, Government and manufacturing sector form the highest shares among the key industries closely followed by healthcare, retail and logistics sectors

The other end-use industries, including education, energy, media & entertainment, and hospitality, also contribute to the growth of the IT professional services market. These industries are increasingly adopting technology to improve their operations, enhance customer experience, and stay competitive in the market. The demand for IT professional services in these industries is expected to grow further in the coming years.

The IT professional services market is driven by the increasing adoption of technology across various industries. With the growing demand for digital transformation and the rising need for efficient and secure IT solutions, the end user segment of this market is expected to witness significant growth in the coming years.

IT professional services industry market by end user segment (2023)



Source: Grand view research and, CRISIL MI&A

Indian IT services industry

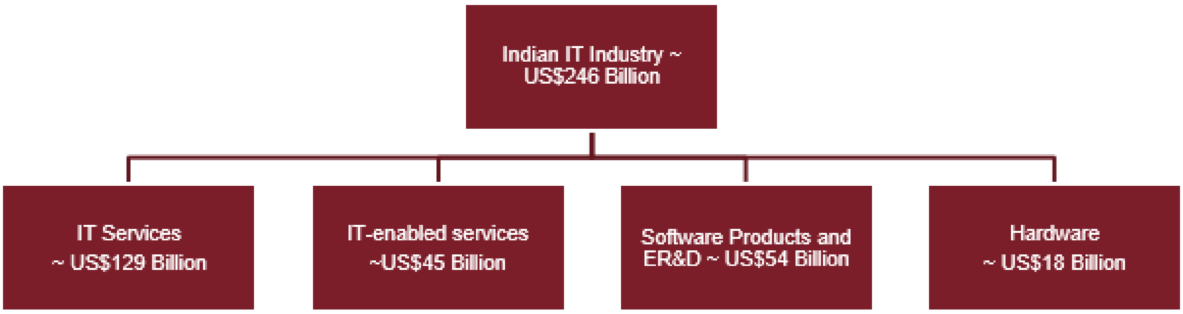
Overview and structure IT Industry in India

In the period 1980-90, with government liberalizing the economy, opening the sector to foreign investment which created a demand for skilled software professional and engineers. During 1990s and 2000s, the Indian IT industry in India experienced rapid growth, expanding its services beyond software development and outsourcing. The industry ventured into Business Process Outsourcing (BPO), Knowledge Process Outsourcing (KPO), ERP (Enterprise Resource Planning) systems, Cloud Computing, Artificial Intelligence & Digital Transformation. Further, the industry also diversified into markets beyond US and Europe and started servicing Middle East, Africa and Latin America as well.

The Indian IT industry can be further categorised into four segments:

- IT services
- IT-enabled services
- Software products and engineering services
- Hardware

Structure and market size of the Indian IT industry (Fiscal 2023)



Note: E: Estimates, conversion rate: US$1 = ₹ 80.3

Source: CRISIL MI&A Estimates

3Overview of IT services in India

The Indian IT services segment formed 52.4% of the total Indian IT revenue as of Fiscal 2023. The segment is predominantly an export-oriented sector, with exports accounting for 83% - 85% of the total revenue with North America and Europe being key geographies. However, over years, the Indian IT services has diversified its markets. The Indian IT Services market has been a catalyst for India’s economic growth, making significant contributions to sectors such as banking, finance, telecom, retail, healthcare and government. This has enabled these sectors to improve efficiency, productivity, quality and innovation.

Today, enterprises are shifting to digital infrastructure and using technology to differentiate themselves. For example, adoption of Robotic Process Automation ("**RPA**") is leading entities to spend on IT services to ensure better-quality process outcomes and better customer service. The large-scale shift of consumers towards digital channels is expected to drive future growth for IT services industry. The Indian IT services industry has matured well over time and has become a low-cost service provider to a hub of innovators delivering world class technology solutions globally. Also, global-in-house centres have found increased traction in India with global players setting up digital innovation hubs in the country.

IT-enabled services (ITeS)

The ITeS industry in India has come a long way since the liberalisation era. The industry has seen a shift with the use of newer technology levers around process transformation, analytics, and automation. The government’s

Digital India Initiative, along with outsourcing demand from various global and domestic companies, has driven the segment's growth and is expected to continue in the future as well.

ITeS companies began with outsourced business processes, such as data processing, billing and customer support, as global companies established their back offices in India. Then the segment moved towards becoming reliable third-party vendor to global clients with value propositions, such as low cost and the ability to leverage time-zone differences to process non-real time transactions. The current phase of the segment is much more evolved, with many players providing numerous service lines. Indian companies have a better hold on process and regulatory standards now. While India is seeing lower differential in terms of employee cost compared with its western counterparts, it is offsetting the cost through process efficiencies and scaled services.

Software Products and ER&D

Engineering and R&D ("**ER&D**") services are those that augment or manage processes that are associated with the creation of a product or service, as well as those associated with maximising the life span and optimising the yield associated with a product or an asset. R&D typically involves designing and developing new or existing products that have increased effectiveness and better functionality.

As the number of qualified software engineers increased in India and global perspective on outsourcing changed, the Indian IT market grew into a provider of an ecosystem for software products. According to NASSCOM, Indian software product companies offer products which are well accepted by global companies and provide value for money. The Indian IT sector provides value propositions, such as cloud-ready software, integrated readymade solutions, and hassle-free implementation. The Indian ER&D market benefits from the skilled manpower provided by educational institutes present in the country focussing on AI-driven solutions, cybersecurity, chatbots, predictive analytics and recommendation engines.

Hardware

Hardware constituted 7.32% of the Indian IT revenue as of Fiscal 2023, including manufacturing of desktops, laptops, tablets, servers, storage devices, printers, and other accessories. The market for hardware has grown on the back of the nascent state of digitalisation in the country. Sectors such as education, healthcare, banking have witnessed increasing demand for computer hardware, as companies are looking to digitalise their processes and functions to increase productivity.

The government is also investing in digitalisation to compete with the private sector, thus increasing demand. As the cloud adoption in the country increases and more data centres are built, more system hardware will be in demand. The government has introduced the Digital Personal Data Protection Bill, 2022, which has strong data localisation policies, restricting cross border transfer of data produced in India. Further, schemes such as Make in India promoting local manufacturing and Production Linked Incentive scheme, which incentivises system design and innovation in hardware, is also expected to aid the market for hardware. Various global brands are keen to set up manufacturing bases in India, given the sheer market size.

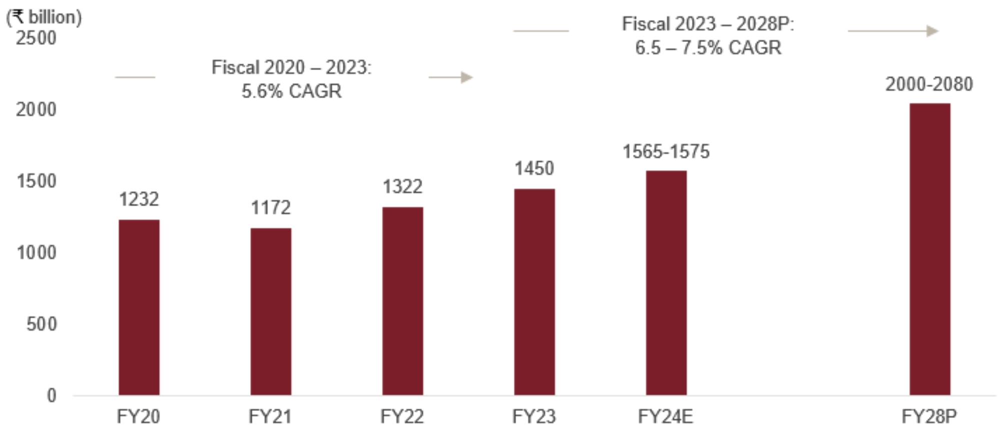
Government's Digital India mission to aid growth for the IT services industry over the medium term

The IT services industry comprises an array of services encompassing AI, ML, data engineering, enterprise-risk management, cybersecurity, software management and consultancy services across industries ranging from BFSI, healthcare to automotive. The industry also provides sector-specific services, such as digital patient management and supply chain optimisation.

Domestic IT revenue is estimated to have seen a growth of 10% in fiscal 2023 due to government initiatives. In fiscal 2024, domestic spending remained focused on products with mass personalisation involving data analytics, ML and AI. CRISIL MI&A expects domestic IT spending to grow at a CAGR of 6.5-7.5% between fiscals 2023 and 2028 because of technology and platform upgrades and also the e-governance initiatives of the government. The government and its agencies are expected to be the largest contributors towards domestic IT spending. However, the growth rate is constrained due to increased domestic leading to pressure on billing rates.

Increased government spending on digitalisation, IT infrastructure improvement and implementation of technology in industries, such as healthcare, manufacturing and agriculture as a part of the Digital India Initiative. However, slow pace of implementation, clearances and stretched timelines in government approvals remain key monitorables.

Trend and outlook of Indian IT services industry (Domestic)



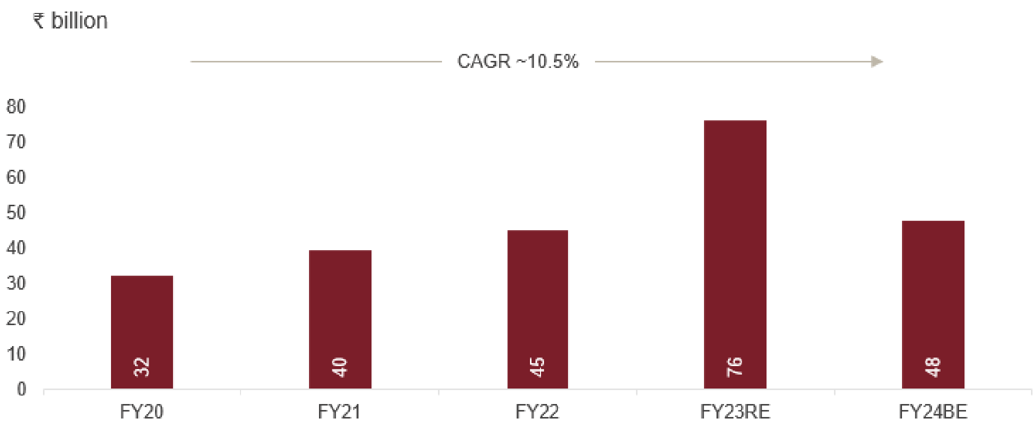
Note: E: Estimated, P: Projected

Source: Company Reports, NASSCOM, CRISIL MI&A

Government outlay on Digital India initiative to aid domestic IT services industry growth

To boost the implementation of Digital India schemes, the government of India provides capital allocation each year, which helps in providing more opportunities for domestic IT players. Over the Fiscals 2020 to 2024 (budgetary estimates), capital allocation under the Digital India programme has increased by 10.5%.

Capital outlay under the Digital India programme



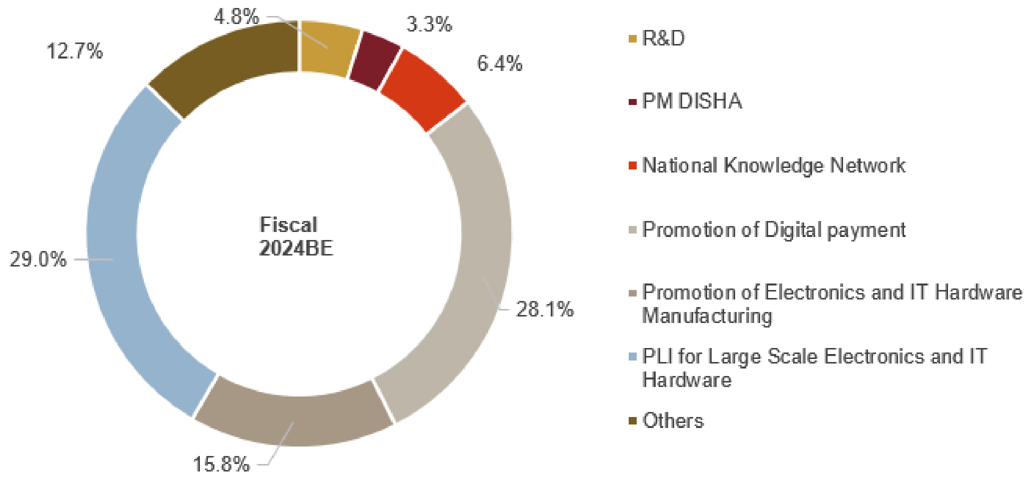
Note: RE: Revised Estimates, BE: Budgetary Estimates

Source: Budget Documents, CRISIL MI&A

Among the various allocations, R&D under the Ministry of Electronics and IT accounts for approximately 5% to help shift focus from assembling electronics to manufacturing electronics. PM Disha accounts for approximately 2%, which is concerned with empowering citizens in rural areas by training them to operate computer or digitally access devices, such as tablets and smart phones, to enable them to use IT and related applications. National Knowledge Network is also allocated approximately 6% share, where it intends to interconnect all institutions of higher learning and research with high-speed data.

While the promotion of digital payments provides a push towards having cashless economy account for a share of approximately 28%. The PLI scheme for large-scale electronic manufacturing and IT hardware took the highest share of approximately 29%. All these provide the opportunities to aid growth for IT services players in India.

Classification of Capital outlay under Digital India programme



Note: BE: Budgetary Estimates

Source: Budget Documents, CRISIL MI&A

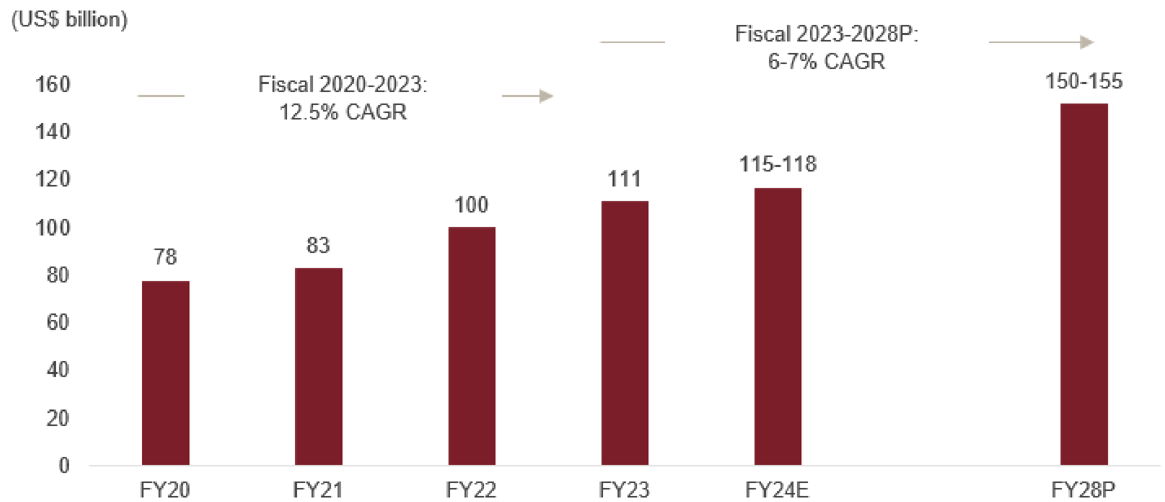
Indian IT services exports

India's IT services exports to grow because of structured digital transformation services

In Fiscal 2023, the export earnings of Indian IT service providers increased 11% on-year to approximately US$111 billion driven by companies focusing on front-to-back digitisation, a new set of services in terms of differentiation. Moreover, enterprises use data analytics, AI and ML for mass personalisation to differentiate themselves. This has led to the migration of consumers towards digital platforms, providing further support for the industry's expansion.

CRISIL MI&A expects IT services export revenue to log a CAGR of 6-7% between Fiscals 2023 and 2028, led by cloud services, RPA and AI along with offer differentiation, which is expected to provide an opportunity for Indian IT players to collaborate with product-based companies. Additionally, global capability centers ("**GCC**") have found increased traction in India, with players setting up digital innovation hubs to experiment with newer technologies. This will further boost IT exports from India.

India's IT services exports trending up



Note: E - estimated, P - projected

Source: Company reports, NASSCOM, CRISIL MI&A

Vertical-wise performance of IT services exports

Sector	Performance
Banking and financial services (BFSI)	Historically, the banking, financial services and insurance (BFSI) sector has been the largest vertical, accounting for 30-32% of IT services exports. This vertical typically spends on customer service, mortgage transformation and lending services despite pressure on demand for loans. The focus is on digitisation of the core systems, improving customer experience, and using technology to mitigate risks and implement controls. Recently, Tata Consultancy Services (TCS) entered a deal with a Swedish bank Ikano to provide banking solutions through its SaaS platform TCS BaNCS™.
Insurance	In the insurance segment, players have been increasingly investing in data and analytics to make smarter decisions, and gain customer insights into the development of new products and services. Recently, TCS inked a deal with ReAssure, a phoenix group holding company, to digitally transform its insurance business.
Telecom	The telecom players have increased technology spending in the past few years, as increased global penetration of 4G VoLTE services, which are IP-based and involve management of many virtual assets, along with spending in network virtualisation and customer retention driven by telecom analytics, provide growth opportunity. Further, the 5G rollout will boost IT exports. Recently, Infosys entered into a deal with Liberty Global (digital communications company) to build and scale the entertainment and connectivity platforms for the company.
Healthcare	Healthcare and pharmaceutical industries focus on patient care platforms, customer experience, predictive patient care and dynamic health monitoring. The industry is experiencing traction in R&D-based analytics services.
Retail	The key retail markets for Indian players continue to be the US, the UK and the EU. As per industry interactions, retail is fast witnessing digital service adoption, with retail majors seeking to go omni-channel to counter the threat from e-commerce companies. Thus, the drive for retails firms to go digital and improve their omni-channel capabilities is expected to provide avenues for Indian IT players in the retail space in the current fiscal. Recently, TCS entered into a contract with a global fashion retailer, as the strategic partner to accelerate its AI/data journey. This includes decommissioning of the legacy platforms.
Manufacturing	Manufacturing companies have started adopting digital technologies. BMW utilises data analytics to reduce the chances of an assembly failure. Firms have also been investing in IoT. For instance, Rolls-Royce uses sensors to collect data to monitor performance of engines and big data, AI and analytics to extract live inputs from data, resulting in operational savings for customers due to real-time preventive maintenance of engines.

Source: CRISIL MI&A

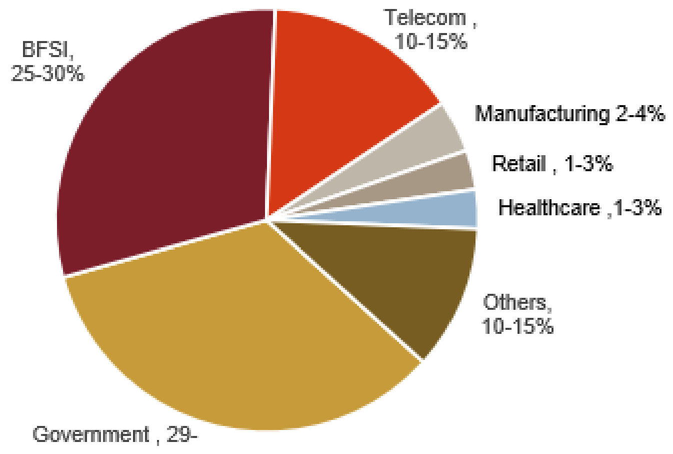
In the IT services exports, the non-captive IT outsourcing is expected to grow backed by the large pool of well-trained and experienced technical consultants available in India. Further, the offshore business for the Indian IT services industry generally provides higher margins than onsite business since personnel costs are lower in India than in many other key countries.

At an overall level, India's IT services industry (including domestic and exports) reached ₹10.3 trillion in Fiscal 2023 and ₹ 10.97 trillion in Fiscal 2024 and is expected to reach ₹14 to 14.5 trillion in Fiscal 2028 growing at a CAGR of 6%-7% (assuming constant conversion rate of US$1 = ₹80.3 in Fiscal 2023, Fiscal 2024 and Fiscal 2028), with growth led by digital services.

Digital transformation boosts sector performance

In India, digital transformation is being led by three sectors – government, BFSI and telecom. Banks are adopting IT solutions for regulatory compliance as well as customer convenience. The telecom industry is digitising due to huge volume of voice and data, and networks. The government has pledged substantial investments in IT infrastructure as part of the Digital India and Smart Cities Mission initiatives. However, speed of implementation is a key monitorable. Healthcare expenditure has also seen an uptick due to the need in improving operational efficiencies through technology.

Government and BFSI to remain the key segments, healthcare to gain share (Fiscal 2023)



Source: NASSCOM, CRISIL MI&A

Digital payments will increase IT players opportunities in the BFSI space with respect to database management, analytics, security and user experience. IT spending in retail is expected to be around logistics, cash management, human resources and inventory management. Omni-channel retailing, wherein multiple channels of shopping are provided in such a way that the consumer has an integrated smooth shopping experience, has been identified as a key focus area by organised retailers.

The adoption of IT among small and medium enterprises ("**SMEs**") has been limited due to the high associated costs. Nevertheless, the emergence of innovative technologies such as cloud services, which require minimal initial capital investment, has substantially reduced the financial barrier for SMEs to embrace it. CRISIL MI&A anticipates that the cost advantages will be a major driver for the growth of cloud services, and numerous small businesses will actively consider its implementation. We expect cloud services, utilising a pay-per-use model, to significantly boost the adoption among SMEs.

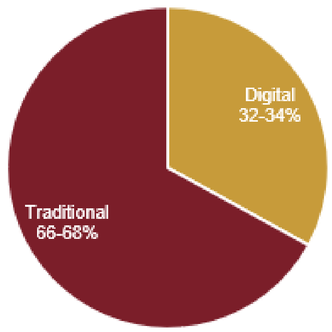
Digital vs traditional IT services in India

In the recent years, there has been a significant shift in the way IT services are delivered in India, with digital services accounting for an increasing share of the industry's workforce.

The traditional IT services industry in India has been around for several decades and has played a vital role in the country's economy. The traditional IT services industry primarily involves on-premises infrastructure, such as servers, storage, and networking equipment, that are managed and maintained on-site by an IT team. This model requires a significant upfront investment in hardware, software, and personnel, which can be a significant challenge for small businesses.

On the other hand, the digital IT services industry in India is a relatively new phenomenon, but it has grown rapidly in recent years.

Digital vs Traditional IT services revenue share in India (Fiscal 2023)



Source: CRISIL MI&A

The growth of the digital IT services industry in India has been driven by several factors, including the rise of cloud computing, the increasing popularity of mobile devices, and the growth of e-commerce.

Emerging trends in the Indian IT services Industry

Technological disruptions are changing the IT landscape. Technological spending is critical in today's world as companies transform into a scalable, secure and connected organisation. Some of the emerging trends such as AI, ML, augmented and virtual reality (AR/VR), and Metaverse are detailed below.

Trend	Advantages	Use cases
Metaverse/AR and VR	Increased collaboration, new communication opportunities, reduction of costs in testing model concepts, innovative marketing tool, Lower employee training and onboarding costs	• Home improvement companies using Metaverse to elevate customer experience in digital shopping - immersive and interactive • Gaming companies using AR and VR to give an immersive customer experience • Medical companies using AR and VR for medical imaging
IoT	Access to real-time visibility, smart solutions, reduced costs and data-driven operational efficiency	• Manufacturing companies using IoT driven devices to improve operations • Healthcare industry using IoT to monitor health via wearables
AI/ML/ Natural Language Processing (NLP)	Reduction of human error, perform repetitive tasks and saving time	• E-commerce companies using AI to better understand customer preference, personalise the customer journey and help in sales forecasting • Banks using conversational AI chatbots to ensure the balance between chatbots and giving customers the human experience. • Human workforce management platforms using NLP to scan thousands of applications
Cloud computing	Cost savings, mobility, flexibility, data driven insight and increased collaboration	• Banks using cloud services for fraud detention • Healthcare industry using cloud to let patients access lab results, prescriptions, etc
Blockchain	Reduced costs, traceability, security and speed	• Companies using blockchain technology to make smart contracts
Automation	Cost savings, fulfill compliance requirement, error reduction, customer satisfaction and increased productivity	• Automating driving such as robo taxis, etc • Reinsurance companies using automation to streamline processes and incorporating it as a part of the business model
Big data analytics	Modernising business models, enhanced decision making, improved customer experience, enhanced data security and transfer of data into models	• Home improvement companies using visual analytics to deliver an immersive customer experience and AI solutions for smart inventory solutions • Online streaming companies using analytics to predict customer choices
Cybersecurity	Protect sensitive data, fulfill compliance requirement, increased customer trust, early detection and response mechanism and remote work security	• Banks using cybersecurity to ensure highest level of security for customer's personal data • Aerospace and defense companies using robotics to automate processes
RPA	Increase efficiency, reduce human error, time saving and better security	• Process manufacturing companies using RPA to automate repetitive processes

Source: CRISIL MI&A

Long-term trends in the Indian IT services industry

Increasing pace of digitisation

Businesses continue to invest in digitisation by making more cost-conscious decisions and value-driven investments to support long-term sustainability. The aim is to mitigate risks and insulate from financial and regulatory shocks. India is a preferred global IT services outsourcing location for global clients because of its digitally skilled workforce, supportive policies, robust infrastructure, and lower cost. Some of the sectors that are at the forefront of digitisation are as follows:

Sector	Business processes undergoing digitisation
BFSI	Credit underwriting, loan processing, payment systems, customer service, customer onboarding and identity verification
Transportation	Online bookings, customer support, price optimisation and customer experience
Media and entertainment	Content production, analytics-based marketing, predicting customer preference and customer experience
Government	Self-service portals, e-governance, digital payment system and digital public platforms

Source: CRISIL MI&A

The pace of digitisation in India has picked up led by higher mobile penetration, improved data connectivity and faster and cheaper data. Wireless data consumption in India has grown approximately 12 times in the past five Fiscals at a CAGR of approximately 65%. The proportion of data subscribers is, hence, expected to rise to approximately 78% in Fiscal 2025 from approximately 62% at Fiscal 2020. India's 4G data rates are also among the lowest in the world. Private players are finding new opportunities driven by the digitisation drive. For instance, the quantum of retail digital payments has catapulted from ₹140 trillion in Fiscal 2017 to ₹606 trillion in Fiscal 2023. Within UPI, the quantum of person-to-merchant payments has jumped from ₹6.2 trillion in Fiscal 2021 to ₹30.7 trillion in Fiscal 2023. This increase has created a digital footprint of customers, which can be potentially used for credit analysis of customers, for which the IT players can build the infrastructure.

Revenue shift towards cloud, IT and analytics

Growth in digital services such as 3D printing, AI, Metaverse, block chain and big data analytics are expected to increase going forward. CRISIL MI&A expects that within the ambit of digital services, cybersecurity and cloud computing will be the two main areas of focus. Here are a few use cases: using AI for predicting business parameters such as sales and margins; using IoT for real-time tracking in logistics; and using generative AI-led chatbots as front-office aids.

Digital India drive

The government's significant investment in digital initiatives, such as the digital census, is expected to contribute to this growth.

While the establishment of digital infrastructure includes schemes such as BharatNet and the provision of free Wi-Fi at railway stations, the provision of digital services represents a significant growth area for domestic service providers. Many government service delivery programmes such as Meghraj (the government cloud platform), necessitate involvement from the private sector. This project encompasses nine major components, and among them, four pertain to IT services: e-Kranti, e-governance, Information for All and IT for Jobs.

Key risks and challenges faced by the Indian IT services industry

Parameter	Description
Global economic uncertainty	The IT services industry is highly dependent on global economic conditions. Economic downturns or uncertainties in major markets, such as the US and Europe, can impact outsourcing decisions and IT budgets of client companies.
Currency exchange rate fluctuations	The IT services industry earns a significant portion of its revenue in foreign currencies, primarily the US dollar. Exchange rate fluctuations can impact profit margins and overall financial performance.
Competition from other countries	India faces increasing competition from other countries offering IT services such as the Philippines, China and Eastern European nations. The rise of nearshore and onshore outsourcing options may pose a threat to India's traditional dominance in offshoring.
Technological disruptions	Rapid advancements in technology, including automation, AI and robotic process automation, pose challenges to traditional IT service models. Companies need to continually adapt and invest in new skills to remain relevant.
Data security and privacy concerns	With the increasing prevalence of cyber threats and stringent data protection regulations globally, the IT services industry must continually invest in robust cybersecurity measures to protect client data and comply with international privacy standards.

Parameter	Description
Talent shortage and skill gap	There is a constant demand for highly skilled IT professionals. However, there is a challenge in sourcing and retaining top talent, particularly in emerging technologies. The industry needs to address the skill gap through training programmes and education initiatives.
Regulatory changes	Changes in global and domestic regulations can impact the operating environment for IT services companies. Compliance with regulations related to data protection, taxation and intellectual property rights is crucial.
Political and geopolitical risks	Political instability and geopolitical tensions can impact the outsourcing decisions of client companies. Trade policies, visa regulations, and political changes in key markets may affect the industry's growth prospects.
Client dependency	A high concentration of clients in specific industries or regions can expose IT services companies to the risk of disruption or downturn in those sectors.
Infrastructure challenges	Despite significant improvements, India still faces infrastructure challenges, including power shortages, transportation issues and connectivity problems, which can impact the smooth operation of IT services.

Overview of select segments of IT industry

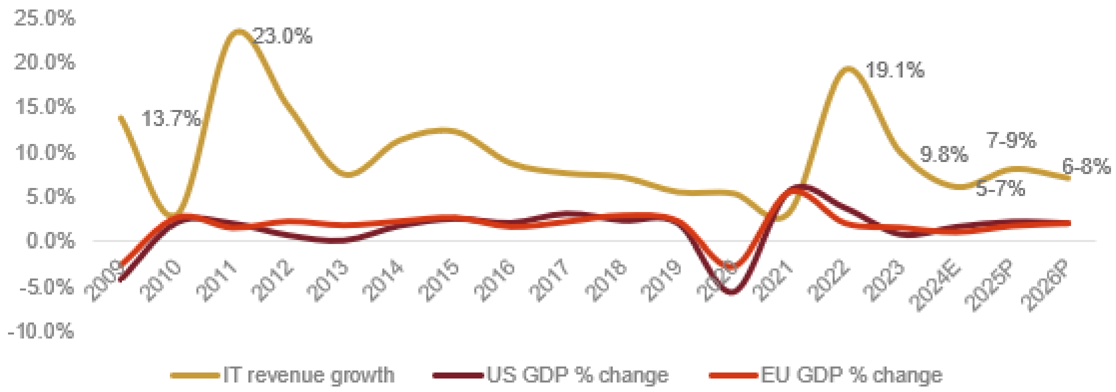
Segment	Description
Cloud and cyber security	In the ever-evolving landscape of digital transformation, organizations are increasingly relying on cloud services to enhance their operational efficiency and scalability. Leading cloud providers such as AWS, Microsoft, and Google have become pivotal players, offering comprehensive cloud solutions to meet diverse business needs. Alongside the adoption of cloud practices, ensuring robust cybersecurity measures has become paramount. Companies are investing in advanced cyber services to fortify their Security Operations Center ("**SoC**") capabilities, adopting cutting-edge practices like Threat Hunting to proactively identify and mitigate potential security risks. Additionally, Cloud Cyber Security Posture Management is gaining prominence, allowing organizations to maintain a secure and compliant posture across their cloud environments. This approach, encompassing cloud adoption and cyber services, underscores the significance of a well-integrated strategy to navigate the complexities of the digital realm while safeguarding against emerging cyber threats.
Data and analytics	In the dynamic landscape of data and analytics, businesses are leveraging cloud services from industry giants such as AWS, Microsoft, and Google to optimize their data practices. These cloud platforms offer robust frameworks for organizations to build, manage, and scale their data infrastructure efficiently. Embracing data products on the cloud has become a strategic imperative for companies looking to extract actionable insights from their vast datasets. The evolution of data monetization strategies further underscores the value of leveraging data as a valuable asset. Simultaneously, organizations are prioritizing data governance to ensure the integrity, quality, and security of their data assets. Data engineering plays a crucial role in transforming raw data into meaningful insights, enhancing decision-making capabilities. The emergence of platforms like the Data and Insights Xchange Marketplace facilitates collaboration and data-sharing among organisations, fostering a collaborative ecosystem for driving innovation and maximizing the value of data across industries. This holistic approach to data and analytics reflects the pivotal role that cloud services and advanced data practices play in shaping the future of business intelligence and innovation.
Enterprise SaaS services	In the realm of Enterprise SaaS Services, businesses are prioritizing comprehensive solutions to streamline their operations across various domains. From financials to supply chain management, customer relationship management ("**CRM**"), human capital management ("**HCM**"), IT service management ("**ITSM**"), IT operations management ("**ITOM**"), customer service management, field service, to workplace service delivery. Organizations are turning to robust platforms like Oracle Fusion Cloud, SAP, Salesforce, Microsoft, ServiceNow, and even exploring offerings from emerging players. These platforms enable the seamless implementation of diverse enterprise solutions, fostering efficiency and integration across different business functions. The flexibility offered by these SaaS services allows companies to tailor their software stack to meet specific needs, ensuring scalability and adaptability in a rapidly changing business landscape.

Segment	Description
	The adoption of such comprehensive SaaS solutions represents a strategic move by enterprises to enhance agility, collaboration, and overall business performance.

IT services in India, correlation with GDP growth in the US and the EU

Indian IT players derive majority of their revenue from the key markets of North America and Europe, especially the consumer and banking sectors. The global slowdown has compelled clients in these markets to clip digital transformation spending. In this backdrop, Indian IT players have matured and become resilient having witnessed major worldwide crises in the past two decades. Post the COVID-19 pandemic, IT players have resorted to measures such as improving productivity, providing newer tech services such as generative AI to increase margin, among others.

Historical trends indicate a stable growth phase supported by steady economic growth



Note: US GDP % change calculated on the basis of GDP at constant prices

Source: IMF, CRISIL MI&A

Overview of the ITeS industry

ITeS encompass a broad spectrum of services that leverage IT for providing services with the help of internet. The Indian ITeS industry's services can be categorised into customer relationship management (CRM), transaction services and knowledge services.

Services provided by Indian ITeS companies

CRM	Transaction services	Knowledge services
• Customer support	• Payment gateways	• Business research
• Marketing	• E-commerce solutions	• Legal research
• Data entry	• Digital eallets	• Market research
• Contact centres	• Finance and accounting	• Legal process outsourcing
• Technical support	• Treasury and risk management	• Data analytics
• Employee helpdesks	• Administrator	• Healthcare operations
• Telemarketing/telesales	• Payment services	• Animation
• Account maintainence/service dispatch	• Human resource management	• Education and publishing

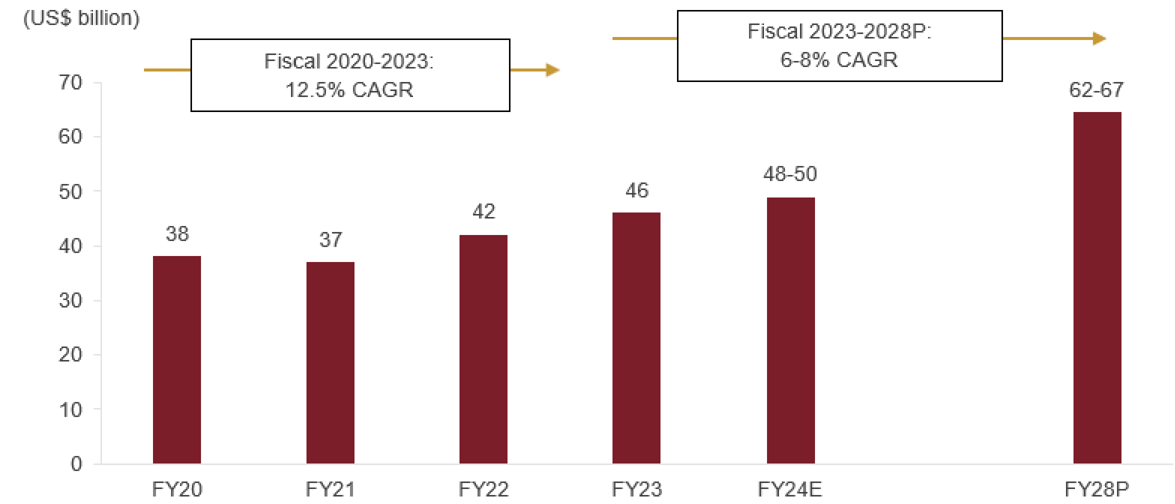
Source: CRISIL MI&A

Growth in key economies to weigh on ITeS industry

ITeS refers to outsourcing of processes in which the provider utilises technologies to meet the business goals of global companies. It provides a gamut of services that exploit technology to improve organisations. Outsourcing saves client money and boosts a country's economic progress, providing the service by creating more jobs.

Over the years, the Indian ITeS industry has undergone a transformation with the emergence of new technological advancements in areas such as process improvement, data analysis and automation. The global IT companies have increased investments in cutting-edge technologies such as robotics, 3D printing, IoT and connected devices, and in the integration of social, mobile, analytics and cloud (SMAC) solutions. The Indian service providers are able to derive significant benefits from this owing to their ability to offer domain-specific services and leverage big data analytics to achieve meaningful business results.

Growth in Indian ITeS market on account of structured digital transformation services



Note: E -: estimated, P - projected

Source: NASSCOM, CRISIL MI&A

The Indian ITeS industry grew 10% in Fiscal 2023 due to growth in non-voice and omni channel CRM segments, as well as knowledge services. Indian ITeS companies have seen robust orders from global clients, which has increased volumes since Fiscal 2022. Skilled employee additions have also fuelled growth in both domestic and export markets.

In Fiscal 2024, the ITeS market witnessed a growth of 7% - 9% in dollar terms backed by the strong existing order book, which has not been impacted by the global slowdown as spending in this industry is mostly non-discretionary. However, global slowdown and economic growth in key economies will remain a key monitorable. CRISIL MI&A believes that improvement in recovery in the US and UK markets, which contribute approximately 80% of the Indian ITeS industry's revenue, will improve volumes across segments.

Economic growth in key export destinations: growth contingent on the US, the UK and the EU economies

Economic Growth remains a key monitorable				
	Share in exports	GDP growth CY2022	GDP CY2023	GDP outlook CY2024
US	62%	1.9%	2.5%	2.7%
UK	17%	3.4%	0.1%	0.5%
EU	12%	4.3%	0.4%	0.8%

Source: IMF (World Economic Outlook – April 2024), CRISIL MI&A

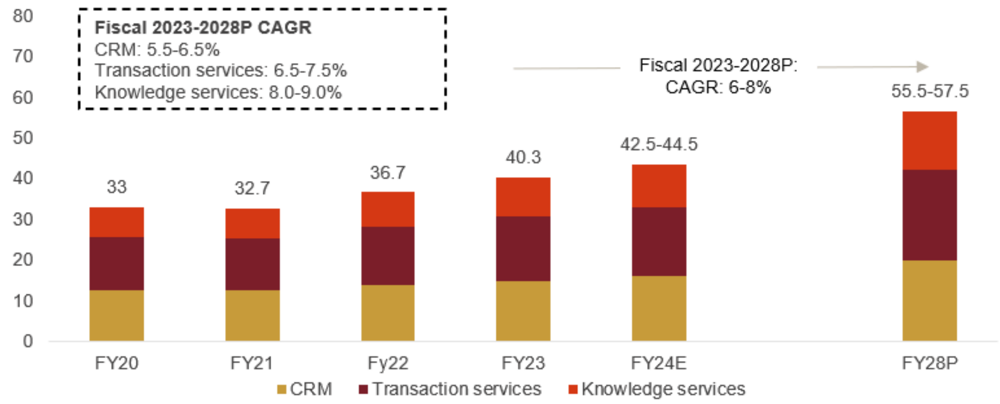
ITeS Exports segment

In Fiscal 2024, ITeS exports grew on account of a strong orderbook from major export economies, specifically to the US and the EU. While global slowdown was experienced by major players, there was no material impact on the client spend. Companies undertook measures such as cost optimisation and price negotiations to ensure growth.

In Fiscal 2024, the ITeS industry is estimated to have grown at 6-8% over the previous fiscal, driven by continued demand from major export economies. Industry is expected to focus on innovation and digital transformation to meet the evolving needs of their clients and stay competitive in the market.

Between Fiscals 2023 and 2028, ITeS exports are expected to increase at a CAGR of 6-8%, driven by growth in knowledge services as clients increasingly adopt analytics and RPA-based research. In the CRM segment, growth is expected to slow down owing to competition in the voice space from the Philippines and shift towards chatbot-based solutions. Transaction services growth is expected to moderate on account of commoditisation and the automation of rule-based tasks. Increased usage and adoption of generative AI to further support growth in the ITeS industry.

Revenue trend of different segments of ITeS exports



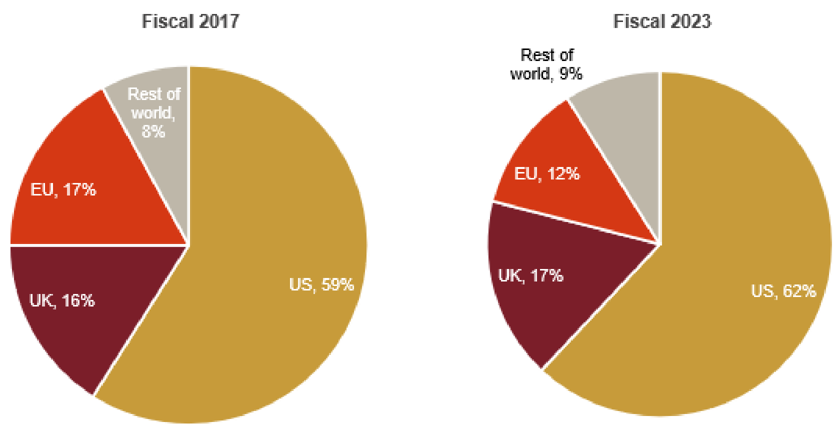
Note: E - estimated, P - projected

Source: NASSCOM, CRISIL MI&A

The EU market losing share to the US, share of emerging markets increasing

The ongoing Russia-Ukraine conflict has negatively impacted exports to the EU, especially Germany, hence reducing the share of EU in Indian ITeS exports to 12% in Fiscal 2023 from 17% in Fiscal 2017. Going forward, CRISIL MI&A expects the share of the US market to remain high, making the industry susceptible to economic and political developments and negative sentiments in the country.

To counter geopolitical risks arising from US, companies have started setting up delivery centers in other regions. For instance, ITeS players have tried to diversify in the Middle East and the Asia-Pacific by setting up delivery centers and targeting clients there. Middle-eastern companies are on a digitisation drive providing new opportunities for Indian ITeS companies.



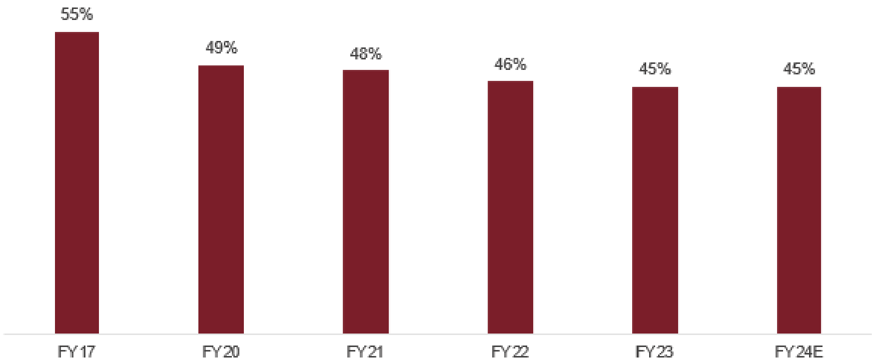
Note: Companies include eClerx, Datamatics and Firstsource

Source: NASSCOM, CRISIL MI&A

Reduction in concentration of top five clients in Indian ITeS companies

Indian ITeS companies have been able to reduce their risk exposure as the share of the top five clients with respect to revenue has decreased from 55% in Fiscal 2017 to 45% in Fiscal 2023. Currently, companies are focussing on product diversification and building adjacent capabilities to mitigate risks.

Reduction in top 5 client concentration risk



Note: Companies include eClerx, Datamatics and FirstSource

Source: NASSCOM, CRISIL MI&A

ITeS industry vertical-wise outlook

Segment	Fiscal 2023 growth	Fiscal 2024E share	Fiscal 2024 growth	CAGR Fiscals 2017-2022	Fiscal 2028P share	CAGR Fiscal 2023-Fiscal 2028	Growth factor
Customer Relations Management (CRM)	9%	36-38%	6-8%	5.1%	33-35%	5.5 – 6.5%	Volume generation in the healthcare vertical, adoption on non-voice CRM
Transaction Services	10%	38-40%	6-8%	6.7%	38-40%	6.5 – 7.5%	Revival in insurance and mortgage processing and collections
Knowledge Services	12%	23-25%	9-11%	9.3%	26-28%	8.0 – 9.0%	Driven by cloud and analytics sub-segment, high R&D spending, and high demand for financial, legal and market research

Source: Industry, CRISIL MI&A

Shift towards non voice CRM to drive growth

In Fiscal 2023, the CRM segment grew due to underlying increase in demand for healthcare services and the need for digitalizing processes throughout a company's value chain. In the medium term, the CRM segment is expected to grow slower than the industry average on account of intense competition from the Philippines in the voice segment. For Indian companies, CRM growth will be driven by a shift towards non-voice and multi-channel AI powered CRM which are premium services.

Growth to be led by digital payments in the Transaction Services segment

Of the US$15-16 billion revenue from transaction services in Fiscal 2023, Finance and Accounting (F&A) services contributed 57-60%, vertical-specific services such as insurance claims processing accounted for 33-35%, with human resource outsourcing and others constituting the remainder of the pie. According to CRISIL MI&A, the vertical mix has stayed largely stable over the past few years, and we do not expect any major changes in the near term.

In Fiscal 2023, transaction services witnessed an uptick on account of volume revival in mortgage processing, insurance, and collections. Banks are investing money in AI projects to upgrade front and back-end processes. Technological advancements such as automation, generative AI are being leveraged by Indian ITeS companies to navigate risks. Globally, digital banking is seeing an uptrend and is more aligned with regulations. Indian players can provide cost-effective solutions for processes encompassing the entire customer lifecycle such as customer onboarding, data processing and due diligence process.

Generative AI to accelerate digital adoption

Despite witnessing economic slowdown in key economies and high concentration risk, Indian ITeS players have been able to grow with the help of cost optimisation and using newer solutions such as Generative AI. Companies are partnering with tech vendors to use generative AI to accelerate digital adoption across the client's ecosystem.

Key areas of impact and opportunities on account of Gen AI to include:

- Data Readiness and Analytics – Efficient use of Gen AI requires large data sets to be assessed, cleaned and consolidated. Development of Gen AI models may help IT services players in additional revenue generation
- Productivity benefits – Productivity improvements on the back of GenAI adoption to further support IT players
- Companies can move up the value chain by providing analytics services and augmenting business with automation and AI
- Backed by the long standing relationships, companies can increase their margins by providing high value services
- Data privacy and accuracy while using Gen AI to remain a key monitorable for service providers

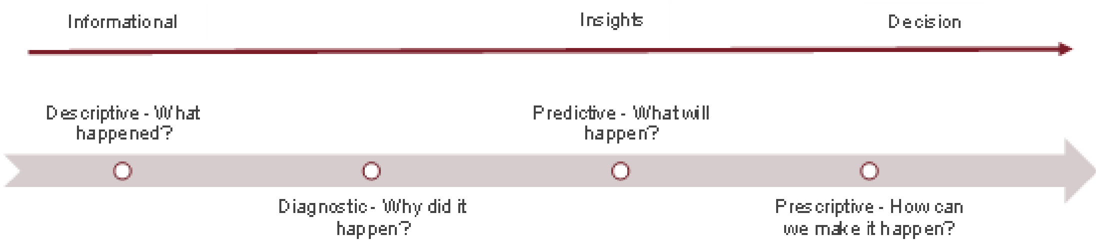
Robotic process automation and decision-based analytics to drive ITeS growth

The global RPA software and service market is expected to have logged approximately 29% CAGR between 2016 and 2022 to reach approximately US$1.5 billion. RPA automates business processes by applying logic and structured inputs. For example, RPA can be used to capture and interpret applications for processing a transaction, manipulating data, triggering responses and communicating with other digital systems. Hence, the RPA automation is higher in data-driven industries such as BFSI and healthcare with the US and UK leading the adoption.

Indian ITeS players are collaborating with technology vendors to provide customisations on platforms which will provide opportunities for clients to remain relevant and offer new-age solutions to them. For example, EXL has partnered with Automation Anywhere to increase its advanced automation and robotics suite of solutions through collaboration. CRISIL MI&A expects that with such partnerships in which the technology vendor provides platform and ITeS players customise them, will be the way forward.

At present, most analytics companies offer descriptive and diagnostic solutions such as real-time dashboards depicting descriptive analytics. Going forward, the thrust will be on predictive analytics which provides analyses of the actions that need to be taken. This will be possible owing to Artificial Intelligence and Natural Language Processing as it helps in better data capture for decision making. With this, the industry will change from the current information stage to a decision-based stage where core focus will be on "augmentation" rather than "automation" for transformation. This move will enable robust growth and drive adoption of analytics.

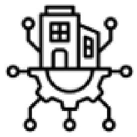
Transformation from informational to decision-based analytics



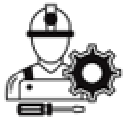
Source: CRISIL MI&A

Companies today offer value propositions such as cost, quality improvement and efficiency, playing on their domain experience, providing a full suite of horizontal and industry-specific services. This is in contrast with companies two decades ago which provided only horizontal services, cost-effective solutions on the back of lower employee cost.

Key additional drivers of growth in global IT and ITES industry

	**Increasing adoption of cloud**	Enterprises across different industries are increasingly deploying cloud services because of the data storing capacity and the on-premises deployment. The increasing adoption of cloud -based services will augment the IT services industry and provide new avenues of growth for the IT companies
	**Growing IT infrastructure demand across Enterprises**	The global market for IT services is anticipated to expand due to the increasing need for IT infrastructure among enterprises. When it comes to consumption-based pricing structures, the trend that began with software has moved to hardware and is becoming more and more popular across many industries. This shift enables flexibility and reduces risk.
	**IoT changing the face of information technology**	The term "Internet of things" describes a system of real-world objects or things that have been given sensors, software, and networking features so they may communicate and gather data over the internet. The increasing adoption of IoT devices is expected to drive the global information technology industry going forward.
	**Growing Influence of Open Source**	The prevalence of open source has been increasing over the last few years mainly due to its low cost. Open source has become the go to platform for developing new technology. Companies now look towards open source to increase their presence in the market in terms of market share and also for increasing productivity .
	**Increased emphasis on Next Generation Language Models**	Adoption and emphasis on next gen language models which utilise unique developments in a large language model comprising of better dataset mixture, updated model architecture and objectives to further support industry growth.

Key factors providing India an edge in the global IT market

	**Skilled Workforce**	India has become a key source of Talent and innovation. Initially, India was seen as an arbitrage in terms of cost, however the same has seen a shift over the years. • According to the Global Resilience Index, India ranks at the 72nd position out of 130 countries. • According to Global Cybersecurity Index (2020), India ranks at 10th position among 182 countries. • India ranks 1st in the AI talent concentration among countries according to the Network Readiness Index 2022. This helps the Indian IT players in having access to a vast pool of highly skilled IT professionals who are well-versed in the latest technologies, thereby providing them an edge in terms of other countries.
	**Cost-Effective Solutions**	Indian IT companies have an advantage in terms of cost backed by availability of large talent pool resulting in pricing advantage due to lower operating costs in terms of salaries, infrastructure expense etc. This helps them in delivering high-quality services at a lower cost, thus making them attractive in the global IT industry
	**Customer Centricity**	Indian IT firms place high priority on providing excellent customer service. Over the years, the reputation for dependability and efficiency has been established by their customer-centric approach and ability to meet tight deadlines.
	**Infrastructure and technological Advancements**	Infrastructure and technological advancements provide a solid basis for India's position as a global centre for services. An atmosphere that is favourable for service organisations is created by the reliable digital infrastructure, well established data centres, and government initiatives. According to Global innovation Index (2022), India ranks 40th among 132 countries

Limitations / Challenges in ITeS exports

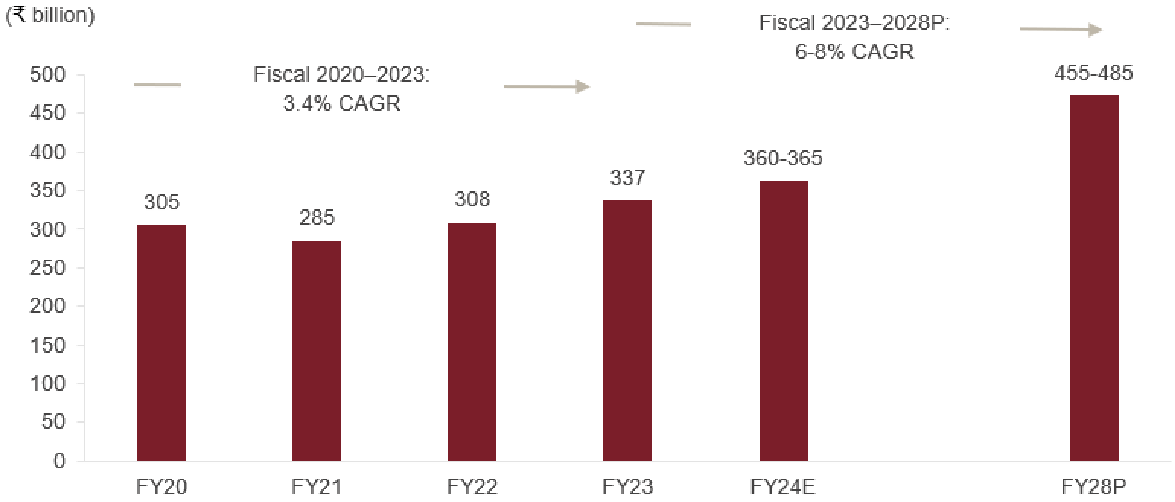
Limitations
Competition from Philippines and near-shore destinations in the voice space
Political uncertainties such as anti-outsourcing sentiment in the US and uncertainty following Brexit can result in lower spending by clients
Talent issues in the growing knowledge services space
Margins may be impacted on account of revision in minimum wage in any of the locations
Discretionary spending by enterprises on digital transformation in the short term to remain a key monitorable

Domestic segment - ITeS

Domestic revenue of Indian ITeS companies grew 8-10% to ₹ 360 billion in Fiscal 2024 on the back of demand led by digital initiatives. The industry's domestic revenue is expected to touch ₹ 455 billion - ₹ 485 billion by Fiscal 2028, clocking a CAGR of 6%-8% between Fiscals 2023 and 2028. Growth will primarily be driven by the

BFSI sector and the government sector on account of increasing share of digital transactions and the financial inclusion drive of the government.

Domestic Indian IT Services - Spend in BFSI and government verticals to lead domestic revenue growth



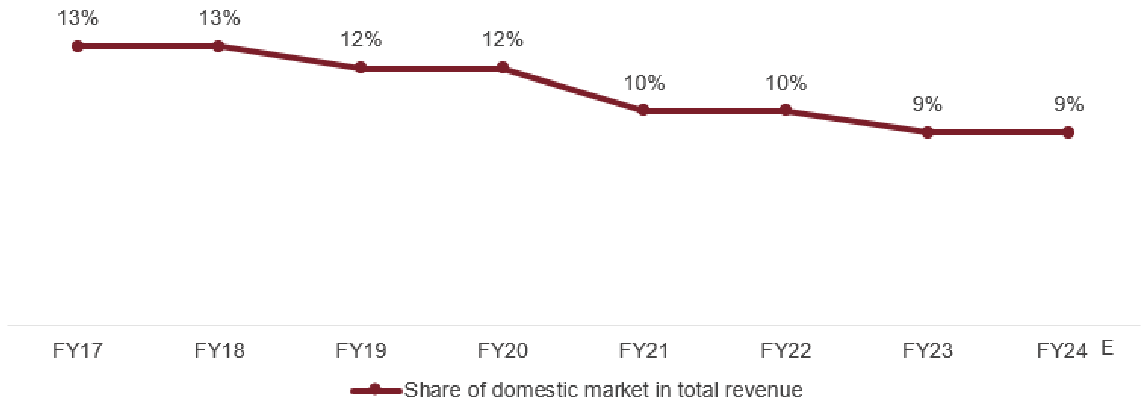
Note: E – estimate, P – projection.

Source: NASSCOM, CRISIL MI&A

Domestic ITeS will continue to take a backseat vis-à-vis exports

Key players in the ITeS industry are reorienting their attention towards the international markets as the domestic sector is witnessing diminishing profitability.

Exports preferred to domestic market



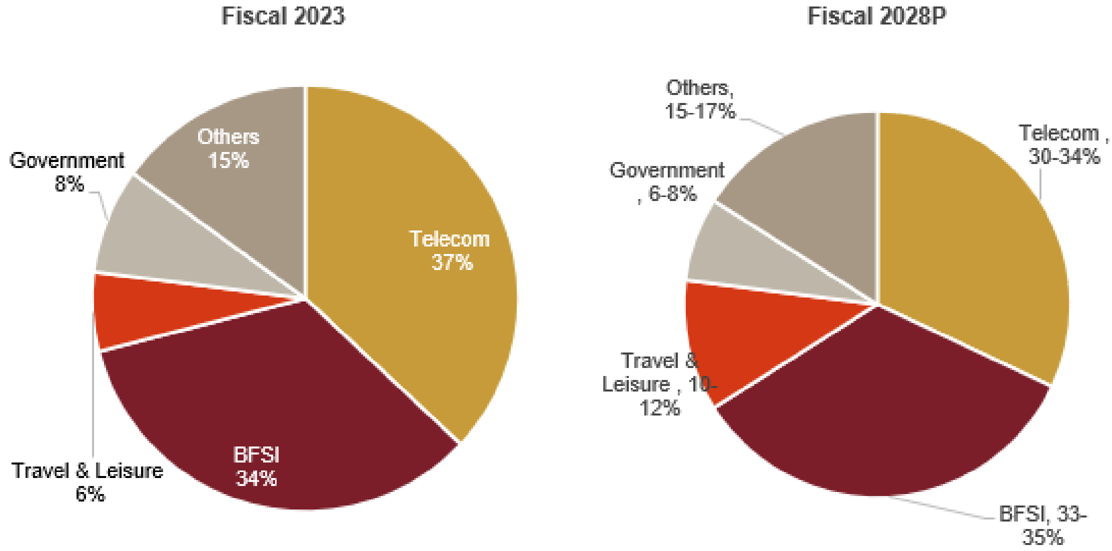
Note: E – estimate; Source: NASSCOM, CRISIL MI&A

As the capital expenditure required to set up a business processing outsourcing unit is low as compared to most sectors, the domestic market has many small players competing for contracts. This has led to increased competition and pressure on billing rates and hence on profitability of companies. Another factor that contributes to lower profit margins in the domestic market, in contrast to the export market, is the smaller proportion of high-value offerings such as knowledge services. Domestic players face higher employee costs as a percentage of sales owing to lower billing rates.

Strong growth expected for government and travel sectors

Telecom and BFSI constituted majority of the domestic segment's revenue as of Fiscal 2023. While this trend is expected to continue in the near term, the telecom industry is expected to lose its share owing to the revenue and margin pressure that the industry is facing. Financial inclusion is increasing the share of digital transactions, providing opportunities in the BFSI segment. Government initiatives to digitise records should also drive growth in revenue.

BFSI and telecom to continue to hold the highest share of revenue



Note: E – estimate, 'Others' consists of healthcare, retail, etc
Source: NASSCOM, CRISIL MI&A

Note: P – projection, 'Others' consists of healthcare, retail etc
Source: NASSCOM, CRISIL MI&A

Roll-out of 5G to aid telecom sector growth

In the past, a substantial portion of the domestic ITeS revenue came from customer-interaction services. However, there is now a shift towards the adoption of more advanced and resource-efficient technologies, including chatbots and self-service applications, in addition to the already widely used interactive voice response systems (IVRS). Additionally with rollout of 5G services, the sector is expected to increase technological spends. Thus, revenue from the segment is expected to grow at 6-8% CAGR between Fiscals 2023 and 2028.

Digital India to drive government spending on ITeS

As part of its Digital India initiative, the Indian government has aimed to boost employment opportunities in the ITeS sector. To achieve this goal, two schemes have been introduced: the India BPO Promotion Scheme ("**IBPS**") and the Northeast BPO Promotion Scheme. The IBPS has been approved under Digital India to incentivise ITeS operations across the country. While there is no risk of default, issues related to timelines of receivables remain key risks for revenue from the government segment, as they are usually delayed.

Assessment of competitive environment of key players in India

In this section, CRISIL has analyzed key players present in information technology services industry in India. Data has been obtained from publicly available sources, including annual reports and investor presentations of listed players, regulatory filings by players with MCA, rating rationales, and/or company websites and other relevant document published by the company.

The peer set considered is an indicative and not exhaustive list of players present in Indian information technology services industry.

Financial ratios used in this report may not match with the reported financial ratios by the players on account of standardisation and re-classification done by CRISIL.

The following nomenclature has been used in further section of report as legal entity name: representative company name

- Coforge Ltd.: Coforge

- Cyient Ltd.: Cyient
- HCL Technologies Limited: HCL
- Infosys Ltd.: Infosys
- LTIMindtree Ltd: LTIMindtree
- Mphasis Ltd.: Mphasis
- Persistent Systems Lts.: Persistent Systems
- Tata Consultancy Services Ltd.: TCS
- Tech Mahindra Ltd: Tech Mahindra
- Wipro Limited: Wipro

Operational parameters

Overview of key players considered

Company Name	Year of Incorporation	Geographical Presence in terms of revenue (Fiscal 2023)	Overview
Coforge	1992	Americas – 50% Europe, Middle East & Africa (EMEA) – 39% Asia Pacific – 7% India – 4%	Coforge is a global digital services and business solutions provider with domain expertise that specializes in Insurance, Banking and Financial Services, and Travel, Transport and Hospitality. The company operates out of 21 countries, with 26 delivery centers spread across US, Europe, Middle-east, India, Asia and Australia. In May 2024, Coforge announced intent to acquire Cigniti Technologies. Cigniti Technologies provides AI-driven, IP-led strategic digital assurance, software quality engineering, software testing, sautomation and consulting services. Cignitis clients among others include Southwest Airlines which is a major airline in the United States
Cyient	1991	North America – 48% Europe – 30% APAC (Including India) – 22%	Cyient has capabilities in the field of Engineering, Digital, Manufacturing, Semiconductor, geospatial management consulting, Enterprise private networks etc. The company delivers services and solutions to a diversified base of over 300 customers, including 29 Fortune 500 companies, across multiple industries.
HCL	1991	America – 57% Europe – 26% India – 4% Rest of the world – 13%	HCL Technologies offers enterprise application services, engineering, research and development, custom applications, remote infrastructure management, and business process outsourcing. The company caters to various industry verticals including financial services, manufacturing, telecom, retail, life sciences, media and entertainment, and energy and utilities including key players such as CAT Technologies, Merck, The Boeing company and others
Infosys	1981	North America – 62% Europe – 26% India – 3% Rest of the world – 10%	Infosys has over four decades of experience in managing the systems and workings of global enterprises. It enable clients in more than 56 countries to navigate their digital transformation. It offers services such as Data Analytics & AI, Engineering services, Internet of things(IOT), Digital Supply chain, Cyber security etc. across industries like Healthcare, Retail, Education, Oil & gas, Mining Etc. including key players like Cummins, Mars, Clariant and others

Company Name	Year of Incorporation	Geographical Presence in terms of revenue (Fiscal 2023)	Overview
LTIMindtree	1996	North America – 72% Europe – 15% Rest of the world – 13%	LTIMindtree (erstwhile Larsen and Toubro Infotech and Mindtree) provides solutions like Cyber security, Enterprise Applications, Platform Operations, etc. The company has presence in 35 countries across multiple verticals including Banking & Financial Services, Communications, Media & Entertainment and Energy.
Mphasis	1992	Americas – 82% India – 5% Europe, Middle East & Africa (EMEA) – 10%	Mphasis offers next-gen data, Cyber security, Modernization, Experience design, NextOps, IT value stream optimization, Agile IT Ops and Platforms and Protocols (XAAP) Etc. The purpose of Mphasis is to be the "Driver in Driverless Car" for Global Enterprises by applying next-generation design, architecture and engineering services, to deliver scalable and sustainable software and technology solutions.
Persistent Systems	1990	India – 11% North America – 78% Rest of the world – 11%	Persistent Systems offers services such as Digital Strategy & Design, CX transformation, Software product engineering, Data & Analytics, Cloud & Infrastructure, Application Development & Management etc. The company caters to various industries such as Banking & Financial Services, Insurance, Healthcare, Life Sciences, Industrial, Telecome and Media, Consumer Tech etc.
TCS	1995	North America – 53% Latin America – 2% United Kingdom – 15% Continental Europe – 15% Asia Pacific – 8% India – 5% Middle East & Africa – 2%	Tata Consultancy Services is an IT services, consulting and business solutions organization that has been partnering with many of the world's largest businesses in their transformation journeys for over 55 years. It offers services such as Cyber security, Artificial Intelligence, Cloud, IOT & Digital Engineering, Enterprise Solutions Etc. across various industries like Banking, Education, Manufacturing, Retail, Public Services Etc.
Tech Mahindra	1986	Americas – 50% Europe Region – 25% India - 6% Rest of the world – 19%	Tech Mahindra is the part of the Mahindra Group and provides solutions like Infrastructure & Cloud Services, Network services, Data Analytics, etc. across multiple industries including Communications, Media and Entertainment and Manufacturing.
Wipro	1945	Americas 1 – 29% Americas 2 – 31% Europe – 28% Asia Pacific, Middle East & Africa (APMEA) – 11%	Wipro under its portfolio of IT services provides digital strategy advisory, customer-centric design, consulting, custom application design, development, re-engineering, and maintenance among others. Further, under the IT products it offers computing, platforms and storage, networking solutions, enterprise information security

Note: The geographical revenue segmentation is as reported by the respective companies

The geographical revenue percentage numbers are rounded off to the nearest zero decimal place for consistency

Overview information is extracted from company website and annual reports.; The player list is indicative and not exhaustive in nature.

Offerings and industries present have been taken from company's websites and is not exhaustive

Geographical presence is in terms of revenue from operations as reported by the company in its annual report

For Mphasis Ltd, Unallocated Hedge of -444.86 million which forms -0.32% part of geographical segment reporting is not considered in the table for consistency

For Wipro Ltd,

- *Americas 1 includes the entire business of Latin America ("LATAM") and the following industry sectors in the United States of America: healthcare and medical devices, consumer goods and life sciences, retail, transportation and services, communications, media and information services, technology products and platforms.*
- *Americas 2 includes the entire business in Canada and the following industry sectors in the United States of America: banking, financial services and insurance, manufacturing, hi-tech, energy and utilities.*
- *APMEA consists of Australia and New Zealand, India, Middle East, South East Asia, Japan and Africa.*
- *IT Products and ISRE which account for 0.67% and 0.64% of the revenue from operations has been ignored for consistency*
  - *IT Products - The Company is a value-added reseller of security, packaged and SaaS software for leading international brands. In certain total outsourcing contracts of the IT Services segment, the Company delivers hardware, software products and other related deliverables. Revenue relating to these items is reported as revenue from the sale of IT Products.*
  - *ISRE: This segment consists of IT Services offerings to entities and/or departments owned or controlled by Government of India and/or any State Governments.*

Source: Company websites, annual reports, CRISIL MI&A

Financial parameters

Operating Income (as per CRISIL reclassification and calculation standards)

Operating Income (₹ million)	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	CAGR (Fiscals 2021-2023)	CAGR (Fiscals 2021-2024)
Coforge	46,837	64,556	80,344	91,790	30.97%	25.14%
Cyient	41,890	45,437	60,163	72,131	19.84%	19.86%
HCL	7,54,100	8,56,770	10,15,160	11,14,080	16.03%	13.89%
Infosys	10,06,880	12,18,390	14,70,880	15,83,810	20.86%	16.30%
LTIMindtree	-	2,61,453	3,32,968	3,62,189	NM	NM
Mphasis	97,025	1,18,618	1,38,491	1,33,407	19.47%	11.20%
Persistent Systems	41,974	57,107	83,506	98,216	41.05%	32.76%
TCS	16,42,330	19,18,410	22,55,550	24,08,930	17.19%	13.62%
Tech Mahindra	3,79,447	4,47,894	5,37,086	5,29,124	18.97%	11.72%
Wipro	6,19,430	7,93,120	9,04,876	8,97,603	20.86%	13.16%

Note: Financials for all the players are considered on consolidated basis
The numbers are rounded off to the nearest zero decimal place for consistency
For LTIMindtree, Fiscal 2024, Fiscal 2023 and Fiscal 2022 financials are not comparable with Fiscal 2021 as these values include post-merger values of LTI and Mindtree
NM:.Not Meaningful; for LTIMindtree, Fiscal 2024, Fiscal 2023 and Fiscal 2022 financials indicate post-merger values,
Values are as per CRISIL MI&A standards and may not match company reported numbers
Please note, Fiscal 2024 numbers are taken from the Quarter 4 Fiscal 2024 financial statement of the companies, since detailed disclosures are not available, the values may not be comparable with other years.
Source: Company reports, CRISIL MI&A

Operating profit before depreciation, interest, and tax (OPBDIT) (as per CRISIL reclassification and calculation standards)

OPBDIT (₹ million)	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	CAGR (Fiscals 2021-2023)	CAGR (Fiscals 2021-2024)
Coforge	8,020	11,416	13,277	14,277	28.67%	21.20%
Cyient	6,556	7,918	10,127	13,687	24.29%	27.81%
HCL	2,01,250	2,08,840	2,27,790	2,56,930	6.39%	8.48%
Infosys	2,77,590	3,18,750	3,65,130	4,11,360	14.69%	14.01%
LTIMindtree	-	53,665	61,297	70,893	NM	NM
Mphasis	17,924	20,665	25,297	23,342	18.80%	9.20%
Persistent Systems	7,002	9,894	15,058	16,757	46.65%	33.76%
TCS	4,68,500	5,41,890	5,91,970	6,42,960	12.41%	11.13%
Tech Mahindra	70,341	86,970	87,462	58,814	11.51%	-5.79%
Wipro	1,50,709	1,71,885	1,72,404	1,36,099	6.96%	-3.34%

Note: Financials for all the players are considered on consolidated basis
The numbers are rounded off to the nearest zero decimal place for consistency
For LTIMindtree, Fiscal 2024, Fiscal 2023 and Fiscal 2022 financials are not comparable with Fiscal 2021 as these values include post-merger values of LTI and Mindtree
NM: Not Meaningful; for LTIMindtree, Fiscal 2024, Fiscal 2023 and Fiscal 2022 financials indicate post-merger values
Values are as per CRISIL MI&A standards and may not match company reported numbers
Please note, Fiscal 2024 numbers are taken from the Quarter 4 Fiscal 2024 financial statement of the companies, since detailed disclosures are not available, the values may not be comparable with other years.
OPBDIT = Operating income - total expenses before interest tax, depreciation and extraordinary items.
Source: Company reports, CRISIL MI&A

Profit After Tax (PAT)

PAT (₹ million)	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	CAGR (Fiscals 2021-2023)	CAGR (Fiscals 2021-2024)
Coforge	4,660	7,147	7,451	8,356	26.45%	21.49%
Cyient	3,638	5,223	5,144	7,028	18.91%	24.54%
HCL	1,11,690	1,35,230	1,48,450	1,57,100	15.29%	12.04%
Infosys	1,94,230	2,21,460	2,41,080	2,62,480	11.41%	10.56%
LTIMindtree	-	39,500	44,103	45,846	NM	NM
Mphasis	12,168	14,309	16,379	15,548	16.02%	8.51%
Persistent Systems	4,507	6,904	9,211	10,935	42.96%	34.37%
TCS	3,25,620	3,84,490	4,23,030	4,60,990	13.98%	12.29%
Tech Mahindra	43,530	56,301	48,570	23,968	5.63%	-18.04%
Wipro	1,08,680	1,22,434	1,13,665	1,11,121	2.27%	0.74%

Note: Financials for all the players are considered on consolidated basis
For LTIMindtree, Fiscal 2024, Fiscal 2023 and Fiscal 2022 financials are not comparable with Fiscal 2021 as these values include post-merger values of LTI and Mindtree
The numbers are rounded off to the nearest zero decimal place for consistency
NM:.Not Meaningful; for LTIMindtree, Fiscal 2024, Fiscal 2023 and Fiscal 2022 financials indicate post-merger values
Values are as reported by the company
Please note, Fiscal 2024 numbers are taken from the Quarter 4 Fiscal 2024 financial statement of the companies, since detailed disclosures are not available, the values may not be comparable with other years.
Source: Company reports, CRISIL MI&A

Key Financial Margins

OPBDIT Margin

OPBDIT Margin (%)	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024
Coforge	17.12	17.68	16.53	15.55
Cyient	15.65	17.43	16.83	18.98
HCL	26.69	24.38	22.44	23.06
Infosys	27.57	26.16	24.82	25.97
LTIMindtree	-	20.53	18.41	19.57
Mphasis	18.47	17.42	18.27	17.50
Persistent Systems	16.68	17.33	18.03	17.06
TCS	28.53	28.25	26.25	26.69
Tech Mahindra	18.54	19.42	16.28	11.12
Wipro	24.33	21.67	19.05	15.16

Note:
Financials for all the players are considered on a consolidated basis
For LTIMindtree, Fiscal 2024, Fiscal 2023 and Fiscal 2022 financials are not comparable with Fiscal 2021 as these values include post-merger values of LTI and Mindtree
Values are as per CRISIL MI&A standards and may not match company reported numbers
Please note, Fiscal 2024 numbers are taken from the Quarter 4 Fiscal 2024 financial statement of the companies, since detailed disclosures are not available, the values may not be comparable with other years.
Operating margin = OPBDIT/ Operating Income
Source: Company reports, CRISIL MI&A

PAT Margin

PAT Margin (%)	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024
Coforge	9.95	11.07	9.27	9.10
Cyient	8.68	11.50	8.55	9.74
HCL	14.81	15.78	14.62	14.10
Infosys	19.29	18.18	16.39	16.57
LTIMindtree	-	15.11	13.25	12.66
Mphasis	12.54	12.06	11.83	11.65
Persistent Systems	10.74	12.09	11.03	11.13
TCS	19.83	20.04	18.76	19.14
Tech Mahindra	11.47	12.57	9.04	4.53
Wipro	17.55	15.44	12.56	12.38

Note:
Financials for all the players are considered on a consolidated basis
For LTIMindtree, Fiscal 2024, Fiscal 2023 and Fiscal 2022 financials are not comparable with Fiscal 2021 as these values include post-merger values of LTI and Mindtree,
Please note, Fiscal 2024 numbers are taken from the Quarter 4 Fiscal 2024 financial statement of the companies, since detailed disclosures are not available, the values may not be comparable with other years.
Values are as per CRISIL MI&A standards and may not match company reported numbers
PAT margin = PAT/ Operating Income
Source: Company reports, CRISIL MI&A

Return Ratio

Return on Capital Employed (ROCE)

ROCE (%)	FY21	FY22	FY23	FY24
Coforge	34.45	56.96	66.85	65.04
Cyient	21.43	25.67	29.77	39.52
HCL	59.08	51.25	54.52	53.55
Infosys	42.26	45.06	52.36	49.94
LTIMindtree	-	52.16	41.72	37.52
Mphasis	38.03	41.09	49.13	43.64
Persistent Systems	25.97	35.97	48.61	48.09
TCS	54.81	64.23	68.69	72.78
Tech Mahindra	30.93	39.17	36.78	20.23
Wipro	29.56	31.55	28.71	27.70

Note: Financials for all the players are considered on consolidated basis
For LTIMindtree, FY24, FY23 and FY22 financials are not comparable with FY21 as these values include post-merger values of LTI and Mindtree,
Values are as per CRISIL MI&A standards and may not match company reported numbers
Please note, FY24 numbers are taken from the Q4FY24 financial statement of the companies, since detailed disclosures are not available, the values may not be comparable with other years.
ROCE = EBIT / (Tangible net worth + total debt + deferred tax liability)
Tangible net worth = equity share capital + reserves / other equity – intangible assets

Attrition rate

Voluntary Attrition Rate (Last / Trailing Twelve Months)	Q4 Fiscal 2024
Coforge[1]	**11.5%**
Cyient	**17.1%**
HCL[2]	**12.4%**
Infosys	**12.6%**
LTIMindtree	**14.4%**
Mphasis	**16% to 35%**

Voluntary Attrition Rate (Last / Trailing Twelve Months)	Q4 Fiscal 2024
Persistent Systems	**11.5%**
TCS	**12.5%**
Tech Mahindra[3]	**10%**
Wipro	**14.2%**

Note – Voluntary attrition rates are as reported by respective companies in their quarterly results / investor presentation / Factsheets or similar fillings and company reports

1 Data for Coforge excludes BPS

2 Data for HCL excludes digital process operations

3 Data forTech Mahindra is for Organic business

Source: Company reports, CRISIL MI&A

Operating Income – Long term (Fiscal 2018 to Fiscal 2024) (as per CRISIL reclassification and calculation standards)

Operating income (₹ millions)	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	CAGR Fiscals 2018-2024
Coforge	29,997	36,855	41,933	46,837	64,556	80,344	91,790	20.49%
Cyient	39,139	46,694	44,341	41,890	45,437	60,163	72,131	10.73%
HCL	5,05,750	6,04,530	7,06,890	7,54,100	8,56,770	10,15,160	11,14,080	14.07%
Infosys	7,07,240	8,29,910	9,09,860	10,06,880	12,18,390	14,70,880	15,83,810	14.38%
LTIMindtree	-	-	-	-	2,61,453	3,32,968	3,62,189	N.M
Mphasis	63,786	78,218	88,340	97,025	1,18,618	1,38,491	1,33,407	13.09%
Persistent Systems	30,397	33,732	35,767	41,974	57,107	83,506	98,216	21.59%
TCS	12,31,820	14,65,100	15,69,810	16,42,330	19,18,410	22,55,550	24,08,930	11.83%
Tech Mahindra	3,08,893	3,47,515	3,70,781	3,79,447	4,47,894	5,37,086	5,29,124	9.39%
Wipro	5,44,871	5,85,845	6,10,232	6,19,430	7,93,120	9,04,876	8,97,603	8.68%

Note: Financials for all the players are considered on consolidated basis
The numbers are rounded off to the nearest zero decimal place for consistency
For LTIMindtree, Fiscal 2024, Fiscal 2023 and Fiscal 2022 financials are not comparable with Fiscal 2021 as these values include post-merger values of LTI and Mindtree
NM:.Not Meaningful; for LTIMindtree, Fiscal 2024, Fiscal 2023 and Fiscal 2022 financials indicate post-merger values,
Values are as per CRISIL MI&A standards and may not match company reported numbers
Please note, Fiscal 2024 numbers are taken from the Quarter 4 Fiscal 2024 financial statement of the companies, since detailed disclosures are not available, the values may not be comparable with other years.
Source: Company reports, CRISIL MI&A

Key Observations

- Among the peers considered, Coforge clocked one of the highest growth rates in terms of operating income between Fiscal 2018 - Fiscal 2024 with a CAGR of 20.49% while Persistent Systems saw the highest CAGR of 21.59% during the same period.
- Coforge reported the second highest operating income CAGR of 25.14% between Fiscal 2021 – Fiscal 2024 among the peers considered, increasing from ₹46,837 million in Fiscal 2021 to ₹ 91,790 million in Fiscal 2024. Persistent Systems recorded the highest operating income CAGR of 32.76% during the same period.
- In Fiscal 2024, Coforge registered an OPBDIT and PAT of ₹14,277 million and ₹ 8,356 million respectively, increasing at third highest CAGR of 21.20% and 21.49% respectively from Fiscal 2021 – Fiscal 2024 among the considered peers.

- Among the peers considered, Coforge had one of the lowest attrition rate at 11.5% (excluding BPS) in fiscal 2024 while Tech Mahindra had the lowest attrition rate at 10%. During the same time period, Persistent Systems also had 11.5% attrition, similar to that of Coforge.

OUR BUSINESS

Some of the information in this section, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" on page 19 for a discussion of the risks and uncertainties related to those statements and "Risk Factors", "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 40, 270 and 110, respectively, for a discussion of certain factors that may affect our business, results of operations or financial condition. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

*Our Company has entered into two share purchase agreements, each dated May 2, 2024, pursuant to which we intend to acquire 54.00% of the fully diluted paid-up capital of Cigniti Technologies Limited ("**Cigniti**", and such acquisition, the "**Proposed Acquisition**"). We have included in this Preliminary Placement Document the Unaudited Pro Forma Condensed Combined Financial Statements (to be read in conjunction with "Basis of Preparation of the Unaudited Pro Forma Condensed Combined Financial Statements" on page P-5) for Fiscal 2024, to illustrate the proforma impact of the Proposed Acquisition on our results of operations for the year ended March 31, 2024 that would have resulted had the Proposed Acquisition been completed at April 1, 2023 and the financial position as at March 31, 2024 had the Proposed Acquisition been completed as at March 31, 2024. For further information, see "Unaudited Pro Forma Condensed Combined Financial Statements" on page 271 and "Risk Factors – The Unaudited Pro Forma Condensed Combined Financial Statements included in this Preliminary Placement Document are not indicative of our future financial condition, cash flows or results of operations" on pages 53-54.*

Unless otherwise stated or the content otherwise requires, references in this section to "our Company" or "the Company" are to Coforge Limited on a standalone basis, while references to "we", "us", or "our" (including in the context of any financial or operational information) are to Coforge Limited on a consolidated basis. Also, see "Definitions and Abbreviations" on page 24 for certain terms used in this section.

Our fiscal year ends on March 31 of each year. Accordingly, references to a "Fiscal" year are to the 12-month period ended March 31 of the relevant year. Unless otherwise indicated or the context otherwise requires, our financial information for Fiscals 2022, 2023 and 2024 included herein is derived from the Audited Consolidated Financial Statements included in this Preliminary Placement Document. Financial information for Fiscal 2024 pertaining to Cigniti is derived from the Cigniti Audited Consolidated Financial Statements included in this Preliminary Placement Document. For further information, see "Financial Information" on page 270.

We have included various operational and financial performance indicators in this Preliminary Placement Document, some of which may not be derived from our Financial Statements and may not have been subjected to an audit or review by our Statutory Auditors and no services have been performed by the Statutory Auditors with respect to such performance indicators. The manner in which such operational and financial performance indicators are calculated and presented, and the assumptions and estimates used in such calculation, may vary from that used by other financial services company in India. You should consult your own advisors and evaluate such information in the context of the Financial Statements and other information relating to our business and operations included in this Preliminary Placement Document.

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Assessment of IT services and IT enabled services industries in India" dated May 2024 (the "**CRISIL Report**") prepared and issued by CRISIL Market Intelligence & Analytics, a division of CRISIL Limited, which has been exclusively commissioned and paid for by us to enable the investors to understand the industry in which we operate in connection with the Issue. The data included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation.*

Unless otherwise indicated, financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year. For further information, see "Industry Overview" on page 145. For further information, see "Risk Factors – Industry information included in this Preliminary Placement Document has been derived from an industry report prepared by CRISIL exclusively commissioned and paid for by us for such purpose" on page 65. Also see "Industry and Market Data" on page 17.

OVERVIEW

We are a global enterprise IT solutions and services company offering clients comprehensive capabilities in product engineering services, intelligent automation services, data and integration services, cloud and infrastructure management services, software engineering services and business process management ("**BPM**") services. Leveraging our global footprint and network of 24,726 IT professionals as of March 31, 2024, we serve clients across three primary verticals – insurance; banking and financial services ("**BFS**"); and travel, transportation and hospitality ("**TTH**"). Having established an entrenched presence in our core verticals, we have increasingly also focused on the retail, healthcare, hi-tech, manufacturing and government (outside India) verticals, which we classify as 'others' for operational convenience. We offer solutions and services that enable our clients to undertake digital transformation, develop better products, establish new markets and improve efficiency and quality, thereby creating real-world business impact.

We are aided in our growth by our continued focus on diversifying our revenues across industries, service offerings and geography. While our primary geographic markets are the Americas and EMEA, our global delivery platform has a presence across 21 countries, with 23 delivery centers in 11 countries supported by sales offices in 35 cities worldwide, as of March 31, 2024. We also have three branches in the United States, Switzerland and Belgium. We are able to service our client base of over 250 clients as of March 31, 2024, through our breadth of services, knowledge of the industries we serve, client-centric approach and our committed employee pool, who engineer, design, consult, operate and modernize clients across the world. We leverage the collective experience of 24,726 employees with whom we are associated, as of March 31, 2024.

Our products and solutions across verticals are powered by a strong partnership with prominent software providers. Our teams collaborate with such providers to design and implement digital IT solutions, with the goal of assisting clients achieve digital transformation and efficiency. Consequently, we have developed proven capabilities in product engineering, digital solutions, data analytics, artificial intelligence/machine learning ("**AI/ML**"), cloud business process re-engineering, digital process automation and low code/ no code platforms.

Led by a dynamic and professional leadership team with extensive experience in the IT services industry, in-depth understanding of managing complex projects and a proven performance track record, we have been able to achieve strong financial and operational performance. We believe that we have established operational drivers that have helped deliver us growth in terms of revenue and profitability. The following table sets forth certain financial information for the years indicated:

Particulars	**As at/ For the year ended March 31,**		
	2022	**2023**	**2024**
Revenue from Operations (₹ million)	64,320	80,146	91,790
Total Income (₹ million)	64,838	80,765	92,404
Profit before tax (₹ million)	8,615	9,512	10,449
Total equity(1) (₹ million)	28,314	31,699	37,269
Earnings before interest, taxes, depreciation and amortisation expenses (EBITDA) (₹ million)(2)	11,154	13,250	14,791
EBITDA Margin (%)(3)	17.34%	16.53%	16.11%
Profit for the year (₹ million)	7,147	7,451	8,356
PAT Margin (%)(4)	11.11%	9.30%	9.10%
Return on Equity (%)(5)	26.98%	24.83%	24.23%

(1) *Total equity is aggregate of equity share capital, other equity and Non-controlling interest ("NCI").*

(2) *Earnings before interest, taxes, depreciation and amortisation expenses (EBITDA) is calculated by adding profit for the year, other income (net), depreciation and amortisation, total tax expense and exceptional items.*

(3) *EBITDA Margin is calculated as EBITDA, divided by revenue from operations.*

(4) *PAT Margin is calculated as profit for the year divided by revenue from operations.*

(5) *Return on Equity is calculated as profit for the year divided by average total equity. Total equity is calculated by adding equity share capital, other equity and non-controlling interests ("NCI"). Average total equity is calculated by adding the opening total equity and closing total equity and dividing by 2.*

For a reconciliation of EBITDA, EBITDA Margin, PAT Margin and Return on Equity, see "Management's Discussion and Analysis of Financial Condition and Results of Operations – Non-GAAP Measures- Reconciliation of Non-GAAP Measures" on pages 118-119.

RECENT DEVELOPMENTS – ACQUISITION OF CIGNITI

On May 2, 2024, our Company entered into: (i) a share purchase agreement with Cigniti and the promoters and members of promoter group of Cigniti ("**Cigniti Promoter Group Shareholders**") to acquire 8,945,295 equity shares ("**Cigniti Promoter Group Shares**"), constituting 32.47% of the paid-up share capital of Cigniti on a fully diluted basis ("**SPA 1**"); and (ii) a share purchase agreement with certain identified public shareholders of Cigniti ("**Identified Public Shareholders**") to acquire 4,884,796 equity shares ("**Identified Public Shareholder Shares**") constituting 17.73% of the paid up share capital of Cigniti on a fully diluted basis ("**SPA 2**", and together with SPA 1, the "**SPAs**"). Our Company has agreed to acquire the equity shares of Cigniti ("**Cigniti Equity Shares**") at ₹ 1,415 per Cigniti Equity Share pursuant to the SPAs. The completion of the Proposed Acquisition is subject to the satisfaction of certain conditions precedent, including the receipt of prior written approvals from/ under: (i) the Competition Commission of India, and (ii) the Hart-Scott-Rodino Antitrust Improvements Act of 1976 ("**Mandatory Statutory Approvals**"), along with certain other conditions as more particularly set forth below.

<u>*Merger*</u> - In terms of SPA 1, Cigniti and our Company shall convene a meeting of their respective board of directors to approve a scheme of arrangement, to be entered into *inter-alia* between our Company and Cigniti in accordance with applicable law and relating to the merger of Cigniti into our Company (the "**Merger**"), within 45 business days from (i) the Open Offer Closing Date (being the date of payment of the consideration for the Open Offer to the public shareholders of Cigniti whose Cigniti Equity Shares are accepted in the Open Offer), or, (ii) if the shareholding of our Company in Cigniti does not reach 54% of Cigniti's fully diluted paid up equity share capital on the Open Offer Closing Date, the Final Tranche Closing (as defined below). The Cigniti Promoter Group Shareholders agree to exercise the voting rights on the Cigniti Equity Shares held by them after the completion of the Final Tranche Closing (as defined below) in such a manner so as to approve the Merger and all activities incidental or ancillary to the Merger. Our Company, the Cigniti Promoter Group Shareholders and Cigniti agree to undertake commercially reasonable efforts to undertake such actions as may be required for the consummation of the Merger.

<u>*SPA 1*</u>

Upon (a) the receipt of the Mandatory Statutory Approvals and the completion of the conditions precedent under the SPAs, (b) the completion of 21 workings days, as defined in the SPA 1, from the detailed public statement dated May 8, 2024 published on May 9, 2024 in terms of Regulations 3(1) and 4 read with Regulations 13(4), 14(3), 15(2) and other applicable regulations of the Takeover Regulations to the public shareholders of Cigniti ("**DPS**"), and (c) subject to the completion of this Issue, our Company will complete the acquisition of 10.00% of the paid up share capital of Cigniti on a fully diluted basis from the Cigniti Promoter Group Shareholders (“**Initial Tranche Closing**”) simultaneously with purchase of the Identified Public Shareholder Shares. The parties will attempt to undertake such Initial Tranche Closing by way of an on-market transaction (subject to the terms more particularly set forth in the SPAs), failing which the Initial Tranche Closing will be consummated by way of an off-market transaction. In accordance with the Takeover Regulations, pursuant to the execution of the SPAs, for the acquisition of equity shares in excess of 25.00% of the issued and paid-up capital of Cigniti, our Company is required to make an open offer to the public shareholders of Cigniti for acquisition of up to 26% of the equity share capital of Cigniti ("**Open Offer**"). Upon completion of the Open Offer, if the shareholding of our Company in Cigniti does not reach 54.00% of the paid-up share capital of Cigniti on a fully diluted basis our Company will acquire a further number of Cigniti Equity Shares from the Cigniti Promoter Group Shareholders , such that the shareholding of our Company does not exceed 54.00% of the paid-up share capital of Cigniti on a fully diluted basis (“**Final Tranche Closing**”). The Parties will attempt to undertake such Final Tranche Closing by way of an on-market transaction (subject to the terms more particularly set forth in the SPAs), failing which the Final Tranche Closing will be consummated by way of an off-market transaction.

In the event the aggregate shareholding of our Company in Cigniti, taking into account the aggregate of (i) the equity shares validly tendered by the public shareholders of Cigniti and actually acquired by our Company under the Open Offer; and (ii) all Cigniti Equity Shares actually acquired, exceeds 54.00% of the paid-up share capital of Cigniti on a fully diluted basis, then the Cigniti Equity Shares to be transferred to our Company at the Final Tranche Closing shall stand proportionately reduced by such number of equity shares so as to ensure that the aggregate shareholding of our Company does not exceed 54.00% of the paid-up share capital of Cigniti on a fully diluted basis. Also see " - *Merger*" above.

<u>Conditions to closing</u>

Completion of transactions under SPA 1 is subject to the receipt of the Mandatory Statutory Approvals and the fulfilment of certain conditions, including the following (collectively, "**SPA 1 Conditions**"):

(i) the group companies of Cigniti, as defined in SPA 1, shall have obtained consent of counterparties in connection with the contract(s) executed by any of the respective companies, the terms of which require such consent for the transactions contemplated under SPA 1;

(ii) Cigniti shall have obtained a valuation certificate from an independent chartered accountant or a category – I merchant banker registered with SEBI, determining the value of the Purchase Shares as required under and in accordance with the Companies Act and FEMA Regulations ("**FEMA Valuation Report**") and shall have delivered to our Company a copy of the FEMA Valuation Report on a reliance basis; and

(iii) Cigniti should obtain prior written consent, including for change in control, from certain lenders, clients and pursuant to other agreements to which it is party, for undertaking the sale of the Purchase Shares.

Further, subject to the requirements under applicable laws, the parties to SPA 1 have agreed that the Cigniti Promoter Group Shareholders shall be re-classified as public shareholders after the consummation of the transactions contemplated in SPA 1.

SPA 2

In terms of SPA 2, our Company and the Identified Public Shareholders have agreed that the sale and purchase of the Identified Public Shareholder Shares will be completed simultaneously with the Initial Tranche Closing. The parties will attempt to undertake such sale and purchase of the Identified Public Shareholder Shares by way of an on-market transaction (subject to the terms more particularly set forth in the SPAs), failing which the sale will be consummated by way of an off-market transaction.

Conditions to closing

Completion of transactions under SPA 2 is subject to the receipt of the Mandatory Statutory Approvals and the completion of certain conditions as specified in the SPA 2 (collectively, "**SPA 2 Conditions**", and together with the SPA 1 Conditions, the "**SPA Conditions**").

Details of the Open Offer

In furtherance of the requirement for the Open Offer under the Takeover Regulations, our Company has made a public announcement of our intention to acquire shares of Cigniti on May 2, 2024 and has thereafter published the DPS. Subsequently, our Company has also filed a draft letter of offer with SEBI on May 16, 2024. Post receipt of comments from SEBI and relevant regulatory approvals, including the Mandatory Statutory Approvals, our Company will launch the Open Offer for participation by public shareholders of Cigniti. In order to complete the initial tranche of purchase as per the SPAs, our Company is required to pre-fund 100% of the cost of acquisition of up 7,162,210 Cigniti Equity Shares at a price of ₹ 1,415 per Cigniti Equity Share, representing 26.00% of the equity share capital of Cigniti, in an escrow account opened for the Open Offer in cash. This amount is estimated to be ₹ 10,134.53 million. Accordingly, an amount of ₹ 10,134.53 million from the Net Proceeds will be utilised towards funding of the escrow account which will eventually be utilised for funding the Open Offer/ Proposed Acquisition. Pre-funding of the escrow will also enable our Company to complete the acquisition of 27.73% of the paid up share capital of Ciginiti, on a fully diluted basis, from the Promoter Group Shareholders and Identified Public Shareholders ahead of commencement of tendering in the Open Offer. The exact price at which the equity shares will be acquired under the Open Offer may be subject to upward revision.

Upon completion of the actions required under the Takeover Regulations, including payment of all amounts to public shareholders who have tendered equity shares pursuant to the Open Offer, any amount lying to the credit of the escrow account shall be transferred to our Company, subject to utilisation of funds for acquisition of equity shares tendered in the Open Offer, in accordance with Takeover Regulations.

Financial Arrangements

The total consideration for the Open Offer, assuming full acceptance, is ₹ 10,134,527,150 ("**Maximum Consideration**").

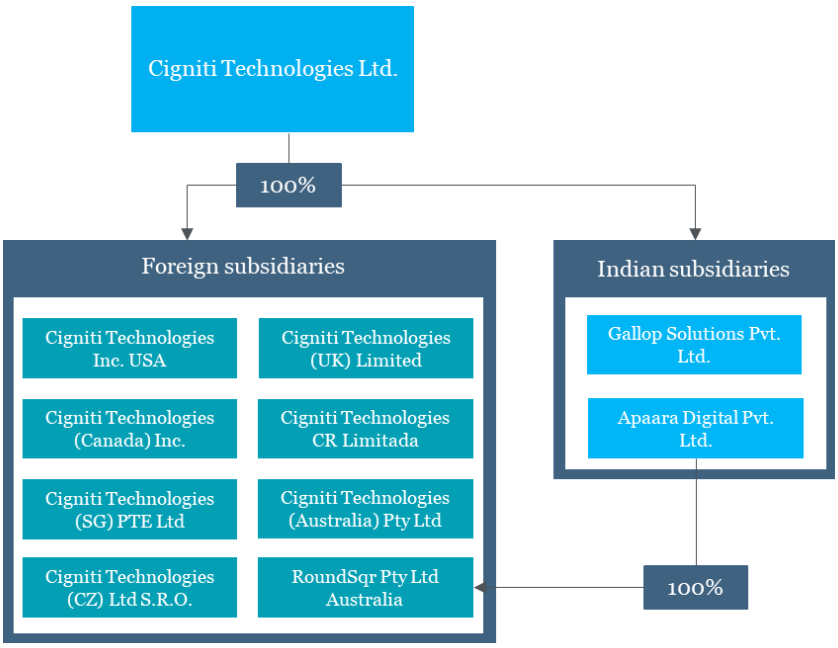
Our Company has opened an escrow account with an escrow bank and the escrow bank has provided a bank guarantee of ₹ 1,772,800,000.00 and our Company has made a cash deposit of ₹ 101,345,272.00, being 1% of the Maximum Consideration. Coforge Pte. Ltd., a wholly owned subsidiary based at Singapore which is acting in concert with us for the purpose of the Proposed Acquisition, has also availed of a committed line of financing on May 2, 2024, for an amount not exceeding US$ 250 million to fund the acquisition of the Cigniti Equity Shares.

In terms of Regulation 22(2) and the proviso to Regulation 22(2A) of the Takeover Regulations, subject to our Company depositing in the open offer escrow account, cash of an amount equal to 100% of the Maximum Consideration, our Company may, after the expiry of 21 days from date of the DPS, subject to fulfilment or waiver of the conditions set forth in the SPAs, complete the Initial Tranche Closing and the closing under SPA 2 and appoint its directors on the board of Cigniti pursuant to the SPAs.

In terms of Regulation 23(1) of the Takeover Regulations, in the event that the Mandatory Statutory Approvals or the any other approvals which may become applicable prior to completion of the Open Offer are not received, our Company and/ or the persons acting in concert shall have the right to withdraw the Open Offer. Other than the Mandatory Statutory Approvals, the completion of the Proposed Acquisition under the SPAs is conditional upon the SPA Conditions. In the event the SPA Conditions are not met for reasons outside the reasonable control of our Company, then the SPAs may be rescinded, and the Open Offer may be withdrawn, subject to applicable law.

About Cigniti

Cigniti is an Indian company headquartered in Hyderabad, India and listed on the BSE and NSE. Cigniti has offices in the UK, UAE, the Czech Republic, Singapore, South Africa, and Australia. The following represents Cigniti's group structure, and its global presence, as of March 31, 2024:



Through a mix of on-shore and off-shore capabilities, Cigniti offers (i) quality engineering services, (ii) digital engineering services, and (iii) digital assurance services. Cigniti also offers advisory and transformation consultancy, and these offerings include test tooling advisory, test benchmarking, automation advisory, maturity advisory, development operational consulting services, AI strategizing, data architecture advisory, among others. As of March 31, 2024, Cigniti has over 190 active clients and over 4,000 employees. A brief description of its service offerings are set forth below:

Digital Engineering - Cigniti's AI-led digital engineering services cover AI/ML engineering, blockchain development services, business intelligence services, enterprise application intelligence services and data science.

Quality Engineering – Cigniti's quality engineering services include automated functional and non-functional testing, systems monitoring and analysis, performance engineering, end to end automation and service virtualization.

Digital Assurance - Cigniti's digital assurance services include AI testing, big data and analytics testing, blockchain testing, security assurance, IoT testing, robotic process automation, and full cycle software quality engineering and assurance services, including development and operations, test automation, omnichannel functional, performance, and security testing, and business assurance.

The key platforms offered by Cigniti include: (i) BlueSwan, an engineering platform that accelerates engineering initiatives of global companies; (ii) Zastra, an active learning-enabled computer vision-based annotation platform that enables AI-led digital outcomes of credible, measurable impact for clients; and (iii) iNStaTM, a low code/ no code test automation with a self-healing, AI-powered scriptless test automation platform that helps clients achieve results faster and reduces the time to market.

Cigniti caters to certain verticals which are distinct from our existing operations, such as retail and e-commerce, technology, healthcare, and life sciences. In addition, it provides services to verticals such as BFS, insurance, and TTH. Cigniti is also building capabilities in energy and utilities. Cigniti's solutions have received widespread industry recognition, and Cigniti is positioned as a 'Disruptor' in HFS' Horizon Report on Generative Enterprise Services, 2023 for embedding AI and automation to deliver cutting-edge innovative solutions and as a “Leader and Star performer” in Everest Group’s Quality Engineering (QE) PEAK Matrix, 2023.

We believe our existing clients will be able to benefit from Cigniti's comprehensive solutions portfolio in quality engineering services. In addition, the Proposed Acquisition will enable us to access new industry verticals in which Cigniti has an established presence, cross-sell our current offerings to Cigniti's existing clients, expand our client base, and grow our presence in North America. For further information, see "*Business Strategies - Derive Synergies from the Cigniti Acquisition and Inorganically Grow Our Business Offerings*" on pages 191-192.

Market Opportunity

The constantly evolving global IT sector plays a crucial role in our interconnected world, encompassing a diverse array of technologies and services, such as software development and services, cybersecurity, and cloud computing, and between 2019 and 2022, the IT industry has grown at a CAGR of 4.8%. (*Source: CRISIL Report*) In recent years, the IT industry has been characterised by rapid innovation and digital transformation, due to the emerging technologies such as artificial intelligence, blockchain, and the Internet of Things. (*Source: CRISIL Report*) Moving forward, as global business organisations continue to rely on IT to drive efficiency, connectivity, and innovation, the global IT professional services industry is poised to grow at a considerable pace. The industry is expected to grow at a CAGR of 7.0% - 8.0% to US$1,140 billion – US$1,170 billion between 2023 and 2027. (*Source: CRISIL Report*)

The global IT professional services market is estimated to be worth approximately US$870 billion in 2023, with North America being the largest market, accounting for approximately 37% of the total market share, while Europe and Asia Pacific follow closely, with market shares of 22% and 31% respectively. (*Source: CRISIL Report*) Latin America and the Middle East and Africa hold smaller market shares of 7% and 4% respectively. (*Source: CRISIL Report*)

The Asia Pacific region is expected to witness high growth in the IT professional services market, driven by the increasing demand for technology services in emerging economies such as China, India, and Japan. (*Source: CRISIL Report*) The growing trend of outsourcing IT services to countries with a skilled workforce and lower labor costs is also contributing to the growth of the market in this region. (*Source: CRISIL Report*) Overall, the global IT professional services market is expected to continue to grow in the coming years, driven by the increasing demand for advanced technology services and solutions by businesses across various industries. (*Source: CRISIL Report*) Across all industries, companies are investing in IT services providers with digital engineering expertise to implement the latest technologies: (*Source: CRISIL Report*)

- *Personalized Solutions* bridge conceptualization with user experience design and graphics to develop bespoke, user-friendly applications accessible anywhere across a variety of devices;
- *Data and Analytics* convert raw business data from internal teams, business partners and end customers into actionable insights;
- *Digital Automation* reduce unnecessary human intervention in business processes which increases efficiency across the organization, lowers costs and enables employees to focus on more complex assignments;

- *Artificial Intelligence and Machine Learning* enhance the speed, precision and effectiveness of human efforts such as improved product recommendations and virtual assistant interactions; and

- *Cloud Computing* — enable businesses to access servers, data and applications through the Internet rather than private, local storage devices, which reduces costs and increases speed, performance and security.

In the IT services exports, the non-captive IT outsourcing is expected to grow backed by the large pool of well-trained and experienced technical consultants available in India. (*Source: CRISIL Report*) At an overall level, India's IT services industry (including domestic and exports) reached ₹10.3 trillion in Fiscal 2023 and ₹ 10.97 trillion in Fiscal 2024 and is expected to reach ₹14 to 14.5 Trillion in Fiscal 2028 growing at a CAGR of 6% - 7% (assuming constant conversion rate of US$1 = ₹80.3 in Fiscal 2023, Fiscal 2024 and Fiscal 2028), with growth led by digital services. (*Source: CRISIL Report*)

STRENGTHS

Comprehensive Portfolio of Solutions and Services Coupled with Domain Expertise

Our differentiated value proposition is driven by our strong technology capabilities across the product engineering and application services, which we combine with deep domain expertise in the select industry verticals that we focus on. Our technology services span product engineering services, data and AI services, cloud and infrastructure management services, digital process automation services, digital integration services and BPM services. On the domain front, we have established expertise in insurance, BFS and TTH verticals, and are actively expanding into other verticals such as healthcare and life sciences, hi-tech and retail.

- *Insurance vertical:* Within the insurance sector, we have carved out a niche as a strategic partner that delivers innovative, reliable solutions that enable leading insurance carriers to launch new products and services, improve underwriting effectiveness, and introduce alternate distribution channels to improve operational efficiency and increase their return on investment.

- *BFS vertical:* We support global banks, central banks, government agencies, fintech companies, cards and payment providers, and global investment managers modernize their core and processes, enabling them to develop new product strategies, adopt the cloud, leverage data and insights and analytics to create personalized experiences for their customers.

- *TTH vertical:* Our solutions enable airlines, airports, travel technology companies and logistics companies across modes of air, sea and land to optimize their operations, enhance customer experiences and unlock new revenue streams by leveraging data-driven insights and streamlining processes.

- *All Others vertical:* We also have a growing focus on the retail, healthcare, hi-tech, manufacturing and government (outside India) verticals, all of which group into the "All Others" vertical in our financial statements.

The following table sets forth details of our revenue from operations, as per disclosure requirements under Ind AS 115, across our verticals for the years indicated:

Revenue by Vertical	**Fiscal**					
	2022		**2023**		**2024**	
	Amount (₹ million)	**Percentage of Revenue from Operations (%)**	**Amount (₹ million)**	**Percentage of Revenue from Operations (%)**	**Amount (₹ million)**	**Percentage of Revenue from Operations (%)**
Banking and Financial Services	16,420	25.53%	24,619	30.72%	29,557	32.20%
Insurance	18,187	28.28%	18,152	22.65%	20,377	22.20%
Travel, Transportation and Hospitality	12,220	19.00%	15,326	19.12%	16,522	18.00%
All Others	17,493	27.20%	22,049	27.51%	25,334	27.60%
Revenue from operations	**64,320**	**100.00%**	**80,146**	**100.00%**	**91,790**	**100.00%**

Further, set forth below are details of revenue from operations, as per disclosure requirements under Ind AS 115, across our various service lines for the years indicated:

Revenue by Service Line	Fiscal					
	2022		2023		2024	
	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)
Software Engineering	15,970	24.83%	20,998	26.20%	24,508	26.70%
Cloud and Infrastructure Management	11,495	17.87%	14,667	18.30%	17,532	19.10%
Business Process Management	6,853	10.65%	7,934	9.90%	8,628	9.40%
Product Engineering	7,698	11.97%	8,095	10.10%	7,802	8.50%
Data and Integration	13,405	20.84%	18,834	23.50%	22,764	24.80%
Intelligent Automation	8,899	13.84%	9,618	12.00%	10,556	11.50%
Revenue from operations	**64,320**	**100.00%**	**80,146**	**100.00%**	**91,790**	**100.00%**

We have particular strengths in digital services, which comprise product engineering, digital integrations and digital process automation. Our collaboration with global technology companies has enabled us to deliver technology-enabled business solutions, and we help businesses through their digital transformation journey by covering the entire process from developing a roadmap to the deployment, operations and maintenance of digital solutions.

In the IT services exports, the non-captive IT outsourcing is expected to grow backed by the large pool of well-trained and experienced technical consultants available in India. (*Source: CRISIL Report*) Further, the offshore business for the Indian IT services industry generally provides higher margins than onsite business since personnel costs are lower in India than in many other key countries. (*Source: CRISIL Report*) Our acquired knowledge and breadth of service offerings serves as a strategic advantage, empowering us to identify upsell and cross sell our services, enhancing both our value proposition and client engagement.

Well Diversified Geographical Presence with Strong Offshore Capabilities

We are a well-established, geographically diversified organization built by investing in people, processes and technology platforms. We work with clients across different industries and geographies and our global delivery platform has a presence across 21 countries, with 23 delivery centers in 11 countries supported by sales offices in 35 cities worldwide, in countries such as United States, Canada, United Kingdom, Germany, Spain, Ireland, Belgium, Netherlands, Switzerland, Poland, Sweden, France, Romania, UAE, Australia, Singapore, Thailand, Philippines, Malaysia and Japan. This network of delivery centers helps us provide software development and innovative digital IT solutions effectively and efficiently across geographies. We also have three branches in the United States, Switzerland and Belgium. We have strategically focused on diversifying our operations in terms of geography and offerings, in order to limit risks relating to concentration of revenue. Our operations in the Americas comprise the United States, Canada, Mexico and Brazil, Europe, Middle East and Africa comprises United Kingdom, Europe, Middle East and Africa.

The following table sets forth details of our revenues based on location, as per disclosure requirements under Ind AS 108 – Operating segments, for the years indicated:

Particulars	Fiscal					
	2022		2023		2024	
	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)
Americas	33,288	51.75%	40,020	49.93%	44,350	48.32%
Europe, Middle East and Africa	22,771	35.40%	31,175	38.90%	36,160	39.39%
Asia Pacific	5,439	8.46%	5,817	7.26%	6,360	6.93%

Particulars	Fiscal					
	2022		2023		2024	
	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)
India	2,822	4.39%	3,134	3.91%	4,920	5.36%
Total	**64,320**	**100.00%**	**80,146**	**100.00%**	**91,790**	**100.00%**

We have developed strong offshore capabilities and a scalable business given the large pool of well trained and experienced technical consultants available in India, (*Source: CRISIL Report*) allowing us to service clients overseas. Our onshore staff include sales teams, account managers, project managers and functional and domain experts who enable a seamless working experience between our clients, our onshore delivery teams and our offshore delivery centers, as well as design studios and digital innovation centers. Onshore managers and subject matter experts ensure consistency and quality of our work product by coordinating different work streams, understanding and managing business requirements, and collaborating with our client's stakeholders. As of March 31, 2024, we had 20,221 employees in our offshore locations, and 4,505 employees in our onshore locations. Towards increasing cost efficiency, we have been able to increase our offshore revenues within revenues we earn from IT services. While we complement our offshore delivery teams with groups of on-shore and near-shore employees who ensure delivery quality and communications continuity with our clients, an increasing offshore revenue mix enable us to increase our spread across geographic markets. This setup enables us to seamlessly serve clients in different geographies and maintain an integrated and productive environment with our clients' on-site teams. Our global delivery model also serves as an important differentiating factor for engagements requiring a high degree of global coordination. We believe that this model fosters a high degree of collaboration with our clients and helps nurture long-term clients relationships.

The offshore business for the Indian IT services industry generally provides higher margins than onshore business since personnel costs are lower in India than in many other countries (*Source: CRISIL Report*). The following table sets forth details of our revenue mix for the years indicated:

Geography	Fiscal					
	2022		2023		2024	
	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)
Onsite	36,019	56.00%	40,153	50.10%	44,320	48.28%
Offshore	28,301	44.00%	39,993	49.90%	47,470	51.72%

Long-standing Client Relationships

We have leveraged our diverse portfolio of services and domain expertise to develop longstanding relationships with a global client base. As of March 31, 2024, we had served over 250 clients through our network of 24,726 globally distributed employees. We employ highly skilled and experienced IT and business professionals who possess a thorough understanding of vertical-specific technology and business operations, to serve our clients' complex needs. In addition, we have developed products and platforms that allow us to deliver our services in a repeatable and cost-effective manner. Our clients operate in the insurance, BFS, TTH, retail, healthcare, hi-tech and manufacturing industries, across geographies. Our client base comprises committed clients who rely on our solutions and expertise for the day-to-day aspects of their business, thereby building on client loyalty. We witnessed order intake in Fiscal 2024 amounting to US$1,973 million, with 11 significant deals signed during the year. Among these, we signed four deals with total contract value exceeding US$50 million, and five deals with total contract value exceeding US$30 million.

We have witnessed an increase in revenue contribution from certain of our top clients along with a reduction in client concentration. This has resulted in a de-risked operating profile, with declining client concentration in spite of increasing large account relationships.

The following table sets forth the revenue contribution from our top clients for the years indicated:

Particulars	Fiscal					
	2022		2023		2024	
	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)
Top five clients	14,729	22.90%	18,594	23.20%	21,541	23.47%
Top 10 clients	21,869	34.00%	28,452	35.50%	31,659	34.49%

The following table sets forth revenue wise details of the number of our clients, based on revenue contribution for the years indicated:

Contribution	Fiscal		
	2022	2023	2024
	Number of clients		
USD 1 million to 5 million	100	101	112
USD 5 million to 10 million	19	23	24
Over USD 10 million	18	21	24

Competencies in Next-Generation Digital Technologies

We offer proven capabilities in product engineering, digital solutions, data analytics, AL/ML, experience, cloud, business process re-engineering, and digital process automation and low code/ no code platforms. We believe that our tools, frameworks, methodologies and partnerships provide us with a competitive advantage and allow us to deliver high-quality solutions to our clients for transforming their business. In addition, we benefit from our strong partnership network with prominent software providers. We have strategic partnerships with several prominent software providers, which supports our continued engagement with next-generation digital technologies.

We have created frameworks, accelerators and applications that use capabilities such as video analytics, advanced natural language processing, smart contracts, and large language models to provide solutions in areas such as fraud analytics and anomaly detection. For example, our generative AI ready platform "Quasar", has already been used in multiple use cases for our clients. We have also created a number of enterprise solutions that enable our clients to use the metaverse and augmented reality, which include uses cases such as virtual bank branch, digital humans, and 3D wayfinding.

Further, our AdvantageGo platform provides our clients with next-generation commercial reinsurance management solutions. Our Engineering Convergence ("**EC**") strategy framework empowers clients to re-imagine how they buy, consume and innovate in a hybrid and multi-cloud world while ensuring the availability, security and reliability of their technical platforms. Our EC strategy framework delivers a holistic approach to engineering services by leveraging our advanced capabilities in product, cloud and process engineering across the business and IT landscapes. We maintain a focus on innovation to sustain and develop our capabilities in digital technologies across our broad portfolio of services. Such initiatives include Agile.NEXT, a product development framework, Cloud Innovation Factory, an infrastructure-as-a-code transformation program, and Helios, an AI enabled multi-cloud operations platform.

Furthermore, our digital transformation vertical excels with industry-specific solutions that leverage emerging trends such as generative AI, ensuring our clients lead in the competitive digital landscape. By integrating generative AI and machine learning, we facilitate process mining and intelligent decision-making, while our advanced analytics capabilities provide data-driven insights to drive success. As our clients digitally evolve, we help them integrate new systems into their existing architecture and support their digital evolution.

Strong Management Team with Committed Employee Base and High Retention Ratios

We have a professional and experienced management team with extensive experience in the IT services industry and a demonstrated ability to grow and diversify our business and innovate our services. Our management team members have on average of over 20 years of experience, as of March 31, 2024, and have previously held senior positions at other leading IT services providers. Their well-rounded and diverse backgrounds provide our leadership team with a thorough understanding of the different verticals in which our clients operate as well as the innovative technologies that constitute our service offerings. In addition, having formerly contributed to scaling other industry players, our management team members are equipped with valuable insights to help shape the growth of our business. Our senior management is also close to our clients, and as of March 31, 2024, 9 out of 11 members of our senior management, which we also refer to as executive council, are located in the global jurisdictions where our clients operate.

We have grown from approximately 9,476 employees, as of March 31, 2016, to 24,726 employees, as of March 31, 2024, including technology and process experts who engineer, design, consult, operate, and modernize client systems across the world. We are focused on recruiting, growing and retaining a workforce of experienced IT professionals. In order to attract and retain top talent, we have strived to offer a rich and appealing work experience across technology trends within our different verticals. We believe our ability to offer diverse work experiences across industries, teams and technologies is a key differentiator that appeals to both current and potential employees. Our high degree of employee loyalty is reflected by our low attrition rates among our full-time employees, excluding BPM employees, of 17.70%, 14.10% and 11.50% in Fiscals 2022, 2023 and 2024. Among our peers, as per the CRISIL Report, we had one of the lowest attrition rates in Fiscal 2024. (*Source: CRISIL Report*) We were also certified by the Great Place to Work Institute in their 2022 assessment. Our constant endeavour has been to upskill employees globally and we continue to invest in technical and domain training and certification programs. We have learning programs such as 'How to Navigate Leadership Transitions' and various other programs on our digital academy to ensure the overall development of our teams. As a result, we believe we are able to hire and grow a highly skilled and engaged team, further strengthening our brand.

BUSINESS STRATEGIES

Derive Synergies from the Cigniti Acquisition and Inorganically Grow Our Business Offerings

We have a successful track record of strategically acquiring companies that complement our existing operations, and we have built a strong process to identify, select, prudently purchase and integrate strategic acquisitions that help us expand and grow our business. For instance, we acquired Coforge Business Process Solutions Private Limited (erstwhile SLK Global) in 2021, which strengthened our position in the financial services market in the Americas and our BPM offerings. In 2017, we acquired Coforge BPM (erstwhile RuleTek Inc.) and in 2019, we acquired Coforge SF Private Limited (erstwhile WHISHWORKS). These acquisitions have expanded and grown over the years.

In addition, our Company has recently announced the Proposed Acquisition of Cigniti. The Proposed Acquisition is the most recent in our history of strategic acquisitions, which we intend to benefit from. The Proposed Acquisition will allow us to scale up three distinct industry verticals - retail, technology and healthcare. In Fiscal 2024, Cigniti's revenues from the retail and e-commerce, and healthcare and life sciences verticals amounted to US$50 million and US$27 million, respectively. Further, in Fiscal 2024, Cigniti's revenues from the travel, transport, hospitality and entertainment and BFSI verticals amounted to US$36 million and US$48 million, respectively. The addition of these new verticals to our portfolio will enable us to scale up our operations, while building our existing TTH and BFS verticals further.

In addition, the Proposed Acquisition will enable us to enhance our presence in North America, which contributed to 48.30% of our global revenues in Fiscal 2024, as a result of our operations being focused on the east coast in the United States. The Proposed Acquisition will facilitate our plan of expansion in the United States, as the region contributed US$181.97 million to Cigniti's revenues in Fiscal 2024, thereby allowing us to expand into the west, south-west and mid-west markets in the United States.

Cigniti's tenured and scaled client relationships will also enable us to cross-sell our existing solutions. As of March 31, 2024, Cigniti's client base included a prominent global airline that strategically complements our TTH vertical. Further, in Fiscal 2024, Cigniti's serviced two clients contributing over US$10 million in revenues, six clients contributing between US$5 million and US$10 million in revenues, and 43 clients contributing between US$1 million and US$5 million in revenues. The introduction to these clients will enable us to offer nine additional horizontal technology service lines to these clients through effective cross-selling, as Cigniti presently offers two technology service lines to its clients.

Cigniti's billing rates are attributable to its quality testing work, as assessed by a high degree of automated test coverage, with significant automation, regular testing of customer facing and strategic applications, its ability to provide end-to-end testing services, embedding test strategy, and its engagement in all kinds of testing, ranging from low value functional testing to high value security testing.

We intend to continue to evaluate inorganic growth opportunities, in keeping with our strategy to grow and develop our market share or to add new product and service offerings. We may consider further opportunities for inorganic growth to acquire new clients, expand into new geographies, consolidate our market position in our existing lines of business, add new products and service offerings, achieve operating leverage by unlocking potential efficiency and synergy benefits, and enhance our depth of experience and know-how.

Increase Our Client Base and Deepen Existing Relationships

We are focused on deepening and broadening client engagements and delivering high-impact services and solutions that solve our clients' complex challenges. We believe there is a significant opportunity within our current client base to increase the use of our services and further drive deeper, long-term strategic engagements. We have a successful track record of expanding our relationships with existing clients. For instance, the number of clients from which we generate more than US$5 million in revenue annually has grown consistently and we had 37, 44 and 48 such clients in Fiscal 2022, 2023 and 2024, respectively. We intend to leverage our broad domain expertise in emerging technologies and our proximity to our clients' decision makers to identify new collaboration opportunities. Our current client employees across technical and business divisions are key to our growth efforts and help us obtain valuable references within and outside of their organizations. We believe that our acquisition of Cigniti presents an opportunity for us to cross-sell our IT services to Cigniti's customer base. In addition, we see an opportunity to add new clients across core and new verticals, given our differentiated offerings.

We have demonstrated our ability to grow consistently across our core verticals. In addition, we have grown in new verticals, such as the retail, healthcare, hi-tech and government (outside India) verticals. Adding new clients has further diversified our client base, with 23.47% and 34.49% of our revenue from operations being generated from our top five and ten clients, respectively, in Fiscal 2024. This indicates our success in expanding our client base, which we intend to continue focusing on.

A key element of our business strategy is to continuously enhance the scope of our service offerings and further deepen integration with our clients and improve value delivery. Our client engagements typically begin with us addressing their immediate needs or pain points, and often move on to partnering on strategic initiatives to digitally transform their business operations. We also monitor the market landscape to identify and evaluate emerging technologies. With this approach, we aim to become a key part of our clients' operating and growth strategy, enabling us to serve them across multiple business initiatives. For example, we enabled a global airline, with which we have a long relationship, to launch a new self check-in process using touch screen kiosks. Similarly, for a global bank, we initially supported their banking platform and have subsequently expanded into data services area.

For our core verticals, we will continue to expand our domain coverage and offerings to serve a broader spectrum of clients in that industry vertical. For example, in our BFS vertical, we have expanded beyond asset and wealth management and retail, commercial banking into asset servicing and collection operations. We also intend to grow our service offerings in additional verticals like healthcare and lifesciences, hi-tech to reach a critical mass and establish them as significant contributors to our business growth.

Expand our Sales, Marketing and Branding initiatives

Our sales, marketing, and branding strategies help us drive acquire and retain clients and attract as well retain employees. Our client partners, account managers and sales teams play a key role in the revenue growth and retention of existing clients. Our frontline client service group has a strength of over 190 experienced staff members as of March 31, 2024 and we intend to continue investing in expanding this team to support business growth.

We have a dedicated marketing team, which spearheads our corporate level branding initiatives, account-based marketing, enables active participation in industry conferences and events and anchors our public relations activities. These marketing initiatives enhance our recognition as a prominent provider of digital transformation and technology services, and drives additional business from inbound requests, referrals and requests for proposals.

Continue to Invest in Our Technology Platforms and IT Assets

We believe that digital transformation and advancement is integral to the IT services industry. Our market position has been a function of our in-house technology capabilities and our focus on innovation, which we plan to continue investing in. Our spend on technology has continued to be significant and we believe the advantages available to us by developing and investing in technology include client commitment and loyalty, economies of scale, effective risk management, scalability, expansion of our client base to other sectors, among others. In Fiscals 2022, 2023 and 2024, our research and development expenses were ₹ 606 million, ₹ 962 million and ₹ 969 million, representing 1.08%, 1.36% and 1.18% of our total expenses, respectively. We are focused on creating additional solutions in technologies such as AI, cloud technology, business process automation, and cyber security. We also continue to invest in our platforms such as Quasar AI suite, Helios Multi Cloud Ops platform, AdvantageGo and others.

We plan to continue to enhance our existing products and platforms and build new ones to further expand our capabilities and grow our addressable market. For example, our next-generation innovation group continues to focus on emerging technologies in the areas of blockchain, AI and cognitive services such as video analytics, advanced natural language processing, natural language generation, text summarization, extended reality and advanced user interfaces, including smart speakers, voice assistants, voice-enabled user interface and mixed reality user experience. As such, we intend to continue investing in innovative solutions to better enable our clients to deliver enhanced products and stay competitive in a dynamic technology environment.

BUSINESS OPERATIONS

We offer comprehensive capabilities in product engineering services, intelligent automation services, data and integration services, cloud and infrastructure management services, software engineering services and BPM services.

Product Engineering Services

Our product engineering services offering covers all stages of the product development and product management lifecycle. In the initial stages, we offer client experience research leading to ideation and rapid prototyping. We also offer technology assessment, product roadmap design, platform selection, best practices recommendations and target operating model planning. In subsequent stages, we help our clients with product development or with modernization of existing legacy products. Lastly, our offering is complemented by services for performing upgrades, testing, release management and establishing governance capabilities. Examples of our product engineering client engagements include wealth management systems, global distribution systems and airport cargo management systems.

Intelligent Automation Services

Our intelligent automation services include consulting, managed services engagements and automation-as-a-service. We engage with clients at all points of the development lifecycle to align organizational transformation efforts. Our capabilities include business value assessments, technology selection and execution roadmaps, along with solution accelerators to improve processes.

While our approach is platform and technology agnostic, we are particularly strong in Pegasystems applications. Our capabilities range from human assisted automations (desktop automation) to robotic process automation ("**RPA**") and intelligent process automation ("**IPA**") and AI. Our professionals are typically certified in multiple leading process automation platforms and technologies.

We provide automation consulting services for use case development, demand generation, business case development, automation maturity assessment and center of excellence models to scale automation operations. Separately, we offer vertical and horizontal automation solutions such as intelligent document processing, intelligent claims and underwriting, fraud analytics and predictions, AI-enabled contract migration, conversational AI and bots for corporate functions support. As part of our intelligent automation service offerings, we have included our "Connected Home" insurance solution in our insurance vertical, redefined and streamlined collection operations in our BFS vertical.

AI, Data and Integration Services

We deliver AI services to clients using our in-house developed Quasar AI platform which is designed to build Enterprise AI capabilities. With Quasar, organizations can seamlessly develop and deploy AI-powered applications on a large scale. Its arsenal includes a comprehensive set of APIs, readily available for integration. Featuring modular and scalable architecture, Quasar offers an array of over 100 pre-built cognitive and generative use cases, facilitating the creation of differentiated solutions. The platform operates on a fully governed framework, incorporating process governance, API governance, and model governance within its foundation. Enterprises can choose a cloud-based setup or an on-premises set-up with enhanced security and controls. Some of the pre-built capabilities that Quasar platform provides include Quasar DocumentAI, QuasarVisionAI, QuasarSpeechAI, QuasarConversationalAI. For instance, we have implemented conversational AI for a global airline in our TTH vertical.

In terms of data services, we help to transform data silos and create a seamlessly connected data ecosystem that allows instant access to information and drives new and data-driven insights. We enable modernization of data management and advanced analytics through a combination of reference architectures, pre-built solution accelerators, domain specific use case libraries, technology partnerships and agile processes for end-to-end implementation, operations, and growth.

We help our clients handle three key areas. The first area encompasses data preparation and transformation, which includes services such as data warehouse, data lakes, big data, data marts, data ingestion, data virtualization, data labeling, extract, transform, load ("**ETL**") and data migration from one platform to another. The second area relates to analytics, which includes business analytics, reports, dashboards, advanced analytics using machine learning, deep learning, cognitive intelligence, natural language processing. The third area covers data management, which includes services related to data governance, data quality, master data management and data security.

Cloud and Infrastructure Management Services

We offer a full suite of cloud and infrastructure design, optimization, operations and cybersecurity services. We help enterprises to execute their technology and infrastructure transformation strategy by designing modern cloud-based architectures and migrating their application estate to the cloud. Our offerings encompass multi-cloud design services, migration services, digital workplace services, development security and operations, security services and cloud operations management. We work closely with our partner ecosystem to create solutions. For example, in insurance, we have created scalable platforms using microservices architecture and containers. In BFS, we have helped transform banking clients with BankingEasy On Azure.

Helios AIOps, our platform for the cloud, is a key building block of our cloud services offering. The platform combines AI and automation, with a programmable infrastructure that provides clients with capability for multi-cloud monitoring and management. Helios AIOps also includes blue print deployments and CloudOps. In addition, Helios AIOps supports our Cloud Innovation Factory initiative which showcases our skills ranging from prototyping to minimum viable products ("**MVPs**") and our ability to drive migrations at scale leveraging factory processes.

On the infrastructure front, we cater to our clients' end-to-end requirements through various solutions such as virtualization, hyperconverged infrastructure, storage and backup, middleware, software defined data centers and networks ranging from WiFi to LAN, WAN and software defined networks.

In terms of cybersecurity services, we help clients implement security operations centers to cover the areas of threat identification, detection, response and recovery from cyber threats, allowing a centralized approach to enterprise security risk management. Our services also include technical and process controls to secure client environments and infrastructure in the cloud.

Business Process Management Services

We are a full-spectrum integrated BPM services provider. We use an integrated service framework leveraging automation to enhance clients' business outcomes and enable cost savings. Our services include business transformation to improve clients' productivity, service quality and turn-around times using process mining technologies. Our ProcessGym consulting framework leverages process mining technology and Lean Six-Sigma standards and practitioners to enhance our clients' business outcomes using an overlay of robotic process automation solutions. Our services cover omni-channel client experience management and back-office transactions processing. Specifically, we handle end-to-end transactions for our clients through right-shore service delivery models.

Our BPM services span client contact center services, data and analytics services, information security and risk management services, finance and accounting services, human resource outsourcing services, quality control services and data digitization and processing services.

For service design and delivery, we leverage our solutions like Copasys for enterprise-wide automated quality control and compliance, LoanAccel for pre-underwriting loan origination support, RETS for real estate tax services, Smart Prop for property owner search reports and SmartTrak for reporting property taxes.

Software Engineering

Our software engineering services leverage our deep domain expertise in software development and offer application lifecycle management services from design to development, in addition to application migration, integration, maintenance and support services. We span the entire range of legacy technologies from mainframe to modern web-based applications with rich cross-platform user experience across devices. Our IT professionals have proven experience in design and delivery of solutions using bespoke development as well as industry-specific, third-party commercial off-the-shelf products.

We also provide consulting services to help clients with initiatives such as architecture design and technology modernization roadmaps. Our engineers have proven experience in managing complex systems with high transaction volume and demanding availability requirements across the different industry verticals we serve. We use prevailing industry standards and frameworks, such as Agile and DevSecOps, to complement our internal system integration, program management, testing and other software development processes.

Our Verticals

We provide services to, and build deep, long-term relationships with large enterprises within, three primary verticals: insurance, BFS and TTH. We also have a growing focus on the retail, healthcare, hi-tech, manufacturing and government (outside India) verticals, all of which group into the "*All Others*" vertical in our financial statements.

Insurance

We deliver insurance solutions, innovation-centric applications and core platform services across the property and casualty, specialty, commercial and reinsurance sectors. We primarily help our insurance clients with system modernization services to seamlessly migrate them to newer systems and consolidate data from multiple systems into a single unified interface for end users. Our insurance service offerings include underwriting and policy issues, exposure management and reporting and compliance.

In addition, we have our own commercial insurance and reinsurance product suite - AdvantageGo. AdvantageGo is a SaaS or on-premise offering that provides underwriters with a robust management solution, and equips them with the tools to maintain underwriting discipline as they enter the digital era.

Banking and Financial Services

We serve a strong portfolio of strategic clients in the asset and wealth management, digital banking, retail banking and commercial banking and sell-side of capital markets spaces. We have end to end capabilities in buy-side capital markets experience and help our major bank clients with API led integration and digital automation leveraging low code platforms. Our focus in this space is on wealth management and institutional asset management. We provide platform development and support for the full customer lifecycle journey from onboarding through risk management, compliance, day-to-day transactions and reporting for our asset and wealth management customers. We offer banking solutions and technology services across the value chain covering core business functions, central functions including credit and market risk, treasury and financial controllers, risk and regulations and technology operations for financial crime and customer service. We have the experience of delivering complex turnkey programs such as modernization of mainframe-based mortgage platforms, reengineering of financial crime systems, architecting modern credit decisioning engines and crafting digital customer engagement channels, leveraging our capabilities in digital technologies, big data, enterprise low code platforms, collateral management blockchain and Markit EDM implementation support. We also have a strong base of central banking clients providing key data analytics and digital automation capabilities to facilitate rapid decision making. We have served key banks in the U.S., and have handled covered areas, including financial crime, mortgage processing, cash and payments and loan origination.

Travel, Transportation and Hospitality

We bring over two decades of experience delivering innovation and outstanding value to TTH clients across the globe, covering airlines, airports, hospitality, travel distribution, travel technology, cruise lines and surface transport. Our system integration capabilities help complex businesses in areas of airline passenger service systems, cargo, airport operations, merchandizing, hotel property management systems, revenue management, revenue accounting, crew management, airport operations, border management, baggage portfolio, railway sales and railway operations. Our technology enhances the passenger journey by delivering real-time contextual interactions and helps modernize airport kiosks for airlines by enabling seamless check-in and gate experiences. Key areas that we serve include touchless travel solutions, digitization and modernization of cargo platforms, and enhanced automation for self-service operations. Our comprehensive cargo management platform, Cosys, enables automation of cargo handling process.

As an example of our solutions in the TTH area, we helped a global airline modernize its customer engagement by improving the check-in process and the customer experience at the kiosks at multiple airports in the United Kingdom and the United States. Our cloud-first approach solution included a user friendly, common-use self-service and Americans with Disabilities Act compliant kiosk interface, with scanners to read identification document details and printers for printing boarding passes, bag tags and assistance coupons. The kiosks were powered by microservices for backend operations and interfaced with other systems to incorporate capabilities such as check-in, seat map, bag tags and rebooking. The kiosks are independent from our client's network and remain operational even during network outages. This program helped the airline improve the boarding pass issuance process and application availability, impacting key business metrics such as check-in times and infrastructure costs.

All Others

We report all of our other industry verticals as the "*All Others*" vertical category. We also intend to extend the current initiatives in these verticals by growing our service offerings within each of these industries to reach a critical mass and establish them as significant contributors to our business. A description of some of the other verticals we service is set out below:

- Healthcare and Life Sciences - We offer digital IT solutions for clients in the healthcare industry, focusing on care management, patient information management, interoperability solutions, revenue cycle management, and analytics. For a large healthcare revenue cycle management provider, we provide manage services for the workplace, which includes service desk as well as desk side support services and product development of critical applications.

- Hi-Tech - We support the hi-tech industry with an automated business validation regression testing suite to support cloud engineered systems. For a large software company that provides products in digital media and digital experience, our experts help in development, design, testing and implementation of these products. We have a special focus on embedded software engineering and support telecom clients with software design for mobile carrier onboarding applications.

- Retail/ Manufacturing/ Utilities - In the retail industry, our expertise includes retail analytics and differentiated services across client data platforms and personalization. We support automotive clients with solutions for specially designed parts and services warranty management. For clients in the utilities sector, we have designed and delivered distribution management solutions using modern next-gen technologies.

Also see "*Business Strategies - Derive Synergies from the Cigniti Acquisition and Inorganically Grow Our Business Offerings*" on pages 191-192.

Clients and Pricing Model

Our contracts are typically structured as a master service agreement ("**MSA**") that embodies the key terms of our engagement with our clients. Each project is further defined under a statement of work ("**SOW**"), which sets out the services to be provided for each project (including price, personnel deployed, service level requirements and performance level requirements). A SOW may also contain clauses that supersede the terms of the MSA as necessary for each project. This structure allows us to quickly define and implement new client projects as they come up without protracted legal discussions, which have been undertaken upfront in the MSA. Our MSA contract terms typically range from three to five years, but in other cases may continue until the projects defined in the SOW are complete, or until the MSA is terminated by either party as per the terms of the agreement. Our contracts also generally provide our clients a right to terminate any engagement at any time for convenience, subject in some cases to prior written notice typically ranging from 30 to 180 days. Over the years, our pricing model has evolved, as we have shifted towards more fixed rate contracts, which provide us with more control over our operations and staffing and, accordingly, have allowed us to maintain higher margins on these projects, compared to time-and-materials based contracts.

We have a global delivery platform with 23 delivery centers located around the world, of which 11 are located in the APAC region including India, six are in EMEA, and six are in the Americas, as of March 31, 2024. Our presence in multiple countries allows us to benefit from cultural diversity and geographic proximity to our clients. The global delivery platform model gives us key advantages that allows us to draw our employees from locally available pools of qualified, educated, and diverse talent. Our global footprint also allows us to have uninterrupted execution capabilities across multiple time zones, in addition to being able to expedite delivery of large engagements by allocating multiple delivery teams. Our onshore staff include sales teams, account managers, project managers, senior technical staff and subject matter experts. Our onshore and offshore teams follow standardized processes and leverage common knowledge bases.

We are able to set up different delivery models, such as time and materials, fixed price, managed services or outcome-based delivery, to fulfil various client needs. We favor delivery programs following Agile and product-oriented design methodologies and can adopt waterfall and hybrid models as well. We believe our governance at the program and organization levels help us in controlling delivery outputs. Our professionals undergo rigorous competency and fit vetting exercises, in addition to mandatory background verification checks and formal onboarding and induction programs.

Sales and Marketing

We maintain a skilled and dedicated sales and marketing team comprising 388 employees, as of March 31, 2024. Our sales team is structured by industry vertical, which allows our sales teams to develop domain expertise in our client's industries and provides a competitive advantage in terms of industry insights, sector experience and understanding common customer pain points. This focus on industry verticals allow us to continually discover ways to better engage with our clients and provide superior solutions which we can leverage across all current and future clients of the same vertical. Our sales efforts involve our global vertical heads, delivery leads, pre-sales, business consulting, business development teams, and client partners for existing accounts. Our senior sales employees, who have experience working directly with our clients, are key to identifying and pursuing new business opportunities. This approach has helped us maintain repeat business and win new engagements within our existing client base.

Our subject matter experts also play a key role in our sales efforts. They augment our sales teams, lead detailed discussions with clients to understand their business and technology requirements, and are able to recommend differentiated solutions addressing clients' objectives.

Our marketing team helps generate additional business by driving more inbound requests, referrals, and requests for proposals. The team also supports interactions with both internal and external stakeholders. Our marketing team includes a central team that manages our brand positioning, communications, content, digital assets, public relations, and representation in industry conferences. In addition, we have marketing leads who are aligned with our industry verticals to design and drive vertical specific marketing programs.

Competition

We compete with software product development and IT companies, as well as service providers. We believe that the key competitive factors in our industry include changing technologies, client preferences and needs and the ability to rapidly deliver solutions supporting such evolving needs. Other competitive factors include breadth and depth of service offerings, domain expertise, reputation and track record and the ability to tailor our service offerings to specific client needs. For further information, see "*Risk Factors – We operate in a highly competitive environment and may not be able to compete successfully.*" on page 51. For more information on the profiles of our competitors, see "*Industry Overview – Assessment of competitive environment of key players in India*" on pages 173-174.

Human Resources

As of March 31, 2024, we had 24,726 employees. The following tables set out the distribution of our employees by function:

Particulars	**As of March 31,**		
	2022	**2023**	**2024**
Delivery	21,294	21,815	23,243
Sales and Marketing	278	350	388
Support	928	1,059	1,095
Total	**22,500**	**23,224**	**24,726**

The following tables set out the distribution of our employees based on their location, either onsite (outside India) or offshore (in India):

Particulars	**As of March 31,**		
	2022	**2023**	**2024**
Onsite	18,400	19,029	20,221
Offshore	4,100	4,195	4,505
Total	**22,500**	**23,224**	**24,726**

We consider our employees as a key factor in our success. We invest in our employees through training and development programs under our performance-oriented development plan that includes referral programs, technical training, leadership development, rewards and recognition, management development, and soft skills development. We enter into standard labor contracts with our employees. We also enter into arrangements including standard confidentiality and non-compete provisions with our senior management. We are focused on maintaining a good working relationship with our employees, and have not experienced any major labor disputes. A very small percentage of our global workforce is represented by work council in Spain. We have won the Bronze Award for Excellence in Employee Retention Strategy by the Economic Times Human Capital Awards, which serves as testimony to our human resources practices and efforts.

In order to meet our personnel needs, increase workforce flexibility and improve pricing competitiveness, we use subcontractors primarily to perform short-term assignments in certain specialty areas or on other projects where it is impractical to use our personnel, or where we need to supplement our resources. We also use subcontractors for internal assignments, such as assisting in development of internal systems, recruiting, training, human resources consulting and administration and other similar support functions.

The following table sets forth the attrition rate of our employees in the years indicated:

Particulars	**Fiscal**		
	2022	**2023**	**2024**
Number of Employees	22,500	23,224	24,726
Attrition Rate*	17.70%	14.10%	11.50%

**Attrition rate is calculated as total number of full-time employees with more than six months of work experience with us, who have left us voluntarily during the reporting period, including due to retirement, divided by the average number of full-time employees with us during the same period.*

See, "*Risk Factors – Our business is dependent on our ability to attract and retain highly skilled professionals.*" on page 45.

Intellectual Property

Our intellectual property rights are important to our business. We rely on a combination of intellectual property laws, trade secrets, confidentiality procedures and contractual provisions to protect our intellectual property. We require our employees, independent contractors, vendors and clients to enter into written confidentiality agreements upon the commencement of their relationships with us.

We customarily enter into nondisclosure agreements with our clients with respect to the use of their software systems and platforms. Our clients usually own the intellectual property in the software or systems we develop for them. Furthermore, we usually grant a perpetual, worldwide, royalty-free, nonexclusive, transferable and non-revocable license to our clients to use our preexisting intellectual property, but only to the extent necessary in order to use the software or systems we developed for them.

Our registered intellectual property includes the trademark "Coforge" which is registered in several jurisdictions, including Canada, USA, UAE, India, Singapore, Hong Kong, Thailand, Switzerland, Australia, the European Union and the United Kingdom, as of March 31, 2024. We have developed a number of tools that we use to manage our projects, build applications in specific software technologies, and deliver services to our clients. We protect these tools through trademark registrations in various jurisdictions throughout the world. In addition, to ensure we maintain the ability to engage with our clients, employees, and the public, we have registered and maintain more than 60 domain names, as of March 31, 2024.

See, "*Risk Factors – We may be subject to intellectual property infringement claims, which may be expensive to defend and may disrupt our business and operations*" on page 58.

Awards and Accreditations:

We have received recognition for the quality and popularity of our products and services at the national and global levels, which is related to our leadership in specific areas and our robust human resources practices. Some of the significant awards and recognition we have received are set forth below:

Year	Award
Fiscal 2024	Great Place to Work® certification in India from June 2023-June 2024, for the third time in a row
	Recognized among 'India's Best Workplaces™ in IT & IT-BPM 2023 – Top 100' by Great Place to Work® India
	Recognized for employee engagement, learning and development, and corporate social responsibility at the CHRO Vision and Innovation Award 2023
	Certified as one of the 'Most Preferred Workplaces', 2023-2024 by Marksmen Daily
	Recognized as one of the 'Leadership Factories' 2023 by Great Manager Institute
	Recognized for excellence in creating a culture of continuous learning and upskilling, 2023 by ETHCA
	Recognized for DEI Learning Initiatives at the Special Impact Award, 2023 by Skillsoft
Fiscal 2023	Certified as one of the 'Most Preferred Workplaces of 2022' by Marksmen Daily in association with India Today
	Great Place to Work® certification in India from July 2022-July 2023
	Award for the 'Best Use of AI in BFSI' sector at the FE Futech Awards 2022
	Felicitated with the ET Best Tech Brands 2022
	Felicitated with the Economic Times Employee Excellence Award 2022
	Shortlisted as one of the Iconic brands at the fifth edition of "The Economic Times Iconic Brands Conclave
	Won "India's Best Workplaces™ for Women 2022 – Large (Top 100)"
	Recognized among 'India's Best Workplaces™ in IT & IT-BPM 2022 – Top 50' by Great Place to Work® India
	Won the STPI IT Export Award 2021-22 from the Government of Karnataka
	Ranked 13th in the Tussell & techUK #Tech200 - the 200 fastest-growing tech suppliers in the public sector
Fiscal 2022	Recognized with 2021 Great Place to Work certification
	Recognized in India's Best Workplaces for Women 2021 by Great Place to Work India Institute

Insurance

We maintain insurance policies such as cybersecurity insurance, commercial general liability insurance, commercial crime insurance, business guard insurance, information and network technology error or omissions liability insurance policy and signature management plus liability insurance policy and travel insurance, which are renewable periodically. We also have a group personal accident insurance policy and medical insurance policy for our employees. Our insurance policies are subject to customary exclusions and deductibles. For further information, see "*Risk Factors – Our insurance coverage could prove inadequate to cover our losses. If we were to incur a serious uninsured loss or a loss that significantly exceed the limits of our insurance policies, it could have an adverse effect on our business, cash flows, results of operations and financial condition*." on page 61.

Environmental, Social and Corporate Governance ("ESG")

We are committed towards broadening the integration of ESG practices into our operations. We have adopted an ESG framework, which serves as a framework to understand and manage our environmental and social risks, impacts and opportunities and responsibilities beyond maximizing profits and to evaluate our environment and social goals. We select projects to undertake, in alignment with the United Nations Sustainable Development Goals.

We have a 25 acre campus in Greater Noida, comprising a floral, herbal and fruit garden. We also encourage our employees and clients to participate in tree plantation activities. As a sustainability initiative, we have adopted sensor-based water taps for water dispensing and lighting system. To reduce fresh water consumption, waste water is recycled using the onsite water treatment system and utilized subsequently. The employee transport fleet has been converted from diesel/ petrol to CNG, and roof top areas of offices are being utilized for solar energy generation, which contributes to reduction of carbon foot print. We have also taken steps towards obtaining a solar based energy connection to power our facilities.

Our Greater Noida campus is certified with LEED Green Building Platinum standards for operation and maintenance from the US Green Building Council. We are ISO 45001:2018 and ISO 14001:2015 certified with

Environment Health and Safety Management System standards. To ensure the effectiveness of the standards, we undergo though periodic internal and external surveillance audits.

Corporate Social Responsibility ("CSR")

We believe in corporate responsibility and contributing to the communities in which we operate. We have constituted a Corporate Social Responsibility ("**CSR**") Committee and also formulated a CSR policy to govern such initiatives.

In Fiscals 2022, 2023 and 2024, our expenditure towards corporate social responsibility actvities was ₹ 104 million, ₹ 128 million and ₹ 129 million, respectively, in accordance with our CSR policy. In terms of our CSR Policy, our Company's CSR activities are focused on education, skill development and employability.

Properties

Our Registered Office is located at 8, Balaji Estate, Third Floor, Guru Ravi Das Marg, Kalkaji, New Delhi, 110 019, India. We maintain operations in 21 countries worldwide as of March 31, 2024, including India, the United States, the United Kingdom, Australia, Thailand, Singapore, Canada, Germany, Spain, Belgium, Netherlands, UAE, among others. We also have three branches in the United States, Switzerland and Belgium. We lease most of our office space, including that of our headquarters and most delivery centers. We have leased the premises of two of our delivery centers, including our largest delivery center at Greater Noida which is an integrated campus with capacity of over 6,000 people, as of March 31, 2024.

See, "*Risk Factors – Some of our offices, are held by us on lease or leave and license or tenancy agreements which subject us to certain risks.*" on page 64.

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Board of Directors

The composition of our Board is governed by the provisions of the Companies Act, 2013, the rules prescribed thereunder, the SEBI Listing Regulations and the Articles of Association. In accordance with the Articles of Association, our Company shall have not less than three and not more than 15 Directors, provided that our Company may appoint more than 15 Directors after passing a special resolution in a general meeting of our Shareholders.

The composition of our Board is in conformity with Section 149 of the Companies Act and Regulation 17 of the SEBI Listing Regulations. As of the date of this Preliminary Placement Document, our Board comprises seven Directors including two Executive Directors and five Non-Executive Independent Directors. Our Company has one woman Independent Director.

The following table sets forth details regarding our Board as of the date of this Preliminary Placement Document:

Sr. no.	Name, address, occupation, nationality, term and DIN	Age (in years)	Designation
1.	**Sudhir Singh** ***Address***: 1500, Hayfield Drive Yardley, PA – 19067 ***Occupation:*** Service ***Nationality:*** US ***Term:*** For a term of five years with effect from January 29, 2020, liable to retire by rotation* ***DIN***: 07080613	52	Chief Executive Officer and Executive Director
2.	**Gautam Samanta** ***Address***: 14, Merlin Close, Croydon, United Kingdom ***Occupation:*** Service ***Nationality:*** UK ***Term:*** For a term of five years with effect from May 2, 2024, liable to retire by rotation ***DIN***: 09157177	54	Additional Director (Executive)**
3.	**Basab Pradhan** ***Address***: 1160, Stanley Way Palo, Alto 94303, United States of America ***Occupation:*** Service ***Nationality:*** US ***Term:*** For a term of three years commencing from June 29, 2021 ***DIN***: 00892181	58	Non-Executive Independent Director and Chairperson
4.	**Anil Kumar Chanana** ***Address***: Penthouse-1, Tower-J, Central Park-1, Gurugram 122 001, Haryana, India ***Occupation:*** Professional ***Nationality:*** Indian	66	Non-Executive Independent Director

Sr. no.	Name, address, occupation, nationality, term and DIN	Age (in years)	Designation
	Term**:* For a term of four years commencing from January 20, 2024 ***DIN: 00466197		
5.	**Mary Beth Boucher** ***Address***: 41, East Liberty Street, Chester 06412, Connecticut, United States of America ***Occupation**:* Board Director, partner in consulting firm ***Nationality**:* US ***Term**:* For a term of five years commencing from May 7, 2024 ***DIN***: 09595668	58	Non-Executive Independent Director
6.	**Durgesh Kumar Singh** ***Address***: 425, Waterford Lane, Inverness, Illinois, United States of America ***Occupation**:* Executive / Professional ***Nationality**:* US ***Term**:* For a term of two years commencing from February 12, 2024 ***DIN***: 10485073	61	Non-Executive Independent Director
7.	**Om Prakash Bhatt** ***Address***: Apartment 3, Seagull Building, Carmichael Road, Mumbai – 400 026, Maharashtra, India ***Occupation**:* Retired ***Nationality**:* Indian ***Term**:* For a period of three years from May 1, 2024 ***DIN***: 00548091	73	Additional Non-Executive Independent Director**

**Subject to our Shareholders' approval, Sudhir Singh has been appointed for a proposed term of five years with effect from January 29, 2025.*
********The appointment of Gautam Samanta and Om Prakash Bhatt to the Board will be regularised in the ensuing AGM.*

Relationship between our Directors

None of the Directors of our Company are related to each other.

Terms of appointment of our Directors

a) Terms of appointment of our Executive Directors

Sudhir Singh

The following table sets forth the current terms of appointment of Sudhir Singh, our Chief Executive Officer and Executive Director, pursuant to the Board resolution dated March 4, 2020, upon recommendation of the Nomination and Remuneration Committee.

Sr. No.	Category	Remuneration
i.	Salary	USD 43,750 (equivalent ₹ 3.11 million) payable monthly

Sr. No.	Category	Remuneration
ii.	Bonus	USD 450,000 (equivalent ₹ 31.95 million), payable annually on 100% achievement of the targets. Long-term incentives in the form of cash or stock options, as decided by the Board from time to time.
iii.	Perquisites	Covered under the mediclaim insurance scheme as per the rules of our Company. Our Company shall also pay annual premium towards the personal accident insurance coverage and life insurance, basis the rules of our Company. Our Company shall also make contribution to gratuity basis our policy.

Gautam Samanta

The following table sets forth the current terms of appointment of Gautam Samanta, our Additional Director (Executive), pursuant to the Board resolution dated May 2, 2024, upon recommendation of the Nomination and Remuneration Committee.

Sr. No.	Category	Remuneration
i.	Annual compensation	GBP 549,355 (equivalent ₹ 57.62 million)
ii.	Incentives	Long-term incentives in the form of cash or stock options etc. as decided by the Board from time to time
iii.	Perquisites	Covered under the mediclaim insurance scheme as per the rules of our Company. Our Company shall also pay annual premium towards his personal accident insurance coverage and life insurance, basis the rules of our Company. Our Company shall also make contribution to gratuity basis our policy.

b) Terms of appointment of our Non-Executive Directors

Sitting fees

Our Non-Executive Directors are entitled to receive sitting fees for attending meetings of our Board or any of its committees, and to reimbursement of related expenses. Pursuant to the Board resolution dated January 20, 2024, (a) the chairperson of our Board and that of all our committee meetings respectively is entitled to receive a sitting fees of ₹ 100,000 for attending each meeting of our Board and the committees thereof; and (b) the members of our Board and that of all our committee meetings are entitled to receive a sitting fees of ₹ 80,000 for attending each meeting of our Board and all the committees thereof.

Commission

Our Non-Executive Independent Directors are entitled to receive remuneration by way of commission of a sum not exceeding one percent per annum of the net profits of the Company in a financial year, pursuant to the Board resolution dated January 20, 2024. Further, with effect from Fiscal 2024 and onwards, our Board, *vide* its resolution dated January 20, 2024, increased the base commission to be paid to our Non-Executive Independent Directors to USD 100,000. The current Chairperson of our Board is entitled to a commission of USD 220,000 per annum and the Chairperson with effect from June 29, 2024 will be entitled to a commission of USD 235,000 per annum.

Remuneration details of our Directors

Remuneration paid to our Executive Directors

The details of remuneration paid by our Company to our Executive Directors for Fiscals 2022, 2023 and 2024 are set forth in the table below:

(in ₹ million)

Sr. No.	Name of the Executive Director	Fiscal 2022	Fiscal 2023	Fiscal 2024
1.	Sudhir Singh	223.00	339.50	1,051.18
2.	Gautam Samanta	-(1)	-(1)	-(1)

(1) Appointed on the Board with effect from May 2, 2024

Remuneration paid to our Non-Executive Directors

The details of remuneration (which includes sitting fees and commission) paid by our Company to our Non-Executive Directors, including Independent Directors, for Fiscals 2024, 2023 and 2022 are set forth in the table below:

(in ₹ million)

Sr. No.	Name of the Director	Designation	Fiscal 2022	Fiscal 2023	Fiscal 2024
1.	Basab Pradhan	Non-Executive Independent Director and Chairperson	17.30	18.50	19.32
2.	Anil Kumar Chanana	Non-Executive Independent Director	-(1)	-(1)	2.14
3.	Mary Beth Boucher	Non-Executive Independent Director	Nil	7.20	10.36
4.	Durgesh Kumar Singh	Non-Executive Independent Director	-(2)	-(2)	1.28
5.	Om Prakash Bhatt	Additional Non-Executive Independent Director	-(3)	-(3)	-(3)

(1) Appointed on the Board with effect from January 20, 2024
(2) Appointed on the Board with effect from February 12, 2024
(3) Appointed on the Board with effect from May 1, 2024

Shareholding of Directors in our Company

Except as disclosed below, none of our Directors hold any Equity Shares in our Company, as of the date of this Preliminary Placement Document:

Sr. No.	Name of the Director	Designation	Number of Equity Shares	Percentage (%) shareholding
1.	Sudhir Singh	Chief Executive Officer and Executive Director	315,327	0.51
2.	Gautam Samanta	Additional Director (Executive)	15,105	0.02
3.	Anil Kumar Chanana	Non-Executive Independent Director	30	Negligible

Borrowing powers of our Board

In accordance with the Articles of Association of our Company, our Board of Directors is empowered to borrow funds in accordance with applicable law. Pursuant to the resolution dated April 17, 2021, passed by our Board, our Company is authorized to borrow from time to time any sum or sums for creation of charge / mortgage / pledge / hypothecation / security in addition to an existing charge / mortgage/ pledge / hypothecation / security or any other security interest, in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any of the movable and / or immovable properties, tangible or intangible assets of our Company, both present and future, in favour of, or for the benefit of, any lender(s), debenture holders or any other person or any of their agent(s) or trustee(s), for securing the borrowings availed / to be availed by the Company or any subsidiary or group company of the Company or other persons by way of loan(s) (in foreign currency and / or rupee currency) advances or securities (comprising fully / partly convertible debentures and/or non-convertible debentures with or without detachable or non-detachable warrants and / or secured premium notes and / or floating rate notes / bonds or other debt instruments), issued / to be issued by the Company including deferred sales tax loans availed / to be availed by various units of the Company, from time to time, together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premia on prepayment, remuneration of the agent(s)/trustee(s), premium (if any) on redemption, all other costs, charges and expenses, including any increase as a result of devaluation / revaluation / fluctuation in the rates of exchange and all other monies payable by the Company or such other persons in terms of any loan agreement(s), bond/debenture trust deed(s), provided further that total amount up to which monies may be borrowed shall not at any one time exceed ₹ 10,000 million. Our borrowing limits may be changed from time to time, subject to approval of the Board and our Shareholders.

Interest of our Directors

Our Directors may be deemed to be interested to the extent of their remuneration, fees and commission, if any, payable to them for attending meetings of our Board or committees thereof, as well as to the extent of reimbursement of expenses payable to them, and the Executive Director of our Company may be deemed to be interested to the extent of remuneration paid to him for services rendered.

Our Executive Directors may also be regarded as interested in the Equity Shares held by them, or held by or that which may be subscribed by or allotted to their relatives or the companies, firms or trusts, in which they are interested as directors, members, partners, trustees or promoters. They may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares and any other benefits arising out of such holding.

None of our Directors have any interest in any property acquired or proposed to be acquired of our Company or by our Company.

Except as provided in the section titled "*Related Party Transactions*" on page 108, our Company has not entered into any contract, agreement or arrangement during the three Fiscals immediately preceding the date of this Preliminary Placement Document, in which any of our Directors are interested, directly or indirectly, and no payments have been made to them in respect of any such contracts, agreements, arrangements which are proposed to be made with them.

Other than as disclosed in this Preliminary Placement Document, there are no outstanding transactions other than in the ordinary course of business undertaken by our Company, in which our Directors are interested.

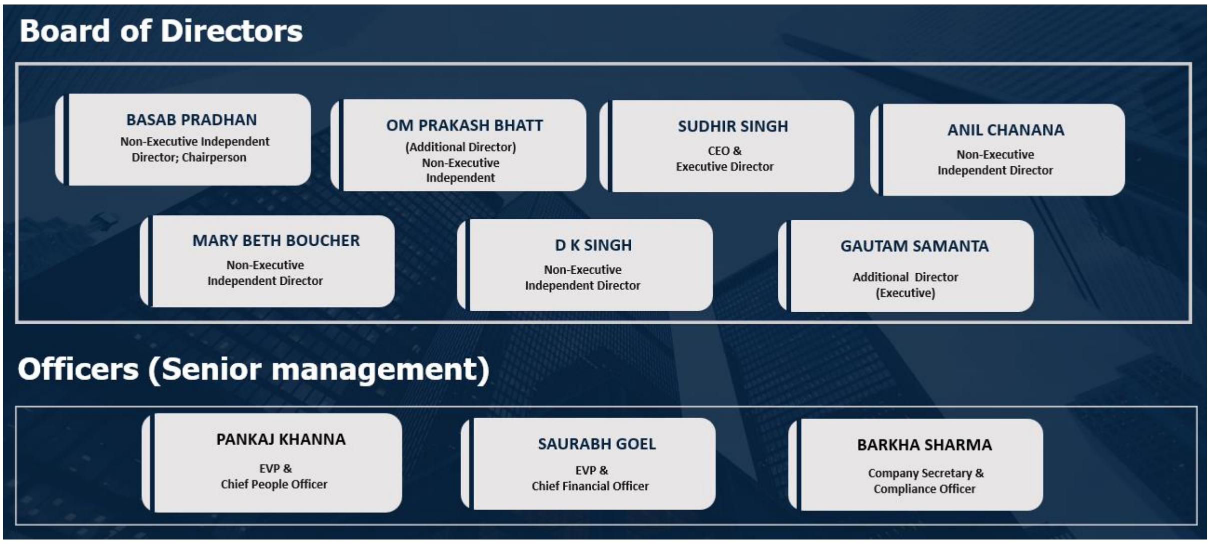
Bonus or profit-sharing plan of our Directors

Except as disclosed in "– *Terms of Appointment of our Directors*" on page 202, none of our Directors are party to any bonus or profit-sharing plan.

Service contracts with Directors

Our Company has not entered into any service contracts with any Director, which provide for benefits upon termination of employment.

Management organization chart



Corporate governance

Our Board presently consists of seven Directors. In compliance with the requirements of the SEBI Listing Regulations, the Board of Directors has four Independent Directors (including one woman Independent Director).

Our Company is in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations, the Companies Act, 2013 and the SEBI ICDR Regulations, in respect of corporate governance, including constitution of our Board and committees thereof. The corporate governance framework is based on an effective independent Board, separation of our Board's supervisory role from the executive management team and constitution of our Board committees, as required under law.

On account of resignation of two directors from the Board of our Company, our Company is in the process of re-constituting certain committees of the Board including the Nomination and Remuneration Committee and Corporate Social Responsibility Committee in accordance with requirements of SEBI Listing Regulations and Companies Act. While the Board has appointed additional directors, we are in the process of regularising their appointment and re-constituting the composition of our committees. Please also refer to the section titled "*Risk Factors – We are subject to certain regulatory compliance, corporate governance and public disclosure requirements under applicable laws including the SEBI Listing Regulations. Further, new and changing laws add uncertainty to our compliance policies and increase our costs of compliance.*" on pages 46-47.

Our Board functions either as a full board or through various committees constituted to oversee specific functions. Our Company's executive management provides our Board with detailed reports on its performance periodically.

Committees of our Board of Directors

Our Board has constituted statutory committees, which function in accordance with the relevant provisions of the Companies Act, 2013 and the SEBI Listing Regulations.

The statutory committees of our Board are: (i) Audit Committee; (ii) Nomination and Remuneration Committee; (iii) Stakeholders' Relationship Committee; (iv) Risk Management Committee; and (v) Corporate Social Responsibility Committee. In addition to the above, our Board has also constituted the Fund Raising Committee.

The following table sets forth details of members of the aforesaid committees, as on the date of this Preliminary Placement Document:

Sr. No.	Committee	Name and designation of members
1.	Audit Committee	(i) Anil Kumar Chanana (Chairperson); (ii) Basab Pradhan (Member); and (iii) Mary Beth Boucher (Member)
2.	Nomination and Remuneration Committee*	(i) Mary Beth Boucher (Chairperson); and (ii) Basab Pradhan (Member)
3.	Stakeholders Relationship Committee	(i) Basab Pradhan (Chairperson); (ii) Sudhir Singh (Member); and (iii) Mary Beth Boucher (Member)
4.	Risk Management Committee	(i) Basab Pradhan (Chairperson); (ii) Sudhir Singh (Member); (iii) Mary Beth Boucher (Member); and (iv) Anil Kumar Chanana (Member)
5.	Corporate Social Responsibility Committee*	(i) Mary Beth Boucher (Chairperson); and (ii) Sudhir Singh (Member)
6.	Fund Raising Committee	(i) Basab Pradhan (Chairperson); (ii) Anil Kumar Chanana (Member); and (iii) Sudhir Singh (Member)

***** *As stated above, our Company is in the process of re-constituting the Nomination and Remuneration Committee and Corporate Social Responsibility Committee on account of resignation of two directors from our Board.*

Key Managerial Personnel and Senior Management

In addition to Sudhir Singh, our Chief Executive Officer and Executive Director , and Gautam Samanta, our Additional Director (Executive), the details of our Key Managerial Personnel and the members of Senior Management in terms of the Companies Act, 2013 and the SEBI ICDR Regulations, as on the date of this Preliminary Placement Document, are set forth below:

Sr. No.	Name	Designation
Key Managerial Personnel		

Sr. No.	Name	Designation
1.	Saurabh Goel	Chief Financial Officer
2.	Barkha Sharma	Company Secretary and Compliance Officer
Senior Management		
3.	Pankaj Khanna	Chief People Officer

None of our Key Managerial Personnel or members of Senior Management are related to each other or to the Directors of our Company.

All of our Key Managerial Personnel and members of Senior Management are permanent employees of our Company.

Bonus or profit-sharing plan of the Key Managerial Personnel and Senior Management

Our Company does not have any bonus or profit-sharing plan with the Key Managerial Personnel or members of the Senior Management.

Service Contracts with Key Managerial Personnel and Senior Management

Our Key Managerial Personnel and members of the Senior Management have not entered into any service contracts with our Company providing any termination or retirement benefits.

Interest of our Key Managerial Personnel and member of the Senior Management

Other than as disclosed in the "– *Interest of our Directors*" on page 205, our Key Managerial Personnel and member of the Senior Management do not have any interest in our Company other than to the extent of the remuneration, benefits or stock options to which they are entitled as per their terms of appointment, reimbursement of expenses incurred by them during the ordinary course of business and to the extent of the Equity Shares held by them or their dependents in our Company, if any. The Key Managerial Personnel and members of the Senior Management may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of Equity Shares held in our Company, if any. Additionally, certain of our Key Managerial Personnel may also deemed to be interested in our Company by virtue of their shareholding in our Company or the shareholding of the companies, trusts and firms in which they are interested in as a director, member and/or trustee in our Company, and to the extent of the benefits arising out of such shareholding.

Shareholding of our Key Managerial Personnel and Senior Management

Except as disclosed below and in "– *Shareholding of Directors of our Company*" on page 204, as of the date of this Preliminary Placement Document, none of our Key Managerial Personnel or members of the Senior Management hold any Equity Shares in our Company.

Sr. No.	Name	Number of Equity Shares held	Percentage of the issued and paid-up Equity Share capital (in %)
1.	Saurabh Goel	7,523	0.01
2.	Pankaj Khanna	2,747	Negligible

Other confirmations

1. None of the Directors, Promoter, Key Managerial Personnel or members of the Senior Management of our Company have any financial or other material interest in the Issue.
2. Our Promoter, Directors, Key Managerial Personnel and members of the Senior Management will not participate in the Issue.
3. Neither our Company, nor any of our Directors or our Promoter has been identified as a Wilful Defaulter or as a Fraudulent Borrower by any lending banks or financial institutions or consortiums.
4. Neither our Company, nor our Directors or Promoter is currently debarred from accessing capital markets under any offence under any order or direction made by SEBI. Further, none of our Directors has been declared as a Fugitive Economic Offender.
5. No change in control in our Company will occur consequent to the Issue.
6. No loans have been availed or extended by our Directors, Key Managerial Personnel or members of the Senior Management from, or to, our Company or the Subsidiaries.

Policy on disclosures and internal procedure for prevention of insider trading

The SEBI Insider Trading Regulations applies to our Company and our employees and requires our Company to implement a code of practices and procedures for fair disclosure of unpublished price sensitive information and conduct for the prevention of insider trading. Our Company has implemented a code of practices and procedures for fair disclosure of unpublished price sensitive information in accordance with the SEBI Insider Trading Regulations.

Related party transactions

For details in relation to the related party transactions entered by our Company during the last three fiscals immediately preceding the date of this Preliminary Placement Document, please refer to the section titled "*Related Party Transactions*" on page 108. These disclosures made are as per the requirements of Ind AS 24.

Employee stock option plans

For details in relation to options granted under the ESOP 2005, please refer to the section titled "*Capital Structure – Employee stock option plan*" on page 106.

ORGANISATIONAL STRUCTURE OF OUR COMPANY

Corporate history

Our Company was originally incorporated on May 13, 1992, under the Companies Act, 1956 as '*NIIT Investments Private Limited*', pursuant to a certificate of incorporation issued by the Registrar of Companies, Delhi and Haryana at New Delhi. The name of our Company was subsequently changed to '*NIIT Investments Limited*' pursuant to a fresh certificate of incorporation consequent to change of name issued by the Registrar of Companies, N.C.T of Delhi and Haryana at New Delhi on January 15, 2004. The name of our Company was further changed to '*NIIT Technologies Limited*' pursuant to a fresh certificate of incorporation consequent to change of name issued by the Registrar of Companies, N.C.T. of Delhi and Haryana at New Delhi on May 14, 2004. Subsequently, the name of our Company was changed to '*Coforge Limited*' pursuant to a fresh certificate of incorporation consequent to change of name issued by the Registrar of Companies, Delhi and Haryana at New Delhi on August 3, 2020. For further details regarding changes in the name and the Registered Office and Corporate Office of our Company, please refer to the section titled "*General Information*" on page 272.

Our Company's CIN is L72100DL1992PLC048753.

The Registered Office of our Company was changed from B-234, Okhla Phase 1, New Delhi – 110 020, Delhi, India to 8, Balaji Estate, First Floor, Guru Ravi Das Marg, Kalkaji, New Delhi – 110 019 with effect from January 1, 2013. Our Registered Office was further changed to 8, Balaji Estate, Third Floor, Guru Ravi Das Marg, Kalkaji, New Delhi – 110 019, India with effect from February 15, 2020.

The Corporate Office of our Company was changed from H-7, Sector 63, Noida – 201 301, Uttar Pradesh, India to Plot No. TZ-2 & 2A, Sector Tech Zone, Yamuna Expressway, Greater Noida – 201 308, Uttar Pradesh India with effect from November 15, 2019.

Our Equity Shares have been listed on BSE and NSE since August 30, 2004.

Subsidiaries

As on date of this Preliminary Placement Document, our Company has nine Direct Subsidiaries and 27 Step-Down Subsidiaries, as set forth below:

Direct Subsidiaries

1. Coforge U.K. Limited
2. Coforge Pte Limited
3. Coforge DPA Private Limited
4. Coforge GmbH
5. Coforge Inc.
6. Coforge Airline Technologies GmbH
7. Coforge FZ LLC
8. NIIT Technologies Philippines Inc*
9. Coforge Business Process Solutions Private Limited (*erstwhile SLK Global Solutions Private Limited*)

**Under liquidation*

Step-Down Subsidiaries

1. Coforge BV
2. Coforge Limited, Thailand
3. Coforge Technologies (Australia) Pty Limited
4. Coforge Advantage Go
5. Coforge S.A.
6. Coforge BPM Inc.
7. Coforge DPA U.K. Limited
8. Coforge DPA Ireland Limited
9. Coforge DPA Australia Pty Limited
10. Coforge DPA NA Inc. USA

11. Coforge SF Limited, UK
12. COFORGE (Coforge Spółka Z Ograniczona Odpowiedzialnoscia)
13. Coforge S.R.L., Romania
14. Coforge A.B. Sweden
15. Coforge SDN. BHD. Malaysia
16. Coforge SpA, Chile
17. Coforge BPS Philippines Inc (*erstwhile SLK Global Philippines Inc, Philippines*)
18. Coforge BPS America Inc. (*erstwhile SLK Global Solutions America Inc., USA*)
19. Coforge BPS North Carolina LLC (*erstwhile SLK Global North Carolina LLC, USA*)
20. Coforge Healthcare Digital Automation LLC
21. Coforge Japan GK
22. Coforge Services Limited
23. Coforge SmartServe Limited
24. Coforge Solutions Private Limited
25. Coforge SF Private Limited (*erstwhile Whishworks IT Consulting Private Limited*)
26. COFORGE, S.A. de C.V.
27. Coforge Limited (One Person Company)

As on date of this Preliminary Placement Document, Coforge Inc. and Coforge U.K. Limited are the Material Subsidiaries of our Company.

Holding company

As on date of this Preliminary Placement Document, our Company does not have a holding company.

Associate company

As on the date of this Preliminary Placement Document, our Company does not have any associate companies.

Joint ventures

As on the date of this Preliminary Placement Document, our Company does not have any joint ventures.

SHAREHOLDING PATTERN OF OUR COMPANY

The shareholding pattern of our Company, as on March 31, 2024 is set forth below:

Table I – Summary statement holding of specified securities:

Category	Category of shareholder	Number of shareholders (III)	Number of fully paid-up Equity Shares held	Number of partly paid-up Equity Shares held	Number of shares underlying Depository Receipts	Total number of shares held	Shareholding as a % of total number of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities			Number of shares underlying outstanding convertible securities (including warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of locked in shares		Number of Shares pledged or otherwise encumbered		Number of Equity Shares held in dematerialized form
(I)	(II)		(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)			(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
								Number of Voting Rights		Total as a % of (A+B+ C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
								Class: Equity Shares	Total								
(A)	Promoters and Promoter Group	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(B)	Public	126,739	61,820,992	-	-	61,820,992	100	61,820,992	61,820,992	100	-	-	-	-	-	-	61,718,276
(C)	Non Promoters - Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	**126,739**	**61,820,992**	**-**	**-**	**61,820,992**	**100**	**61,820,992**	**61,820,992**	**100**	**-**	**-**	**-**	**-**	**-**	**-**	**61,718,276**

Table II - Statement showing shareholding pattern of our Promoters and Promoter Group:

Category	Category and Name of the Shareholder	Number of Shareholders	Number of fully paid-up equity shares held	Number of Partly paid- up equity shares held	Number of Shares Underlying Depository Receipts	Total Number of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (calculated as per SCRR, 1957 (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				Number of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VII)+(X) As a % of (A+B+C2)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								Number of Voting Rights			Total as a % of (A+B+C)			Number	As a % of total Shares held	Number	As a % of total Shares held	
								Class X	Class Y	Total								
Promoter	Bodies Corporate/HULST B.V.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Promoter Group	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Table III - Statement showing shareholding pattern of the public shareholders:

Category	Category and Name of the Shareholder	Number of Shareholders	Number of fully paid-up equity shares held	Number of Partly paid- up equity shares held	Number of Shares Underlying Depository Receipts	Total Number of Shares Held (IV+V+VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957 (VIII) As a % of (A+B+C2	Number of Voting Rights held in each class of securities				Number of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VII)+(X) As a % of (A+B+C2)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								Number of Voting Rights			Total as a % of (A+B+C)			Number	As a % of total Shares held	Number	As a % of total Shares held	
								Class X	Class Y	Total								
Institution (Domestic)	Mutual Funds	42	25,768,213	-	-	25,768,213	41.68	25,768,213	-	25,768,213	41.68	-	-	-	-	-	-	25,768,008
Institution (Domestic)	Alternate Investment Funds	15	179,779	-	-	179,779	0.29	179,779	-	179,779	0.29	-	-	-	-	-	-	179,779
Institution (Domestic)	Banks	5	5,984	-	-	5,984	0.01	5,984	-	5.984	0.01	-	-	-	-	-	-	5,984
Institution (Domestic)	Insurance Companies	20	7,302,948	-	-	7,302,948	11.81	7,302,948	-	7,302,948	11.81	-	-	-	-	-	-	7,302,948
Institution (Domestic)	Provident Funds/ Pension Funds	1	310,657	-	-	310,657	0.50	310,657	-	310,657	0.50	-	-	-	-	-	-	310,657
Institution (Domestic	NBFCs registered with RBI	6	1,755	-	-	1,755	0.00	1,755	-	1,755	-	-	-	-	-	-	-	1,755
Institution (Foreign)	Foreign Portfolio Investors Category I	327	20,998,105	-	-	20,998,105	33.97	20,998,105	-	20,998,105	33.97	-	-	-	-	-	-	20,998,105
Institution (Foreign)	Foreign Portfolio Investors Category II	39	639,396	-	-	639,396	1.03	639,396	-	639,396	1.03	-	-	-	-	-	-	638,940
Central Govt/State Govt.	Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter	1	148	-	-	148	-	148	-	148	-	-	-	-	-	-	-	148
Non-institutions	Directors and their relatives (excluding independent directors and	1	315,327	-	-	315,327	0.51	315,327	-	315,327	0.51	-	-	-	-	-	-	315,327

Category	Category and Name of the Shareholder	Number of Shareholders	Number of fully paid-up equity shares held	Number of Partly paid- up equity shares held	Number of Shares Underlying Depository Receipts	Total Number of Shares Held (IV+V+VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957 (VIII) As a % of (A+B+C2	Number of Voting Rights held in each class of securities				Number of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VII)+(X) As a % of (A+B+C2)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								Number of Voting Rights			Total as a % of (A+B+C)			Number	As a % of total Shares held	Number	As a % of total Shares held	
								Class X	Class Y	Total								
	nominee directors)																	
Non-institutions	Key Managerial Personnel	1	7,523	-	-	7,523	0.01	7,523	-	7,523	0.01	-	-	-	-	-	-	7,523
Non-institutions	Investor Education and Protection Fund (IEPF)	1	120,524	-	-	120,524	0.19	120,524	-	120,524	0.19	-	-	-	-	-	-	120,524
Non-institutions	Resident Individuals holding nominal share capital up to Rs. 2 lakhs	120,016	3,950,183	-	-	3,950,183	6.39	3,950,183	-	3,950,183	6.39	-	-	-	-	-	-	3,862,399
Non-institutions	Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	2	606,999	-	-	606,999	0.98	606,999	-	606,999	0.98	-	-	-	-	-	-	606,268
Non-institutions	Non-Resident Indians (NRIs)	3,620	509,719	-	-	509,719	0.82	509,719	-	509,719	0.82	-	-	-	-	-	-	497,759
Non-institutions	Bodies Corporate	968	925,999	-	-	925,999	1.50	925,999	-	925,999	1.50	-	-	-	-	-	-	924,419
Non-institutions	Any Other (specify)	1,674	177,733	-	-	177,733	0.29	177,733	-	177,733	0.29	-	-	-	-	-	-	177,733

Table IV - Statement showing shareholding pattern of the non-promoter, non-public shareholders:

Category	Category and Name of the Shareholder	Number of Shareholders	Number of fully paid-up equity shares held	Number of Partly paid- up equity shares held	Number of Shares Underlying Depository Receipts	Total Number of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (calculated as per SCRR, 1957 (VIII) As a % of (A+B+C2	Number of Voting Rights held in each class of securities				Number of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VII)+(X) As a % of (A+B+C2)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								Number of Voting Rights			Total as a % of (A+B+C)			Number	As a % of total Shares held	Number	As a % of total Shares held	
								Class X	Class Y	Total								
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

ISSUE PROCEDURE

The following is a summary intended to present a general outline of the procedure relating to the bidding application, payment of Application Amount, Allocation and Allotment of the Equity Shares. The procedure followed in the Issue may differ from the one mentioned below and investors are assumed to have apprised themselves of the same from our Company or the Book Running Lead Managers. Bidders that apply in the Issue will be required to confirm and will be deemed to have represented to our Company, the Book Running Lead Managers and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Book Running Lead Managers and their respective directors, officers, employees, counsels, agents, affiliates, and representatives accept no responsibility or liability for advising any Eligible Bidder on whether such Eligible Bidder was eligible to acquire the Equity Shares. Investors are advised to inform themselves of any restrictions or limitations that may be applicable to them and are required to consult their respective advisors in this regard. Also refer to the sections titled "Selling Restrictions" and "Purchaser Representations and Transfer Restrictions" on pages 232 and 241, respectively.

Our Company, the Book Running Lead Managers and their respective directors, shareholders, employees, counsels, officers, agents, advisors, affiliates and representatives are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Preliminary Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Preliminary Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not ultimately result in triggering an open offer under the Takeover Regulations and shall be solely responsible for compliance with all the applicable provisions of the Takeover Regulations, the SEBI Insider Trading Regulations, and other applicable laws.

Qualified Institutions Placement

THE ISSUE IS MEANT ONLY FOR ELIGIBLE QIBs ON A PRIVATE PLACEMENT BASIS AND IS NOT AN OFFER TO THE PUBLIC OR TO ANY OTHER CLASS OF INVESTORS.

This Preliminary Placement Document has not been, and will not be, filed as a prospectus with the RoC and, no Equity Shares will be offered in India or overseas to the public or any members of the public or any other class of investors, other than Eligible QIBs.

The Issue is being made to Eligible QIBs in reliance upon Chapter VI of the SEBI ICDR Regulations and Section 42 and other applicable provisions of the Companies Act, 2013 and rules thereunder, through the mechanism of a QIP. Under Chapter VI of the SEBI ICDR Regulations and Sections 42 and 62 of the Companies Act, 2013 read with Rule 14 of the PAS Rules, our Company, being a listed company in India may issue Equity Shares to Eligible QIBs, provided that certain conditions are met by our Company. Some of these conditions are set out below:

- the Shareholders have passed a special resolution approving the Issue. Such special resolution must specify (a) that the allotment of Equity Shares is proposed to be made pursuant to the QIP and (b) the Relevant Date;

- the explanatory statement to the notice to the Shareholders for convening the general meeting must disclose, among other things, the particulars of the Issue, including the date of passing the board resolution, the kind of securities being offered and the price at which they are offered, amount which the Company intends to raise by way of such securities and the material terms of raising such securities, proposed Issue schedule, the purpose or objects of the Issue, the contribution made by the Promoter or Directors either as part of the Issue or separately in furtherance of the objects, and the basis or justification for the price (including premium, if any) at which the offer or invitation is being made;

- under Regulation 172(1)(b) of the SEBI ICDR Regulations, the Equity Shares of the same class of our Company, which are proposed to be allotted through the QIP, are listed on the Stock Exchanges, for a period of at least one year prior to the date of issuance of notice to our Shareholders for convening the meeting to adopt the above-mentioned special resolution;

- invitation to apply in the Issue must be made through a private placement offer cum application letter (i.e., this Preliminary Placement Document) and an application form serially numbered and addressed specifically to the Eligible QIBs to whom the Issue is made;

- either in writing or in electronic mode, within 30 days of recording the name of such person in accordance with applicable law, our Company shall have completed allotments with respect to any earlier offer or invitation made by our Company or has withdrawn or abandoned any such invitation or offer, however, our Company may, at any time, make more than one issue of securities to such class of identified persons as may be prescribed;

- our Company shall not make any subsequent QIP until the expiry of two weeks from the date of this Issue;

- an offer to Eligible QIBs will not be subject to a limit of 200 persons. Prior to circulating the private placement offer cum application letter (i.e., this Preliminary Placement Document), our Company must prepare and record a list of Eligible QIBs to whom the offer will be made. The offer must be made only to such Eligible QIBs whose names are recorded by our Company prior to the invitation to subscribe;

- our Company acknowledges that the offering of securities by issue of public advertisements or utilisation of any media, marketing or distribution channels or agents to inform the public about the Issue is prohibited;

- in accordance with the SEBI ICDR Regulations, Equity Shares will be issued and Allotment shall be made only in dematerialized form to the Allottees;

- our Promoter and Directors have not been declared as 'fraudulent borrowers' by lending banks or financial institution or consortium thereof, in terms of RBI master circular dated July 1, 2016;

- our Promoter and our Directors are not Wilful Defaulters; and

- our Promoter and our Directors are not Fugitive Economic Offenders.

At least 10% of the Equity Shares issued to Eligible QIBs shall be allotted to Mutual Funds, provided that, if this portion or any part thereof to be allotted to Mutual Funds remains unsubscribed, it may be allotted to other Eligible QIBs.

Bidders are not allowed to withdraw or revise downwards their Bids after the Issue Closing Date.

Additionally, there is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price of the Equity Shares issued under this Issue shall not be less than the average of the weekly high and low of the closing prices of the Equity Shares of the same class quoted on the stock exchanges during the two weeks preceding the Relevant Date as calculated in accordance with Chapter VI of the SEBI ICDR Regulations. The "Relevant Date" referred to above means the date of the meeting in which the Board or the Fund Raising Committee decides to open the Issue and "stock exchange" means any of the recognized stock exchanges on which the Equity Shares of the same class are listed and on which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date. Further, in accordance with the approval of the Shareholders accorded through a special resolution passed at the extra-ordinary general meeting held on April 12, 2024 our Company may offer a discount of not more than 5% on the Floor Price in accordance with the SEBI ICDR Regulations.

The Equity Shares will be Allotted within 365 days from the date of the Shareholders' resolution approving the QIP and within 60 days from the date of receipt of Application Amount from the Successful Bidders. For details of Allotment, please refer to "*– Pricing and Allocation – Designated Date and Allotment of Equity Shares*" below.

The Equity Shares issued pursuant to the QIP must be issued on the basis of this Preliminary Placement Document and the Placement Document. This Preliminary Placement Document and the Placement Document shall contain all material information required under applicable law including the information specified in Schedule VII of SEBI ICDR Regulations and the requirements prescribed under the PAS Rules and Form PAS-4. This Preliminary Placement Document and the Placement Document are private documents provided to only select investors through serially numbered copies and are required to be placed on the website of the concerned Stock Exchanges and our Company with a disclaimer to the effect that it is in connection with an issue to Eligible QIBs and no offer is being made to the public or to any other category of investors. Please note that if you do not receive a serially numbered copy of this Preliminary Placement Document addressed to you, you may not rely on this Preliminary Placement Document or Placement Document uploaded on the website of the Stock Exchanges or our Company for making an application to subscribe to Equity Shares pursuant to this Issue.

This Issue was authorized and approved by our Board of Directors on March 16, 2024 and approved by our Shareholders by way of a special resolution passed at the extra-ordinary general meeting held on April 12, 2024.

The minimum number of allottees with respect to a QIP shall be atleast:

- two, where the issue size is less than or equal to ₹ 2,500 million; and
- five, where the issue size is greater than ₹ 2,500 million.

No single Allottee shall be Allotted more than 50% of the Issue Size.

Eligible QIBs that belong to the same group or that are under common control shall be deemed to be a single allottee. For details of what constitutes "same group" or "common control", please refer to "– *Bid Process – Application Form*" below.

Equity Shares being Allotted pursuant to the Issue shall not be sold for a period of one year from the date of Allotment, except on floor of a recognised stock exchange.

Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to them, including in relation to lock-in requirements. VCFs and AIFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.

The Equity Shares have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state of the United States and unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (a) within the United States, only to qualified institutional buyers (as defined in Rule 144A of the U.S. Securities Act) ("U.S. QIBs") pursuant to Section 4(a)(2) or another available exemption from registration under the U.S. Securities Act, and (b) outside the United States, in offshore transactions in reliance upon Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales are made. The Equity Shares are transferable only in accordance with the restrictions described under the sections titled "*Selling Restrictions*" and "*Purchaser Representations and Transfer Restrictions*" on pages 232 and 241, respectively.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Our Company has also filed a copy of this Preliminary Placement Document and will file a copy of the Placement Document with each of the Stock Exchanges. Our Company has received in-principle approvals from the Stock Exchanges under Regulation 28(1)(a) of the SEBI Listing Regulations for the listing of the Equity Shares on BSE and NSE, each dated May 21, 2024.

Issue Procedure

1. Our Company in consultation with the Book Running Lead Managers shall circulate serially numbered copies of this Preliminary Placement Document and the serially numbered Application Form, either in electronic or physical form, to Eligible QIBs and the Application Form will be specifically addressed to each such Eligible QIB. In terms of Section 42(3) of the Companies Act, 2013, our Company shall maintain records of the Eligible QIBs in the form and manner as prescribed under the PAS Rules, to whom this Preliminary Placement Document and the serially numbered Application Form have been dispatched. Our Company will make the requisite filings with the RoC within the stipulated time periods as required under the Companies Act, 2013 and the PAS Rules. The list of Eligible QIBs to whom this Preliminary Placement Document and Application Form is delivered will be determined by the Book Running Lead Managers in consultation with our Company, at their sole discretion.

2. **Unless a serially numbered Preliminary Placement Document along with the serially numbered**

Application Form, which includes the details of the bank account wherein the Application Amount is to be deposited, is addressed to a particular QIB, no invitation to make an offer to subscribe shall be deemed to have been made to such QIB. Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or invitation to offer shall be deemed to have been made to such person and any application that does not comply with this requirement shall be treated as invalid.

3. Eligible QIBs may submit the Application Form, including any revisions thereof along with the Application Amount and a copy of the PAN card or PAN allotment letter, during the Issue Period to the Book Running Lead Managers.

4. Bidders will be required to indicate the following in the Application Form:

- Full official name of the Bidder to whom Equity Shares are to be Allotted, PAN details (if applicable) complete address, e-mail id, phone number and bank account details;

- number of Equity Shares Bid for;

- price at which they are agreeable to subscribe for the Equity Shares and the aggregate Application Amount for the number of Equity Shares Bid for;

- details of the beneficiary account maintained with a depository participant to which the Equity Shares should be credited pursuant to this Issue; and

- a representation that (a) it is either (a) outside the United States acquiring the Equity Shares in an offshore transaction under Regulation S and the applicable laws of the jurisdiction where those offers and sales are made, or (ii) a "qualified institutional buyer" as defined in Rule 144A and purchasing the Equity Shares pursuant to Section 4(2)(a) of the U.S. Securities Act, and (b) it has agreed to certain other representations set forth in the sections titled "*Representations by Investors*" and "*Purchaser Representations and Transfer Restrictions*" on pages 4 and 241, respectively and in the Application Form.

***Note**: Eligible FPIs are required to indicate their SEBI FPI registration number in the Application Form. The Bids made by the asset management companies or custodian of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme for which the Bid has been made. Application by various schemes or funds of a Mutual Fund will be treated as one application from the Mutual Fund. Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.*

5. Each Bidder shall be required to make the entire payment of the Application Amount for the Equity Shares Bid for, along with the Application Form, only through electronic transfer to the Escrow Account within the Issue Period as specified in the Application Form sent to the respective Bidders. Please note that any payment of Application Amount for the Equity Shares shall be made from the bank accounts of the relevant Bidders and our Company shall keep a record of the bank account from where such payment has been received. No payment shall be made in the Issue by the Bidders in cash. Application Amount payable on Equity Shares to be held by joint holders shall be paid from the bank account of the person whose name appears first in the Application Form. Pending Allotment and the filing of return of Allotment by our Company with the RoC or receipt of final listing and trading approval from the Stock Exchanges, whichever is later, Application Amount received for subscription of the Equity Shares shall be kept by our Company in a separate bank account with a scheduled bank and shall be utilised only for the purposes permitted under the Companies Act, 2013. Notwithstanding the above, in the event, among others, a Bidder is not Allocated Equity Shares in the Issue, or the number of Equity Shares Allocated to the Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, or the Application Amount is in excess of the amount equivalent to the product of the Equity Shares that have been Allocated to the Bidder and the Issue Price, or any Eligible QIB lowers or withdraws their Bid after submission of the Application Form but prior to the Issue Closing Date, the excess Application Amount will be refunded to the same bank account from which it was remitted, in the form and manner set out in "– *Refunds*" below.

6. Once a duly completed Application Form is submitted by a Bidder and the Application Amount is transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and the Bid cannot be withdrawn or revised downwards after the Issue Closing Date. In case of upward revision

before the Issue Closing Date, an additional amount shall be required to be deposited towards the Application Amount in the Escrow Account along with the submission of such revised Bid. In case of Bids being made on behalf of the Eligible QIB where the Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Application Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so. The Issue Closing Date shall be notified to the Stock Exchanges and the Eligible QIBs shall be deemed to have been given notice of such date after receipt of the Application Form.

7. The Eligible QIBs acknowledge that in accordance with the requirements of the Companies Act, 2013, upon Allocation, the Bank will be required to disclose the names of proposed Allottees and the percentage of their post Issue shareholding in the Placement Document and consents to such disclosure, if any Equity Shares are allocated to it.

8. The Bids made by asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI.

9. Upon receipt of the duly completed Application Form and the Application Amount in the Escrow Account, after the Issue Closing Date, our Company shall, in consultation with the Book Running Lead Managers determine the final terms, including the Issue Price of the Equity Shares to be issued pursuant to the Issue and Allocation. Upon such determination, the Book Running Lead Managers will send the serially numbered CAN to the Eligible QIBs who have been Allocated the Equity Shares. The dispatch of a CAN, and the Placement Document (when dispatched) to a Successful Bidder shall be deemed a valid, binding and irrevocable contract for the Successful Bidders to subscribe to the Equity Shares Allocated to such Successful Bidders at an aggregate price equivalent to the product of the Issue Price and Equity Shares Allocated to such Successful Bidders. The CAN shall contain details such as the number of Equity Shares Allocated to the Successful Bidders, Issue Price, refund details in case of partial refunds and the aggregate amount received towards the Equity Shares Allocated. **Please note that the Allocation will be at the absolute discretion of our Company in consultation with the Lead Managers.**

10. Upon determination of the Issue Price and the issuance of CAN and before Allotment of Equity Shares to the Successful Bidders, the Book Running Lead Managers, shall, on our behalf, send a serially numbered Placement Document, either in electronic form or through physical delivery, to each of the Successful Bidders who have been Allocated Equity Shares pursuant to dispatch of a serially numbered CAN.

11. Upon dispatch of serially numbered Placement Document, our Company shall Allot Equity Shares as per the details in the CANs sent to the Successful Bidders. Our Company will inform the Stock Exchanges of the details of the Allotment.

12. After passing the resolution for Allotment and prior to crediting the Equity Shares into the beneficiary account of the Successful Bidders maintained by the depository participant, as specified in the records of the depositories or as indicated in their respective Application Form, our Company shall apply to the Stock Exchanges for listing approvals in respect of the Equity Shares Allotted pursuant to the Issue.

13. After receipt of the listing approvals of the Stock Exchanges, our Company shall credit the Equity Shares Allotted pursuant to this Issue into the beneficiary accounts of the respective Allottees.

14. Our Company will then apply for the final trading approvals from the Stock Exchanges.

15. The Equity Shares that would have been credited to the beneficiary account with the Depository Participant of the Eligible QIBs shall be eligible for trading on the Stock Exchanges only upon the receipt of final trading and listing approvals from the Stock Exchanges.

16. As per applicable law, the Stock Exchanges will notify the final listing and trading approvals, which are ordinarily available on their websites, and our Company may communicate the receipt of the listing and trading approvals to those Eligible QIBs to whom the Equity Shares have been Allotted. Our Company and the Book Running Lead Managers shall not be responsible for any delay or non-receipt of the communication of the final trading and listing permissions from the Stock Exchanges or any loss arising from such delay or non-receipt. Investors are advised to apprise themselves of the status of the receipt of the permissions from the Stock Exchanges or our Company.

17. In the event that the number of Equity Shares Allocated to a Bidder is lower than the number of Equity Shares applied for, through the Application Form and towards which Bid Amount has been paid by such Bidder, or Equity Shares are not Allocated to a Bidder for any reasons, or a Bidder withdraws the Bid prior to the Issue Closing Date, any excess Bid Amount paid by such Bidder will be refunded to the same bank account from which Bid Amount was remitted, in the form and manner set out in "– *Refunds*" below.

Qualified Institutional Buyers

Only Eligible QIBs are eligible to invest in the Equity Shares pursuant to the Issue, provided that with respect to FPIs, only Eligible FPIs applying under Schedule II of the FEMA Rules will be considered as Eligible QIBs. FVCIs are not permitted to participate in the Issue. Currently, QIBs, who are eligible to participate in the Issue (not being excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations) and also as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations, are set forth below:

- alternate investment funds registered with SEBI;
- Eligible FPIs;
- insurance companies registered with Insurance Regulatory and Development Authority of India;
- insurance funds set up and managed by army, navy or air force of the Union of India;
- insurance funds set up and managed by the Department of Posts, India;
- multilateral and bilateral development financial institutions;
- Mutual Funds;
- pension funds with minimum corpus of ₹ 250 million registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013;
- provident funds with minimum corpus of ₹ 250 million;
- public financial institutions, as defined under Section 2(72) of the Companies Act;
- scheduled commercial banks;
- state industrial development corporations;
- the National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government published in the Gazette of India;
- venture capital funds registered with SEBI; and
- systemically important non-banking financial companies.

Eligible FPIs are permitted to participate through the portfolio investment scheme under Schedule II of FEMA Rules, in this Issue. Eligible FPIs are permitted to participate in the Issue subject to compliance with all applicable laws and such that the shareholding of the FPIs do not exceed specified limits as prescribed under applicable laws in this regard. Other eligible non-resident QIBs shall participate in the Issue under Schedule I of the FEMA Rules. FVCIs are not permitted to participate in this Issue.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50% or common control) is not permitted to be 10% or above of our post-Issue Equity Share capital. Further, in terms of the FEMA Rules, the total holding by each FPI including its investor group shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis. In case the holding of an FPI including its investor group increases to 10% or more of the total paid-up equity capital, on a fully diluted basis, the FPI including its investor group is required to divest the excess holding within five trading days from the date of settlement of the trades resulting in the breach. In the event that such divestment of excess holding is not done, the total investment made by such FPI together with its investor group will be re-classified as FDI as per procedure specified by SEBI and the FPI and its investor group will be prohibited from making any further portfolio investment in the Company under the SEBI FPI Regulations. However, in accordance with Regulation 22(4) of the SEBI FPI Regulations, the FPIs who are: (a) appropriately regulated public retail funds; (b) public retail funds where the majority is owned by appropriately regulated public retail fund on look through basis; or (c) public retail funds and investment managers of such foreign portfolio investors are appropriately regulated, the aggregation of the investment limits of such FPIs having common control, shall not be applicable. As per the circular issued by SEBI dated November 5, 2019 (circular no. IMD/FPI&C/CIR/P/2019/124), these investment restrictions shall also apply to subscribers of Offshore Derivative Instruments. Further, the aggregate limit of all FPIs investments, with effect from April 1, 2020, is up to the sectoral cap applicable to the sector in which the Company operates. The existing aggregate investment limit for FPIs in the Company is 100% of the paid-up capital of the Company.

Two or more subscribers of ODIs having a common beneficial owner shall be considered together as a single subscriber of the ODI. In the event an investor has investments as an FPI and as a subscriber of ODIs, these investment restrictions shall apply on the aggregate of the FPI and ODI investments held in the underlying company.

Pursuant to the SEBI circular dated April 5, 2018 (circular no. IMD/FPIC/CIR/P/2018/61), our Company has appointed NSDL as the designated depository to monitor the level of FPI/NRI shareholding in our Company on a daily basis and once the aggregate foreign investment of a company reaches a cut-off point, which is 3% below the overall limit a red flag shall be activated. The depository is then required to inform the Stock Exchanges about the activation of the red flag. The Stock Exchanges are then required to issue the necessary circulars/ public notifications on their respective websites. Once a red flag is activated, the FPIs must trade cautiously, because in the event that there is a breach of the sectoral cap, the FPIs will be under an obligation to disinvest the excess holding within five trading days from the date of settlement of the trades.

Eligible FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. For a description of the restrictions applicable to the offer and sale of the Equity Shares in the Issue in certain jurisdictions, please refer to the sections titled "*Selling Restrictions*" and "*Purchaser Representations and Transfer Restrictions*" on pages 232 and 241, respectively.

Restriction on Allotment

Under Regulation 179(2)(b) of the SEBI ICDR Regulations, no Allotment shall be made pursuant to the Issue, either directly or indirectly, to any QIB being, or any person related to the Promoter. QIBs which have all or any of the following rights shall be deemed to be persons related to the Promoter:

- rights under a shareholders' agreement or voting agreement entered into with the Promoter or members of the Promoter Group;
- veto rights; or
- a right to appoint any nominee director on the Board.

Provided, however, that a QIB which does not hold any Equity Shares in our Company and which has acquired the aforesaid rights in the capacity of a lender shall not be deemed to be related to the Promoter.

Our Company and the Book Running Lead Managers and any of their respective shareholders, employees, counsels, officers, directors, advisors, representatives, agents or affiliates are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Preliminary Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Preliminary Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not ultimately result in triggering an open offer under the Takeover Regulations and ensure compliance with applicable laws.

Note: *Affiliates or associates of the Book Running Lead Managers who are Eligible QIBs may participate in the Issue in compliance with applicable laws.*

Bid Process

Application Form

Eligible QIBs shall only use the serially numbered Application Forms (which are addressed to them) supplied by our Company and the Book Running Lead Managers in either electronic form or by physical delivery for the purpose of making a Bid (including revision of a Bid) in terms of this Preliminary Placement Document. The Application Form may be signed physically or digitally, if required under applicable law in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable law. An Eligible QIB may submit an unsigned copy of the Application Form, as long as the Application Amount is paid along with submission of the Application Form within the Issue Period, and in such case, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Application Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so. An Eligible QIB may submit an unsigned copy of the Application Form, as long as the Application Amount is paid along with submission of the Application Form within the Issue Period.

By making a Bid (including the revision thereof) for Equity Shares through Application Forms and pursuant to the terms of this Preliminary Placement Document, the Eligible QIB will be deemed to have made the following representations, warranties, acknowledgements and undertakings given or made under the sections titled "*Notice to Investors*", "*Representations by Investors*", "*Selling Restrictions*" and "*Purchaser Representations and Transfer Restrictions*" on pages 1, 4, 232 and 241, respectively:

1. The Eligible QIB confirms that it is a QIB in terms of Regulation 2(1)(ss) of the SEBI ICDR Regulations and is not excluded under Regulation 179(2)(b) of the SEBI ICDR Regulations, has a valid and existing registration under the applicable laws in India (as applicable) and is eligible to participate in this Issue;

2. The Eligible QIB confirms that it is not a Promoter, and is not a person related to the Promoter, either directly or indirectly, and its Application Form does not directly or indirectly represent the Promoter, or persons related to the Promoter or members of the Promoter Group;

3. The Eligible QIB confirms and consents to its name and percentage of post-Issue shareholding (assuming full subscription in the Issue) will be included as a 'proposed allottee' in the Issue in the Placement Document;

4. The Eligible QIB confirms that it has no rights under a shareholders' agreement or voting agreement with the Promoter or members of the Promoter Group, no veto rights or right to appoint any nominee director on the Board other than those acquired in the capacity of a lender;

5. The Eligible QIB acknowledges that it has no right to withdraw or revise its Bid downwards after the Issue Closing Date;

6. The Eligible QIB confirms that if Equity Shares are Allotted through this Issue, it shall not, for a period of one year from Allotment, sell such Equity Shares otherwise than on the floor of the Stock Exchanges;

7. The Eligible QIB confirms that the QIB is eligible to Bid and hold Equity Shares so Allotted together with any Equity Shares held by it prior to the Issue, if any. The QIB further confirms that the holding of the QIB, does not and shall not, exceed the level permissible as per any applicable regulations applicable to the QIB;

8. The Eligible QIB confirms that in the event it is resident outside India, it is an Eligible FPI, having a valid and existing registration with SEBI under the applicable laws in India or a multilateral or bilateral development financial institution, and is eligible to invest in India under applicable law, including the FEMA Rules, as amended, and any notifications, circulars or clarifications issued thereunder, and has not been prohibited by SEBI or any other regulatory authority, from buying, selling, dealing in securities or otherwise accessing the capital markets and is not an FVCI;

9. The Eligible QIB confirms that its Bids would not ultimately result in triggering an open offer under the Takeover Regulations;

10. The Eligible QIB agrees that it will make payment of its Application Amount along with submission of the Application Form within the Issue Period. Each Eligible QIB agrees that once a duly filled Application Form is submitted by it, whether signed or not, and the Application Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Issue Closing Date;

11. The Eligible QIB agrees that although the Application Amount is required to be paid by it along with the Application Form within the Issue Period in terms of provisions of the Companies Act, 2013 and rules made thereunder, our Company reserves the right to Allocate and Allot Equity Shares pursuant to this Issue on a discretionary basis in consultation with the Book Running Lead Managers. The Eligible QIB further acknowledges and agrees that the payment of Application Amount does not guarantee Allocation and/or Allotment of Equity Shares Bid for in full or in part;

12. The Eligible QIB acknowledges that in terms of the requirements of the Companies Act, 2013, upon Allocation, our Company will be required to disclose the names of proposed Allottees and the percentage of their post-Issue shareholding in the Placement Document and consents to such disclosure, if any Equity Shares are Allocated to it. However, the Eligible QIB further acknowledges and agrees that the disclosure of such details in relation to it in the Placement Document will not guarantee Allotment to it, as Allotment in the Issue shall continue to be at the sole discretion of our Company, in consultation with the Book Running Lead Managers;

13. The Eligible QIB confirms that the number of Equity Shares Allotted to it pursuant to the Issue, together with other Allottees that belong to the same group or are under common control, shall not exceed 50% of the Issue. For the purposes of this representation:

    a. QIBs "belonging to the same group" shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and independent directors, amongst an Eligible QIB, its subsidiary(ies) or holding company and any other QIB; and

    b. 'Control' shall have the same meaning as is assigned to it by Regulation 2(1)(e) of the Takeover Regulations;

14. The Eligible QIB confirms that

    a. if it is within the United States, it is a U.S. QIB who is, or are acquiring the Equity Shares for its own account or for the account of an institutional investor who also meets the requirement of a U.S. QIB, for investment purposes only and not with a view to, or for resale in connection with, the distribution (within the meaning of any United States securities laws) thereof, in whole or in part and are not our affiliate or a person acting on behalf of such an affiliate;

    b. if it is outside the United States, it is purchasing the Equity Shares in an "offshore transaction" as defined in and in reliance on Regulation S and the applicable laws of the jurisdictions where those offers and sales are made, and is not our affiliate or a person acting on behalf of such an affiliate; and

    c. it has agreed to certain other representations set forth in the sections titled "*Representations by Investors*" and "*Purchaser Representations and Transfer Restrictions*" on pages 1 and 241, respectively.

15. Each Eligible FPI, confirms that it will participate in the Issue only under and in conformity with Schedule II of FEMA Rules. Further, each Eligible FPI acknowledges that Eligible FPIs may invest in such number of Equity Shares such that the individual investment of the Eligible FPI or its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50% or common control) in our Company does not exceed 10% of the post-Issue paid-up capital of our Company on a fully diluted basis.

16. The Eligible QIB confirms that it, individually or together with its investor group, is not restricted from making further investments in our Company through the portfolio investment route, in terms of Regulation 22(3) of the SEBI FPI Regulations;

17. The Eligible QIB acknowledges that no Allotment shall be made to them if the price at which they have Bid for in this Issue is lower than the Issue Price; and

18. The QIBs confirm that they shall not undertake any trade in the Equity Shares credited to its beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges.

ELIGIBLE QIBS MUST PROVIDE THEIR NAME, COMPLETE ADDRESS, PHONE NUMBER, EMAIL ID, BANK ACCOUNT DETAILS, BENEFICIARY ACCOUNT DETAILS, PAN, DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE APPLICATION FORM. ELIGIBLE QIBS MUST

ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THEIR BENEFICIARY ACCOUNT IS HELD.

IF SO REQUIRED BY THE BOOK RUNNING LEAD MANAGERS, THE ELIGIBLE QIBs SUBMITTING A BID, ALONG WITH THE APPLICATION FORM, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO THE BOOK RUNNING LEAD MANAGERS TO EVIDENCE THEIR STATUS AS A "QIB" AS DEFINED HEREINABOVE.

IF SO REQUIRED BY THE BOOK RUNNING LEAD MANAGERS, ESCROW BANK OR ANY STATUTORY OR REGULATORY AUTHORITY IN THIS REGARD, INCLUDING AFTER ISSUE CLOSURE, THE ELIGIBLE QIBs SUBMITTING A BID AND/OR BEING ALLOTTED EQUITY SHARES IN THE ISSUE, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO FULFILL THE KNOW YOUR CUSTOMER (KYC) NORMS.

Demographic details such as address and bank account will be obtained from the Depositories as per the Depository Participant account details given above. However, for the purposes of refund of all or part of the Application Amount submitted by the Bidder, the bank details as mentioned in the Application Form from which the Application Amount shall be remitted for the Equity Shares applied for in the Issue, will be considered.

The submission of an Application Form and payment of the Application Amount pursuant to the Application Form by a Bidder shall be deemed a valid, binding and irrevocable offer for such Bidder to pay the entire amounts for the Equity Shares that may be Allotted to such Bidder and shall become a binding contract on a Successful Bidder upon issuance of the CAN and the Placement Document (when dispatched) by our Company (by itself or through the Book Running Lead Managers) in favour of the Successful Bidder.

Submission of Application Form

All Application Forms must be duly completed with information including the number of Equity Shares applied for along with payment and a copy of the PAN card or PAN allotment letter. Additionally, the Application Form will include details of the Escrow Account into which the Application Amount will have to be deposited. The Application Amount shall be deposited in the Escrow Account as is specified in the Application Form and the Application Form shall be submitted to the Book Running Lead Managers either through electronic form or through physical delivery at either of the following addresses:

Name of the Book Running Lead Manager	Address	Contact person	Website and Email ID	Telephone and Facsimile
IIFL Securities Limited	24th Floor, One Lodha Place, Senapati Bapat Marg, Lower Parel (West), Mumbai - 400 013, Maharashtra, India	Mukesh Garg	Website: www.iiflcap.com Email ID: project.phoenix@iiflcap.com	Telephone: +91 22 4646 4728
HSBC Securities and Capital Markets (India) Private Limited	52/60, Mahatma Gandhi Road Fort, Mumbai 400 001 Maharashtra, India	Rishi Tiwari/ Sumant Sharma	Website: https://www.business.hsbc.co.in/en-gb/regulations/hsbc-securities-and-capital-market Email ID: projectphoenix2024@hsbc.co.in	Telephone: +91 22 6864 1289

The Application Form may be signed physically or digitally, if required under applicable law in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable law. An Eligible QIB may submit an unsigned copy of the Application Form, as long as the Application Amount is paid along with submission of the Application Form within the Issue Period. Once a duly completed Application Form is submitted by a Bidder, whether signed or not, and the Application Amount is transferred to the Escrow Account, such application constitutes an irrevocable offer and the Bid cannot be withdrawn or revised downwards after the Issue Closing Date. In case of an upward revision before the Issue Closing Date, an additional amount shall be required to be deposited towards the Application Amount in the Escrow Account along with the submission of such revised Bid. In case Bids are being made on behalf of the Eligible QIB and the Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Application Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so. The Issue Closing Date shall be notified to the Stock Exchanges and the Eligible QIBs shall be deemed to have been given notice of such date after receipt of the Application Form.

The Book Running Lead Managers shall not be required to provide any written acknowledgement of the receipt of the Application Form and the Application Amount.

All Bidders submitting a Bid in the Issue, shall pay the entire Application Amount along with the submission of the Application Form within the Issue Period.

Payment of Application Amount

Our Company has opened the Escrow Account in the name of "COFORGE LIMITED-QIP-ESCROW ACCOUNT" with ICICI Bank Limited, our Escrow Bank, in terms of the Escrow Agreement. Bidders will be required to deposit the entire Application Amount payable for the Equity Shares applied for through the Application Form submitted by it in accordance with the applicable laws.

Payments are to be made only through electronic fund transfer.

Note: Payments through cheques or demand draft or cash shall be rejected.

If the payment is not made favouring the "COFORGE LIMITED-QIP-ESCROW ACCOUNT" within the Issue Period stipulated in the Application Form, the Application Form of the QIB is liable to be cancelled.

Pending Allotment, our Company undertakes to utilise the amount deposited in "COFORGE LIMITED-QIP-ESCROW ACCOUNT" only for the purposes of (i) adjustment against Allotment of Equity Shares in the Issue; or (ii) refund of Application Amount if our Company is not able to Allot Equity Shares in the Issue. Notwithstanding the above, in the event a Bidder is not Allocated Equity Shares in the Issue, or the number of Equity Shares Allocated to a Bidder, is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, the excess Application Amount will be refunded to the same bank account from which Application Amount was remitted, in the form and manner set out in "– *Refunds*" below.

Permanent Account Number or PAN

Each Bidder should mention its PAN allotted under the Income Tax Act in the Application Form. Applications without this information will be considered incomplete and are liable to be rejected. Bidders should not submit the GIR number instead of the PAN as the Application Form is liable to be rejected on this ground.

Bank Account Details

Each Bidder shall mention the details of the bank account from which the payment of Application Amount has been made along with confirmation that such payment has been made from such account.

Pricing and Allocation

Build-up of the Book

The Eligible QIBs shall submit their Bids (including any revision thereof) through the Application Forms within the Issue Period to the Book Running Lead Managers. Such Bids cannot be withdrawn or revised downwards after the Issue Closing Date. The book shall be maintained by the Book Running Lead Managers.

Price Discovery and Allocation

Our Company, in consultation with the Book Running Lead Managers, shall determine the Issue Price, which shall be at or above the Floor Price. There is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price shall not be less than the average of the weekly high and low of the closing prices of the Equity Shares quoted on the Stock Exchanges during the two weeks preceding the Relevant Date. However, our Company may offer a discount of not more than 5% on the Floor Price in terms of Regulation 176 of the SEBI ICDR Regulations, as approved by our Shareholders pursuant to a special resolution passed at the extra-ordinary general meeting held on April 12, 2024.

After finalisation of the Issue Price, our Company shall update this Preliminary Placement Document with the Issue details and file the same with the Stock Exchanges as the Placement Document.

Method of Allocation

Our Company shall determine the Allocation in consultation with the Book Running Lead Managers on a discretionary basis and in compliance with Chapter VI of the SEBI ICDR Regulations.

Bids received from the Eligible QIBs at or above the Issue Price shall be grouped together to determine the total demand. The Allocation to all such Eligible QIBs will be made at the Issue Price. Allocation to Mutual Funds for up to a minimum of 10% of the Issue Size shall be undertaken subject to valid Bids being received at or above the Issue Price.

In case of cancellations or default by the Bidders, our Company, in consultation with the Book Running Lead Managers, has the right to reallocate the Equity Shares at the Issue Price among existing or new Bidders at their sole and absolute discretion subject to the applicable laws.

THE DECISION OF OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS IN RESPECT OF ALLOCATION SHALL BE FINAL AND BINDING ON ALL ELIGIBLE QIBS. ELIGIBLE QIBS MAY NOTE THAT ALLOCATION OF EQUITY SHARES IS AT THE SOLE AND ABSOLUTE DISCRETION OF OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS AND ELIGIBLE QIBS MAY NOT RECEIVE ANY ALLOCATION EVEN IF THEY HAVE SUBMITTED VALID APPLICATION FORMS AND PAID THE ENTIRE APPLICATION AMOUNT AT OR ABOVE THE ISSUE PRICE. NEITHER OUR COMPANY NOR THE BOOK RUNNING LEAD MANAGERS ARE OBLIGED TO ASSIGN ANY REASON FOR ANY NON-ALLOCATION.

Confirmation of Allotment Notice or CAN

Based on receipt of the Application Forms and Application Amount, our Company, in consultation with the Book Running Lead Managers, in their sole and absolute discretion, shall decide the Successful Bidders to whom the serially numbered CAN shall be dispatched, pursuant to which the details of the Equity Shares Allocated to them, the Issue Price, the Application Amount paid and Refund Amount, if any, shall be notified to such Successful Bidders.

The Successful Bidders would also be sent a serially numbered Placement Document (which will include the names of the proposed Allottees along with the percentage of their post-Issue Shareholding in the Company) either in electronic form or by physical delivery.

The dispatch of the serially numbered CAN and the Placement Document (when dispatched), to the Eligible QIBs shall be deemed a valid, binding and irrevocable contract for the QIB to subscribe to the Equity Shares Allocated to such Successful Bidders at an aggregate price equivalent to the product of the Issue Price and Equity Shares Allocated to such Successful Bidders. Subsequently, our Board (or a duly constituted committee thereof) will approve the Allotment of the Equity Shares to the Allottees.

Successful Bidders are advised to instruct their Depository Participant to accept the Equity Shares that may be Allotted to them pursuant to the Issue.

By submitting the Application Form, the Eligible QIB would have deemed to have made the representations and warranties as specified in the section titled "*Notice to Investors*" on page 1 and further that such Eligible QIB shall not undertake any trade on the Equity Shares credited to its Depository Participant account pursuant to the Issue until such time as the final listing and trading approval is issued by the Stock Exchanges.

Designated Date and Allotment of Equity Shares

Our Company will ensure that the Allotment of Equity Shares is completed by the Designated Date provided in the respective CANs, subject to the satisfaction of the terms and conditions of the Placement Agreement. The Equity Shares in the Issue will be issued and Allotment shall be made only in dematerialised form to the Allottees, in accordance with the SEBI ICDR Regulations. Allottees will have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act, 2013 and the Depositories Act. However, transfer of securities of listed companies in physical form is not permitted pursuant to Regulation 40 of the SEBI Listing Regulations.

Our Company, at its sole discretion, reserve the right to cancel the Issue at any time up to Allotment without assigning any reason whatsoever.

Following the Allotment and credit of Equity Shares into the QIBs' beneficiary accounts maintained with the Depository Participant, our Company will apply for final listing and trading approvals from the Stock Exchanges.

Pursuant to a circular dated March 5, 2010 issued by the SEBI, Stock Exchanges are required to make available on their websites the details of those Allottees in Issue who have been allotted more than 5% of the Equity Shares offered in the Issue, viz, the names of the Allottees, and number of Equity Shares Allotted to each of them, pre and post Issue shareholding pattern of our Company along with the Placement Document. Our Company shall make the requisite filings with the RoC within the stipulated period as required under the Companies Act, 2013 and the PAS Rules. Further, as required in terms of the PAS Rules, names of the proposed Allottees and the percentage of their post-Issue shareholding in our Company is required to be disclosed in the Placement Document.

The Escrow Bank shall release the monies lying to the credit of the Escrow Account to our Company upon receipt of notice from the Book Running Lead Managers and the trading and listing approvals of the Stock Exchanges for Equity Shares offered in the Issue and after filing return of Allotment under Form PAS-3 with the RoC, whichever is later.

After finalization of the Issue Price, our Company shall update this Preliminary Placement Document with the Issue details and file the same with the Stock Exchanges as the Placement Document.

Refunds

In the event that the number of Equity Shares Allocated to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, or the Application Amount paid by a Bidder is in excess of the amount equivalent to the product of the Equity Shares that have been Allocated to such Bidder and the Issue Price, or a Bidder withdraws the Application Form prior to the Issue Closing Date, or the Issue is cancelled prior to Allocation, the excess Application Amount paid by such Bidder will be refunded to the same bank account from which the Application Amount was remitted, in the form and manner set out in the Refund Intimation/CAN (as applicable). The Refund Amount will be transferred to the relevant Bidders within two Working Days from the date of issuance of the CAN.

In the event that Equity Shares have been Allocated to Successful Bidders and our Company is unable to issue and Allot the Equity Shares offered in the Issue within 60 days from the date of receipt of the Application Amount, or the Issue is cancelled post Allocation, or where our Company has Allotted the Equity Shares but final listing and trading approvals are refused by the Stock Exchanges, our Company shall repay the Application Amount within 15 days from expiry of 60 days or such other time period as applicable under applicable law, failing which our Company shall repay that money with interest at such rate and in such manner as prescribed under the Companies Act, 2013.

In accordance with the SEBI ICDR Regulations, Equity Shares will be issued and Allotment shall be made only in dematerialized form to the Allottees. Allottees will have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act, 2013, the Depositories Act and other applicable laws.

We, at our sole discretion, reserve the right to cancel the Issue at any time up to Allotment without assigning any reason whatsoever. Following the Allotment and credit of Equity Shares into the Eligible QIBs' Depository Participant accounts, we will apply for final trading and listing approvals from the Stock Exchanges. In the event of any delay in the Allotment or credit of Equity Shares, or receipt of trading or listing approvals or cancellation of the Issue, no interest or penalty would be payable by us.

Other instructions

Right to reject applications

Our Company, in consultation with the Book Running Lead Managers, may reject Bids, in part or in full, without assigning any reason whatsoever. The decision of our Company in consultation with the Book Running Lead Managers in relation to the rejection of Bids shall be final and binding. In the event the Bid is rejected by our Company, the Application Amount paid by the bidder shall be refunded to the same bank account from which the Application Amount was remitted by such Bidder. For details, please refer to "*–Bid Process*" and "*–Refund*" above.

Equity Shares in dematerialized form with NSDL or CDSL

The Allotment of the Equity Shares in this Issue shall be only in dematerialised form (i.e., not in physical certificates but be fungible and be represented by the statement issued through the electronic mode).

An Eligible QIB applying for Equity Shares to be issued pursuant to the Issue must have at least one beneficiary account with a Depository Participant of either NSDL or CDSL prior to making the Bid. Equity Shares Allotted to a successful QIB will be credited in electronic form directly to the specified beneficiary account (with the Depository Participant) of the QIB, as indicated in the Application Form.

Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchanges have electronic connectivity with NSDL and CDSL.

The trading of the Equity Shares to be issued pursuant to the Issue would be in dematerialised form only for all QIBs in the demat segment of the respective Stock Exchanges.

Our Company and the Book Running Lead Managers will not be responsible or liable for the delay in the credit of Equity Shares to be issued pursuant to the Issue due to errors in the Application Form or otherwise on the part of the QIBs.

Release of funds to our Company

The Escrow Bank shall not release the monies lying to the credit of the "COFORGE LIMITED-QIP-ESCROW ACCOUNT" to our Company until receipt of notice from the Book Running Lead Managers, the trading and listing approvals of the Stock Exchanges for Equity Shares offered in the Issue and filing of return of Allotment under Form PAS-3 with the RoC.

PLACEMENT AND LOCK-UP

No assurance can be given as to the liquidity or sustainability of the trading market for the Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares.

Placement Agreement

The Book Running Lead Managers and our Company have entered into the Placement Agreement dated May 21, 2024 ("**Placement Agreement**"), pursuant to which the Book Running Lead Managers have agreed, subject to certain conditions, to use its reasonable efforts to place the Equity Shares with Eligible QIBs to subscribe to such number of our Equity Shares as may be agreed among our Company and the Book Running Lead Managers, pursuant to Chapter VI of the SEBI ICDR Regulations, the Companies Act, 2013 read with Rule 14 of the PAS Rules, and other applicable provisions of the Companies Act, 2013 and the rules made thereunder.

The Placement Agreement contains customary representations and warranties, as well as indemnity from our Company and the Issue is subject to the satisfaction of certain conditions and subject to the termination of the Placement Agreement in accordance with the terms contained therein.

Applications shall be made to list the Equity Shares issued pursuant to this Issue and admit them to trading on the Stock Exchanges. No assurance can be given as to the liquidity or sustainability of the trading market for such Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares.

This Preliminary Placement Document has not been and will not be filed as a prospectus with the RoC, and no Equity Shares will be offered in India or overseas to the public or any members of the public in India or any other class of investors, other than Eligible QIBs.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and unless so registered, may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (a) within the United States, only to persons who are U.S. QIBs pursuant to Section 4(a)(2) or another available exemption from registration under the U.S. Securities Act, and (b) outside the United States, in offshore transactions in reliance on Regulation S and the applicable laws of the jurisdictions where those offers and sales are made. The Equity Shares are transferable only in accordance with the restrictions described in the sections titled "*Selling Restrictions*" and "*Purchaser Representations and Transfer Restrictions*" on pages 232 and 241, respectively.

Relationship with the Book Running Lead Managers

In connection with the Issue, the Book Running Lead Managers (and their respective affiliates) may, for their own account, subscribe to the Equity Shares or enter into asset swaps, credit derivatives or other derivative transactions relating to the Equity Shares to be offered pursuant to the Issue at the same time as the offer and subscription or sale of the Equity Shares, or in secondary market transactions. As a result of such transactions, the Book Running Lead Managers and their respective affiliates may hold long or short positions in such Equity Shares. These transactions may comprise a substantial portion of the Issue and no specific disclosure will be made of such positions. The affiliates of the Book Running Lead Managers may purchase Equity Shares and be Allotted Equity Shares for proprietary purposes and not with a view to distribute or in connection with the issuance of P-Notes. For further details, please refer to the section titled "*Offshore Derivative Instruments*" on page 11.

From time to time, the Book Running Lead Managers, their respective affiliates and associates have been engaged in or may in the future engage in transactions with and perform services, including but not limited to investment banking, advisory, commercial banking, trading services for our Company, our Subsidiaries, affiliates and the Shareholders, as well as to their respective associates and affiliates, pursuant to which fees and commissions have been paid or will be paid to the Book Running Lead Managers and their respective affiliates and associates.

Affiliates of the Book Running Lead Managers which are Eligible FPIs may purchase, to the extent permissible under law, the Equity Shares in the Issue, and may issue Offshore Derivative Instruments in respect thereof. See "*Offshore Derivative Instruments*" and "*Representations by Investors*" on pages 11 and 4, respectively.

Lock-up

Under the Placement Agreement, our Company undertakes that it will not for a period from the date of the Placement Agreement up to 90 days from the Closing Date, without the prior written consent of the Book Running Lead Managers (a) issue, offer, lend, pledge, sell, contract to sell or issue, sell any option or contract to purchase, purchase any option or contract to sell or issue, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any Equity Shares, or any securities convertible into or exercisable or exchangeable for Equity Share; (b) enter into any swap or other agreement that transfers, directly or indirectly, in whole or in part, any of the economic consequences of ownership of Equity Shares; or (c) publicly announce any intention to enter into any transaction described in (a) or (b) above, whether any such transaction described in (a) or (b) above is to be settled by delivery of Equity Shares, or such other securities, in cash or otherwise.

However, the foregoing restriction shall not be applicable to the (i) the issuance of the Equity Shares pursuant to the Issue; (ii) issuance of Equity Shares pursuant to conversion of ESOPs; and (iii) any transaction required by law or an order of a court of law or a statutory authority.

SELLING RESTRICTIONS

General

The Issue is being made only to Eligible QIBs through a QIP, in reliance upon Chapter VI of the SEBI ICDR Regulations and the Companies Act.

The distribution of this Preliminary Placement Document and the offer and sale of the Equity Shares offered in the Issue is restricted by law in certain jurisdictions. This Preliminary Placement Document may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised. Except for in India, no action has been taken or will be taken that would permit the offer and sale of the Equity Shares offered in the Issue to occur in any jurisdiction other than India, or the possession, circulation or distribution of this Preliminary Placement Document or any other material relating to the Issue in any jurisdiction where action for such purpose is required, except in India. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Preliminary Placement Document nor any offering materials or advertisements in connection with or other material relating to the Issue may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. Therefore, persons who may come into possession of this Preliminary Placement Document are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restrictions.

Each purchaser of the Equity Shares in this Issue will be deemed to have made the representations, warranties, acknowledgments and agreements as described in this section and under the sections titled "*Notice to Investors*", "*Representations by Investors*" and "*Purchaser Representations and Transfer Restrictions*" on pages 1, 4 and 241, respectively.

Republic of India

This Preliminary Placement Document may not be distributed directly or indirectly in India or to residents of India and any Equity Shares may not be offered or sold directly or indirectly in India to, or for the account or benefit of, any resident of India except as permitted by applicable Indian laws and regulations, under which an offer is strictly on a private and confidential basis and is limited to Eligible QIBs and is not an offer to the public. This Preliminary Placement Document has not been and will not be filed as a prospectus with the RoC and will not be circulated or distributed to the public in India or any other jurisdiction and will not constitute a public offer in India or any other jurisdiction.

Australia

This Preliminary Placement Document does not constitute a prospectus or other disclosure document under the Corporations Act 2001 (Cth) ("**Australian Corporations Act**") and does not purport to include the information required of a disclosure document under the Australian Corporations Act. This Preliminary Placement Document has not been lodged with the Australian Securities and Investments Commission ("**ASIC**") and no steps have been taken to lodge it as such with ASIC. Any offer in Australia of the Equity Shares under this Preliminary Placement Document may only be made to persons who are "sophisticated investors" (within the meaning of section 708(8) of the Australian Corporations Act), to "professional investors" (within the meaning of section 708(11) of the Australian Corporations Act) or otherwise pursuant to one or more exemptions under section 708 of the Australian Corporations Act so that it is lawful to offer the Equity Shares in Australia without disclosure to investors under Part 6D.2 of the Australian Corporations Act.

If you are acting on behalf of, or acting as agent or nominee for, an Australian resident and you are a recipient of this Preliminary Placement Document, and any offers made under this Preliminary Placement Document, you represent to the Company and the BRLMs that you will not provide this Preliminary Placement Document or communicate any offers made under this Preliminary Placement Document to, or make any applications or receive any offers for Equity Shares for, any Australian residents unless they are a "sophisticated investor" or a "professional investor" as defined by section 708 of the Australian Corporations Act. Any offer of the Equity Shares for on-sale that is received in Australia within 12 months after their issue by our Company, or within 12 months after their sale by a selling security holder (or the BRLMs) under the Issue, as applicable, is likely to need prospectus disclosure to investors under Part 6D.2 of the Australian Corporations Act, unless such offer for on-sale in Australia is conducted in reliance on a prospectus disclosure exemption under section 708 of the Australian

Corporations Act or otherwise. Any persons acquiring the Equity Shares should observe such Australian on-sale restrictions.

Bahrain

The Central Bank of Bahrain, the Bahrain Bourse and the Ministry of Industry, Commerce and Tourism of the Kingdom of Bahrain take no responsibility for the accuracy of the statements and information contained in this Preliminary Placement Document or the performance of the Equity Shares, nor shall they have any liability to any person, investor or otherwise for any loss or damage resulting from reliance on any statements or information contained herein. This Preliminary Placement Document is only intended for accredited investors as defined by the Central Bank of Bahrain. We have not made and will not make any invitation to the public in the Kingdom of Bahrain to subscribe to the Equity Shares and this Preliminary Placement Document will not be issued, passed to, or made available to the public generally. The Central Bank of Bahrain has not reviewed, nor has it approved, this Preliminary Placement Document or the marketing thereof in the Kingdom of Bahrain. The Central Bank of Bahrain is not responsible for the performance of the Equity Shares.

British Virgin Islands

The Equity Shares are not being, and may not be offered to the public or to any person in the British Virgin Islands for purchase or subscription by or on behalf of the Company. The Equity Shares may be offered to companies incorporated under the BVI Business Companies Act, 2004 (British Virgin Islands) ("**BVI Companies**"), but only where the offer will be made to, and received by, the relevant BVI Company entirely outside of the British Virgin Islands.

Cayman Islands

No offer or invitation to subscribe for Equity Shares may be made to the public in the Cayman Islands.

People's Republic of China

This Preliminary Placement Document may not be circulated or distributed in the People's Republic of China (excluding, for the purposes of this paragraph, the Hong Kong and Macau Special Administrative Regions and Taiwan Province) and the Equity Shares may not be offered or sold directly or indirectly to any resident of the People's Republic of China, or offered or sold to any person for reoffering or re-sale directly or indirectly to any resident of the People's Republic of China except under applicable laws and regulations of the People's Republic of China.

European Economic Area

In relation to each Member State of the European Economic Area, no offer of Equity Shares may be made to the public in that Relevant Member State other than:

- to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), subject to obtaining the prior consent of the BRLMs; or
- in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Equity Shares shall require our Company or any BRLMs to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation and each person who initially acquires any Equity Shares or to whom any offer is made will be deemed to have represented, acknowledged and agreed to and with each of the BRLMs and our Company that it is a "qualified investor" within the meaning of the law in that Member State implementing Article 2(e) of the Prospectus Regulation.

In the case of any Equity Shares being offered to a financial intermediary as that term is used in Article 5(1) of the Prospectus Regulation, each such financial intermediary will be deemed to have represented, acknowledged and agreed that the Equity Shares acquired by it in the Issue have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of any Equity Shares to the public other than their offer or resale in a Member State to qualified investors as so defined or in circumstances in which the prior consent of the representatives has been obtained to each such proposed offer or resale.

For the purposes of this provision, the expression an "offer of Equity Shares to the public" in relation to any Equity Shares in any Member State means the communication in any form and by means of sufficient information on the terms of the offer and the Equity Shares to be offered so as to enable an investor to decide to purchase Equity Shares and the expression "**Prospectus Regulation**" means Regulation (EU) 2017/1129.

Hong Kong

The Equity Shares may not be offered or sold in Hong Kong by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32, Laws of Hong Kong), or (ii) to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder, or in other circumstances which do not result in the document being a "prospectus" within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32, Laws of Hong Kong) and no advertisement, invitation or document relating to the shares may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

Japan

The Equity Shares have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Law. No. 25 of 1948 as amended) (the "**FIEA**") and disclosure under the FIEA has not been and will not be made with respect to the Equity Shares. No Equity Shares have, directly or indirectly, been offered or sold, and may not, directly or indirectly, be offered or sold in Japan or to, or for the benefit of, any resident of Japan as defined in the first sentence of Article 6, Paragraph 1, Item 5 of the Foreign Exchange and Foreign Trade Law of Japan ("**Japanese Resident**") or to others for re-offering or re-sale, directly or indirectly in Japan or to, or for the benefit of, any Japanese Resident except (i) pursuant to an exemption from the registration requirements of the FIEA and (ii) in compliance with any other relevant laws, regulations and governmental guidelines of Japan.

If an offeree does not fall under a "qualified institutional investor" (*tekikaku kikan toshika*), as defined in Article 10, Paragraph 1 of the Cabinet Office Ordinance Concerning Definition Provided in Article 2 of the Financial Instruments and Exchange Act (the "**Qualified Institutional Investor**"), the Equity Shares will be offered in Japan by a private placement to small number of investors (shoninzu muke kanyu), as provided under Article 23-13, Paragraph 4 of the FIEA, and accordingly, the filing of a securities registration statement for a public offering pursuant to Article 4, Paragraph 1 of the FIEA has not been made.

If an offeree falls under the Qualified Institutional Investor, the Equity Shares will be offered in Japan by a private placement to the Qualified Institutional Investors (tekikaku kikan toshikamuke kanyu), as provided under Article 23-13, Paragraph 1 of the FIEA, and accordingly, the filing of a securities registration statement for a public offering pursuant to Article 4, Paragraph 1 of the FIEA has not been made. To subscribe the Equity Shares (the "**QII Equity Shares**") such offeree will be required to agree that it will be prohibited from selling, assigning, pledging or otherwise transferring the QII Equity Shares other than to another Qualified Institutional Investor.

Republic of Korea

We are not making any representation with respect to the eligibility of any recipients of this document to acquire the Equity Shares therein under the laws of Korea, including, but without limitation, the Foreign Exchange Transaction Law and Regulations thereunder. The Equity Shares have not been and will not be registered under the Financial Investment Services and Capital Markets Act of Korea (the "**FSCMA**"). Accordingly, the Equity Shares may not be offered, sold or delivered, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to, or for the account or benefit of, any resident of Korea (as such term is defined under the Foreign Exchange Transaction Law of Korea and its Enforcement Decree), for a period of one year from the date of issuance of the Equity Shares, except (i) where relevant requirements are satisfied, the Equity Shares may be offered, sold or delivered to or for the account or benefit of a Korean resident which falls within certain categories of qualified professional investors as specified in the FSCMA, its Enforcement Decree and the Regulation on

Securities Issuance and Disclosure promulgated thereunder, or (ii) as otherwise permitted under applicable Korean laws and regulations.

Furthermore, the Equity Shares may not be re-sold to Korea residents unless the purchaser of the Equity Shares complies with all applicable regulatory requirements (including, but not limited to, governmental approval requirements under the Foreign Exchange Transaction Law and its subordinate decrees and regulations) in connection with purchase of the Equity Shares.

Kuwait

This Preliminary Placement Document does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy, the Equity Shares in the State of Kuwait. The Equity Shares have not been licensed for offering, promotion, marketing, advertisement or sale in the State of Kuwait by the Capital Markets Authority or any other relevant Kuwaiti government agency. The offering, promotion, marketing, advertisement or sale of the Equity Shares in State of Kuwait on the basis of a private placement or public offering is, therefore, prohibited in accordance with Law No. 7 of 2010 and the Executive Bylaws for Law No. 7 of 2010, as amended, which govern the issue, offer, marketing and sale of financial services/products in the State of Kuwait ("**Kuwait Securities Laws**"). No private or public offering of the Equity Shares is or will be made in the State of Kuwait, and no agreement relating to the sale of the Equity Shares will be concluded in the State of Kuwait and no marketing or solicitation or inducement activities are being used to offer or market the Equity Shares in the State of Kuwait.

Malaysia

No approval from the Securities Commission of Malaysia has been applied for or will be obtained for the offer or invitation in respect of the Issue under the Capital Markets and Services Act 2007. Neither has a prospectus been nor will be registered with the Securities Commission of Malaysia in connection with the Issue in Malaysia. Accordingly, this Preliminary Placement Document or any amendment or supplement hereto or any other offering document in relation to the Issue may not be distributed in Malaysia directly or indirectly for the purpose of any offer of the Equity Shares. The Equity Shares may not be offered or sold in Malaysia except pursuant to, and to persons prescribed under, Part I of Schedule 6 of the Malaysian Capital Markets and Services Act and no person may offer for subscription or purchase any of the Equity Shares directly or indirectly to anyone in Malaysia.

Mauritius

The Equity Shares may not be offered or sold, directly or indirectly, to the public in Mauritius. Neither this Preliminary Placement Document nor any offering material or information contained herein relating to the offer of Equity Shares may be released or issued to the public in Mauritius or used in connection with any such offer. This Preliminary Placement Document does not constitute an offer to sell Equity Shares to the public in Mauritius and is not a prospectus as defined under the Companies Act 2001.

New Zealand

This Preliminary Placement Document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "**FMC Act**"). This Issue is not an offer of financial products that requires disclosure under Part 3 of the FMC Act and no product disclosure statement, register entry or other disclosure document under the FMC Act will be prepared in respect of this Issue. The Equity Shares are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act; or
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act.

If, in the future, any person in New Zealand to whom the Equity Shares are issued or sold elects to sell any Equity Shares, they must not do so in any manner which will, or is likely to, result in this Issue, or such sale, being viewed as an offer to which Part 3 of the FMC Act is applicable.

Sultanate of Oman

This Preliminary Placement Document and the Equity Shares to which it relates may not be advertised, marketed, distributed or otherwise made available to any person in the Sultanate of Oman ("**Oman**") without the prior consent of the Capital Market Authority ("**Oman CMA**") and then only in accordance with any terms and conditions of such consent. In connection with the offering of the Equity Shares, no prospectus has been filed with the Oman CMA. The offering and sale of the Equity Shares described in this Preliminary Placement Document will not take place inside Oman. This Preliminary Placement Document is strictly private and confidential and is being issued to a limited number of sophisticated investors, and may neither be reproduced, used for any other purpose, nor provided to any other person than the intended recipient hereof does not constitute a public offer of the Equity Shares in Oman as contemplated by the Commercial Companies Law of Oman (Royal Decree 4/74) or the Capital Market Authority Law (Royal Decree 80/98) (the "**CMAL**"), nor does it constitute an offer to sell, or the solicitation of any offer to buy Non-Omani securities in the Sultanate of Oman as contemplated by Article 139 of the Executive Regulations of CMA. Additionally, this Preliminary Placement Document and the Equity Shares is not intended to lead to the conclusion of a contract for the sale or purchase of securities. The recipient of this Preliminary Placement Document and the Equity Shares represents that it is a sophisticated investor (as described in Article 139 of the Executive Regulations of the Capital Market Law) and that it has experience in business and financial matters that they are capable of evaluating the merits and risks of investments.

Qatar (excluding the Qatar Financial Centre)

This Preliminary Placement Document and the offering of the Equity Shares have not been, and will not be: (i) lodged or registered with, or reviewed or approved by, the Qatar Central Bank, the Qatar Financial Markets Authority the Ministry of Business and Trade or any other governmental authority in the State of Qatar or (ii) authorized, permitted or licensed for offering or distribution in Qatar, and the information contained in this document does not, and is not intended to, constitute a public or general offer or other invitation in respect to the Equity Shares in the State of Qatar. Accordingly, the Equity Shares are not being, and will not be, offered, issued or sold in the State of Qatar, and this document is not being, and will not be, distributed in the State of Qatar. The offering, marketing, issue and sale of the Equity Shares and distribution of this Preliminary Placement Document is being made in, and is subject to the laws, regulations and rules of jurisdictions outside of the State of Qatar. No application has been or will be made for the Equity Shares to be listed or traded on the Qatar Exchange or the QE Venture Market.

This Preliminary Placement Document is strictly private and confidential, and is being sent to a limited number of institutional and/or sophisticated investors (a) upon their request and confirmation that they understand the statements above; and (b) on the condition that it will not be provided to any person other than the original recipient, and is not for general circulation and may not be reproduced or used for any other purpose.

Qatar Financial Centre

This Preliminary Placement Document does not, and is not intended to, constitute an invitation or offer of securities from or within the Qatar Financial Centre (the "**QFC**"), and accordingly should not be construed as such. This document has not been reviewed or approved by or registered with the Qatar Financial Centre Authority, the Qatar Financial Centre Regulatory Authority or any other competent legal body in the QFC. This document is strictly private and confidential, and may not be reproduced or used for any other purpose, nor provided to any person other than the recipient thereof. Our Bank has not been approved or licensed by or registered with any licensing authorities within the QFC.

Saudi Arabia

Any investor in the Kingdom of Saudi Arabia or who is a Saudi person (a "**Saudi Investor**") who acquires Equity Shares pursuant to the Issue should note that the offer of Equity Shares is an offer to "Sophisticated Investors" (as defined in Article 11 of the "Offer of Securities Regulations" as issued by the Board of the Capital Market Authority resolution number 2-11-2004 dated October 4, 2004 and amended by the Board of the Capital Market Authority resolution number 1-28-2008 dated August 18, 2008 (the "**KSA Regulations**")) for the purposes of Article 9 of the KSA Regulations. Each Book Running Lead Manager has represented, warranted and agreed that the offer of the Equity Shares will only be directed at Sophisticated Investors. Prospective purchasers of the Equity Shares offered hereby should conduct their own due diligence on the accuracy of the information relating to the Equity Shares. If you do not understand the contents of this document, you should consult an authorised financial adviser.

The offer of Equity Shares shall not therefore constitute a "public offer" pursuant to the KSA Regulations, but is subject to the restrictions on secondary market activity under Article 17 of the KSA Regulations. Any Saudi

Investor who has acquired Equity Shares as a Sophisticated Investor may not offer or sell those Equity Shares to any person unless the offer or sale is made through an authorised person appropriately licensed by the Saudi Arabian Capital Market Authority and (a) the Equity Shares are offered or sold to a Sophisticated Investor; (b) the price to be paid for the Equity Shares in any one transaction is equal to or exceeds Saudi Arabian Riyal 1 million or an equivalent amount; or (c) the offer or sale is otherwise in compliance with Article 17 of the KSA Regulations.

Singapore

Each BRLM has acknowledged that this Preliminary Placement Document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each BRLM has represented and agreed that it has not offered or sold any Equity Shares or caused the Equity Shares to be made the subject of an invitation for subscription or purchase and will not offer or sell any Equity Shares or cause the Equity Shares to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Preliminary Placement Document or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Equity Shares, whether directly or indirectly, to any person in Singapore other than: (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the "SFA")) pursuant to Section 274 of the SFA; (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA; or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA. Where the Equity Shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Equity Shares pursuant to an offer made under Section 275 of the SFA except:

(1) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(2) where no consideration is or will be given for the transfer;

(3) where the transfer is by operation of law;

(4) as specified in Section 276(7) of the SFA; or

(5) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Singapore SFA Product Classification: In connection with Section 309B of the SFA and the CMP Regulations 2018, unless otherwise specified before an offer of Equity Shares, the Company has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Equity Shares are "prescribed capital markets products" (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

South Africa

Due to restrictions under the securities laws of South Africa, no "offer to the public" (as such term is defined in the South African Companies Act, No. 71 of 2008 (as amended or re-enacted) (the "**South African Companies Act**")) is being made in connection with the issue of the Equity Shares in South Africa. Accordingly, this Preliminary Placement Document does not, nor is it intended to, constitute a "registered prospectus" (as that term is defined in the South African Companies Act) prepared and registered under the South African Companies Act and has not been approved by, and/or filed with, the South African Companies and Intellectual Property Commission or any other regulatory authority in South Africa. The Equity Shares are not offered, and the offer shall not be transferred, sold, renounced or delivered, in South Africa or to a person with an address in South Africa, unless one or other of the following exemptions stipulated in section 96 (1) applies:

i. the offer, transfer, sale, renunciation or delivery is to:

   (a) persons whose ordinary business is to deal in securities, as principal or agent;

   (b) the South African Public Investment Corporation;

   (c) persons or entities regulated by the Reserve Bank of South Africa;

   (d) authorised financial service providers under South African law;

   (e) financial institutions recognised as such under South African law;

   (f) a wholly-owned subsidiary of any person or entity contemplated in (c), (d) or (e), acting as agent in the capacity of an authorised portfolio manager for a pension fund or collective investment scheme (in each case duly registered as such under South African law); or

   (g) any combination of the person in (a) to (f); or

ii. the total contemplated acquisition cost of the securities, for any single addressee acting as principal is equal to or greater than ZAR1,000,000 or such higher amount as may be promulgated by notice in the Government Gazette of South Africa pursuant to section 96(2)(a) of the South African Companies Act.

Information made available in this Preliminary Placement Document should not be considered as "advice" as defined in the South African Financial Advisory and Intermediary Services Act, 2002.

Switzerland

The Equity Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange ("**SIX**") or on any other stock exchange or regulated trading facility in Switzerland. This Preliminary Placement Document does not constitute a prospectus within the meaning of, and has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the Equity Shares or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this Preliminary Placement Document nor any other offering or marketing material relating to the offering, the Company, the Equity Shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of Equity Shares will not be supervised by, the Swiss Financial Market Supervisory Authority and the offer of Equity Shares has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes ("**CISA**"). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of Equity Shares.

Taiwan

The Equity Shares have not been and will not be registered with the Financial Supervisory Commission of Taiwan pursuant to relevant securities laws and regulations and may not be sold, issued or offered within Taiwan through a public offering or in circumstances which constitutes an offer within the meaning of the Securities and Exchange Act of Taiwan that requires a registration or approval of the Financial Supervisory Commission of Taiwan. No person or entity in Taiwan has been authorised to offer, sell, give advice regarding or otherwise intermediate the offering and sale of the Equity Shares in Taiwan.

United Arab Emirates (excluding the Dubai International Financial Centre)

This Preliminary Placement Document has not been, and is not intended to be, approved by the UAE Central Bank, the UAE Ministry of Economy, the Emirates Securities and Commodities Authority or any other authority in the

UAE or any other authority in any of the free zones established and operating in the UAE. The Equity Shares have not been and will not be offered, sold or publicly promoted or advertised in the UAE in a manner which constitutes a public offering in the UAE in compliance with any laws applicable in the UAE governing the issue, offering and sale of such securities. This Preliminary Placement Document is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any other person other than the original recipient and may not be used or reproduced for any other purpose.

Dubai International Financial Centre

The Equity Shares have not been offered and will not be offered to any persons in the Dubai International Financial Centre except on that basis that an offer is:

1. an "Exempt Offer" in accordance with the Markets Rules (MKT) module of the Dubai Financial Services Authority (the "**DFSA**"); and
2. made only to persons who meet the Professional Client criteria set out in Rule 2.3.2 of the DFSA Conduct of Business Module of the DFSA rulebook.

United Kingdom

The communication of this Preliminary Placement Document and any other document or materials relating to the issue of the Equity Shares offered hereby is not being made, and such documents and/or materials have not been approved, by an authorised person for the purposes of section 21 of the United Kingdom's Financial Services and Markets Act 2000, as amended (the "**FSMA**"). Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. In the United Kingdom, this Preliminary Placement Document is being distributed only to, and is directed only at those (i) who have professional experience in matters relating to investments and who fall within the definition of investment professionals in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order") and/or (ii) who are high net worth companies (or persons to whom it may otherwise be lawfully communicated) falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons") or otherwise in circumstances which have not resulted and will not result in an offer to the public of the Equity Shares in the United Kingdom within the meaning of the FSMA. Any person in the United Kingdom that is not a relevant person should not act or rely on the information included in this Preliminary Placement Document or use it as basis for taking any action. In the United Kingdom, any investment or investment activity that this Preliminary Placement Document relates to may be made or taken exclusively by relevant persons.

In addition, in relation to the United Kingdom, no offer of Equity Shares which are the subject of the offering contemplated by this Preliminary Placement Document to the public may be made in the United Kingdom other than:

(i) to any legal entity which is a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended by the European Union (Withdrawal Agreement) Act 2020 ("**EUWA**");

(ii) to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA) in the United Kingdom subject to obtaining the prior consent of the BRLMs; or

(iii) in any other circumstances falling within section 86 of the FSMA,

provided that no such offer of Equity Shares shall require our Company or any BRLM to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA.

For the purposes of this provision, the expression "an offer of Notes to the public" in relation to any Equity Shares means the communication in any form and by any means of sufficient information on the terms of the offer and the Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Equity Shares.

United States

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state of the United States and unless so registered, may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws. Accordingly, the Equity Shares offered in the Issue are being offered and sold (a) within the United States, only to persons who are U.S. QIBs pursuant to Section 4(a)(2) or another available exemption from registration under the U.S. Securities Act, and (b) outside the United States, in "offshore transactions", as defined in and in reliance on Regulation S and the applicable laws of the jurisdiction where those offers and sales are made. For further information, please refer to the section titled "*Purchaser Representations and Transfer Restrictions*" on page 241.

PURCHASER REPRESENTATIONS AND TRANSFER RESTRICTIONS

Due to the following restrictions, investors are advised to consult their legal counsel prior to subscribing for Equity Shares offered in the Issue or making any resale, pledge or transfer of the Equity Shares purchased in the Issue.

Pursuant to Chapter VI of the SEBI ICDR Regulations, the Equity Shares Allotted in the Issue are not permitted to be sold for a period of one year from the date of Allotment, except on floor of the BSE or the NSE. Due to the following restrictions, investors are advised to consult their respective legal counsels prior to Bidding for the Equity Shares or making any offer, resale, pledge or transfer of the Equity Shares, except if the resale of the Equity Shares is by way of a regular sale on the BSE or the NSE. In addition to the above, allotments made to Eligible QIBs, including VCFs and AIFs, in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirements. VCFs and AIFs should independently consult their own counsel and advisors as to an investment in the Equity Shares and related matters concerning the Issue. For more information, please refer to the section titled "Selling Restrictions" on page 232.

Additionally, in accordance with the FDI Policy, read along with the press note no. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India and the related amendments to the FEMA Rules, wherein if the beneficial owner of the Securities is situated in or is a citizen of a country which shares land border with India, foreign direct investments can only be made through the Government approval route, as prescribed in the FEMA Rules. Further, the Bidders need to confirm that no government approval is required under the FEMA Rules, as mandated under the Companies (Share Capital and Debentures) Rules, 2014 and the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended.

Transfer restrictions and purchaser representations for purchasers within the United States

The Equity Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws.

If you purchase the Equity Shares offered in the United States pursuant to Section 4(a)(2) of the U.S. Securities Act, in reliance upon Rule 144A or another available exemption from the registration requirements of the U.S. Securities Act, by accepting delivery of this Preliminary Placement Document, submitting a bid to purchase Equity Shares and/or accepting delivery of any Equity Shares, you will be deemed to have represented and agreed to us and the Book Running Lead Managers as follows:

- You are authorised to consummate the purchase of the Equity Shares in compliance with all applicable laws and regulations.

- You (A) are a "qualified institutional buyer" (as defined in Rule 144A) (a "U.S. QIB"), (B) are aware that the sale of the Equity Shares to you is being made pursuant to Section 4(a)(2) of the U.S. Securities Act or another available exemption from the registration requirements of the U.S. Securities Act, and (C) are acquiring such Equity Shares for your own account or for the account of a U.S. QIB.

- You understand and agree (or if you are a broker-dealer acting on behalf of a customer, your customer has confirmed to you that such customer understands and agrees) that the Equity Shares are being offered in a transaction not involving any public offering within the meaning of the U.S. Securities Act, have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be reoffered, resold, pledged or otherwise transferred except (A)(i) in the United States, (1) to a person who the seller reasonably believes is a U.S. QIB in a transaction meeting the requirements of Rule 144A, (2) pursuant to an exemption from the registration requirements under the U.S. Securities Act provided by Rule 144 under the U.S. Securities Act (if available), (3) pursuant to another available exemption from the registration requirements of the U.S. Securities Act, or (4) pursuant to an effective registration statement under the U.S. Securities Act, or (ii) outside the United States in an offshore transaction in reliance upon Regulation S, as applicable, and (B) in each case, in accordance with all applicable securities laws of the states of the United States and any other jurisdictions in which such offers or sales are made.

- You agree (or if you are a broker-dealer acting on behalf of a customer, your customer has confirmed to you that such customer agrees) that neither you, nor any of your affiliates, nor any person acting on your behalf, will make any "directed selling efforts" as defined in Regulation S, with respect to the Equity Shares. You acknowledge and agree that you are not purchasing any Equity Shares as a result of any directed selling efforts.

- The Equity Shares offered and sold in the United States as part of the Issue are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act and no representation is made as to the availability of the exemption provided by Rule 144 for re-sales of any Equity Shares.

- You will not deposit or cause to be deposited such Equity Shares into any depositary receipt facility established or maintained by a depositary bank other than a Rule 144A restricted depositary receipt facility, so long as such Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act.

- You have been provided access to this Preliminary Placement Document and will be provided access to the Placement Document, which you have read in its entirety. You will base your investment decision on a copy of this Preliminary Placement Document and the Placement Document. You acknowledge that neither our Company nor any of its affiliates nor any other person (including the Book Running Lead Managers) or any of its affiliates has made or will make any representations, express or implied, to you with respect to our Company, the Issue, the Equity Shares or the accuracy, completeness or adequacy of any financial or other information concerning our Company, the Issue or the Equity Shares, other than (in the case of our Company only) the information contained in this Preliminary Placement Document, as it may be supplemented.

- You are a sophisticated investor and possess such knowledge and experience in financial, business and investments as to be capable of evaluating the merits and risks of the investment in the Equity Shares. You are experienced in investing in private placement transactions of securities of companies in similar jurisdictions. You and any accounts for which you are subscribing to the Equity Shares (i) are each able to bear the economic risk of the investment in the Equity Shares, (ii) will not look to our Company or any of the BRLMs or any of their respective shareholders, directors, officers, employees, counsels, advisors, representatives, agents or affiliates for all or part of any such loss or losses that may be suffered, (iii) are able to sustain a complete loss on the investment in the Equity Shares, (iv) are seeking to subscribe to the Equity Shares in this Issue for investment purposes and not with a view to resell or distribute them and you or they have no reason to anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by it of all or any part of the Equity Shares, (v) have no need for liquidity with respect to the investment in the Equity Shares, and (vi) have no reason to anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Equity Shares. You acknowledge that an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment.

- You will notify any transferee to whom you subsequently offer, sell, pledge or otherwise transfer and the executing broker and any other agent involved in any resale of the Equity Shares of the foregoing restrictions applicable to the Equity Shares and instruct such transferee, broker or agent to abide by such restrictions.

- You acknowledge that if at any time your representations cease to be true, you agree to resell the Equity Shares at our Company's request.

- You agree that any offer, resale, pledge or other transfer, or attempted offer, resale, pledge or other transfer, of the Equity Shares made other than in compliance with the above-stated restrictions will not be recognised by the Company.

You acknowledge and agree (or if you are a broker-dealer acting on behalf of a customer, your customer has confirmed to you that such customer acknowledges and agrees) that the Company, the BRLMs and their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements and agree that, if any of such acknowledgements, representations or agreements are no longer accurate you will promptly notify Company and the BRLMs; and if you are acquiring any of the Equity Shares as a fiduciary or agent for one or more accounts, you represent that you have sole investment discretion with respect to each such account and that you have full power to make, and do make, the foregoing acknowledgements, representations and agreements on behalf of each such account. You agree that the terms and provisions of the foregoing acknowledgements, representations and agreements shall inure to the benefit of and any document incorporating such acknowledgements, representations and agreements shall be enforceable by the Company, its successors and its permitted assigns, and the terms and provisions hereof shall be binding on its permitted successors in title, permitted assigns and permitted transferees. You understand that these acknowledgments, representations and undertakings are required in connection with United States securities laws and irrevocably authorize the Company to produce these acknowledgments, representations and undertakings (or any document incorporating them) to any interested party in any administrative or legal proceedings or official enquiry with respect to the matters covered herein.

Transfer restrictions and purchaser representations for purchasers outside the United States

If you purchase the Equity Shares offered outside the United States in reliance on Regulation S, by accepting delivery of this Preliminary Placement Document, submitting a bid to purchase Equity Shares and/or accepting delivery of any Equity Shares, you will be deemed to have represented and agreed as follows:

- You are authorised to consummate the purchase of the Equity Shares in compliance with all applicable laws and regulations and will comply with all laws, regulations and restrictions (including the selling restrictions contained in this Preliminary Placement Document) which may be applicable in your jurisdiction and you have obtained or will obtain any consent, approval or authorization required for you to purchase and accept delivery of Equity Shares, and you acknowledge and agree that none of the Company or the BRLMs and their respective affiliates shall have any responsibility in this regard.

- You acknowledge (or if you are a broker-dealer acting on behalf of a customer, your customer has confirmed to you that such customer acknowledges) that the Equity Shares are being issued in offshore transactions in reliance upon Regulation S and such Equity Shares have not been and will not be registered under the U.S. Securities Act.

- You certify that either (A) you are, or at the time the Equity Shares are purchased will be, the beneficial owner of the Equity Shares, are located outside the United States (within the meaning of Regulation S), and you have not purchased the Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Equity Shares or an economic interest therein to any person in the United States, or (B) you are a broker-dealer acting on behalf of your customer and your customer has confirmed to you that (i) such customer is, or at the time the Equity Shares are purchased will be, the beneficial owner of the Equity Shares, (ii) such customer is located outside the United States (within the meaning of Regulation S), and (iii) such customer has not purchased the Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Equity Shares or an economic interest therein to any person in the United States.

- You are aware of the restrictions of the offer, sale and resale of the Equity Shares pursuant to Regulation S.

- You agree (or you are a broker-deal acting on behalf of a customer that has confirmed to you that such customer agrees) that neither it, nor any of its affiliates, nor any person acting on its behalf, will make any “directed selling efforts” as defined in Regulation S. You acknowledge and agree that you are not purchasing any Equity Shares as a result of any “directed selling efforts” as defined in Regulation S.

- You understand and agree (or if you are a broker-dealer acting on behalf of a customer, your customer has confirmed to you that such customer understands and agrees) that the Equity Shares are being offered in a transaction not involving any public offering in the United States within the meaning of the U.S. Securities Act, that the Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and that such Equity Shares may be offered, resold, pledged or otherwise transferred except (A)(i) in the United States, (1) to a person who the seller reasonably believes is a U.S. QIB in a transaction meeting the requirements of Rule 144A, (2) pursuant to an exemption from registration under the U.S Securities Act provided by Rule 144 under the U.S. Securities Act (if available), (3) pursuant to another available exemption from the registration requirements of the U.S Securities Act, or (4) pursuant to an effective registration statement under the U.S. Securities Act, or (ii) outside the United States in an “offshore transaction” complying with Rule 903 or Rule 904 of Regulation S, as applicable, and (B) in each case, in accordance with all applicable securities laws of the states of the United States and any other jurisdictions in which such offers or sales are made.

- You are a sophisticated investor and possess such knowledge and experience in financial, business and investments as to be capable of evaluating the merits and risks of the investment in the Equity Shares. You are experienced in investing in private placement transactions of securities of companies in a similar stage of development and in similar jurisdictions. You and any accounts for which you are subscribing to the Equity Shares (i) are each able to bear the economic risk of the investment in the Equity Shares, (ii) will not look to the Company or the BRLMs or any of their respective shareholders, directors, officers, employees, counsels, advisors, representatives, agents or affiliates for all or part of any such loss or losses that may be suffered, (iii) are able to sustain a complete loss on the investment in the Equity Shares, (iv) are seeking to subscribe to the Equity Shares in this Issue for investment purposes and not with a view to resell or distribute them and you or they have no reason to anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by it of all or any part of the Equity Shares, (v) have no need for liquidity with respect to the investment in the Equity Shares, and (vi) have no reason to anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Equity Shares. You acknowledge that an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment.

- You have been provided access to this Preliminary Placement Document and will be provided access to the Placement Document, which you have read in its entirety. You will base your investment decision on a copy of this Preliminary Placement Document and the Placement Document. You acknowledge that neither our Company nor any of its affiliates nor any other person (including the Book Running Lead Managers) or any of its affiliates has made or will make any representations, express or implied, to you with respect to our Company, the Issue, the Equity Shares or the accuracy, completeness or adequacy of any financial or other information concerning our Company, the Issue or the Equity Shares, other than (in the case of our Company only) the information contained in this Preliminary Placement Document, as it may be supplemented.

- You agree to indemnify and hold the Company and the BRLMs harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations and warranties. You will not hold any of the Company or the BRLMs liable with respect to its investment in the Equity Shares. You agree that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares.

- Where you are subscribing to the Equity Shares for one or more managed accounts, you represent and warrant that you are authorised in writing, by each such managed account to subscribe to the Equity Shares for each managed account and to make (and it hereby makes) the acknowledgements and agreements herein for and on behalf of each such account, reading the reference to "you" to include such accounts.

- You agree that any offer, resale, pledge or other transfer, or attempted offer, resale, pledge or other transfer, of the Equity Shares made other than in compliance with the above-stated restrictions shall not be recognised by the Company.

If such person is a dealer (as such term is defined under the U.S. Securities Act), it may not resell the Equity Shares in the United States prior to 40 days from the commencement of the offering of the Equity Shares. You acknowledge and agree (or if you are a broker-dealer acting on behalf of a customer, your customer has confirmed to you that such customer acknowledges and agrees) that the Company and the BRLMs and their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agree that, if any of such acknowledgements, representations or agreements are no longer accurate, you will promptly notify the Company and the BRLMs; and if you are acquiring any of the Equity Shares as a fiduciary or agent for one or more accounts, you represent that you have sole investment discretion with respect to each such account and that you have full power to make, and do make, the foregoing acknowledgements, representations and agreements on behalf of each such account. You agree that the terms and provisions of the foregoing acknowledgements, representations and agreements shall inure to the benefit of and any document incorporating such acknowledgements, representations and agreements shall be enforceable by the Company, its successors and its permitted assigns, and the terms and provisions hereof shall be binding on its permitted successors in title, permitted assigns and permitted transferees. You understand that these acknowledgments, representations and undertakings are required in connection with United States securities laws and irrevocably authorize the Company to produce these acknowledgments, representations and undertakings (or any document incorporating them) to any interested party in any administrative or legal proceedings or official enquiry with respect to the matters covered herein

THE SECURITIES MARKET OF INDIA

The information in this section has been extracted from documents available on the website of SEBI and the Stock Exchanges and has not been prepared or independently verified by our Company or the Book Running Lead Managers or any of their respective affiliates or advisors.

The Indian securities market

India has a long history of organized securities trading. In 1875, the first stock exchange was established in Mumbai. BSE and NSE are the significant stock exchanges in terms of the number of listed companies, market capitalisation and trading activity.

Indian Stock Exchanges

Indian stock exchanges are regulated primarily by SEBI, as well as by the Government of India acting through the Ministry of Finance, Capital Markets Division, under the Securities Contracts (Regulation) Act, 1956 ("**SCRA**") and the SCRR. On October 3, 2018, SEBI, in exercise of its powers under the SCRA and the SEBI Act, notified the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 ("**SCR (SECC) Regulations**"), which regulate *inter alia* the recognition, ownership and internal governance of stock exchanges and clearing corporations in India together with providing for minimum capitalisation requirements for stock exchanges. The SCRA, the SCRR and the SCR (SECC) Regulations along with various rules, bye-laws and regulations of the respective stock exchanges, regulate the recognition of stock exchanges, the qualifications for membership thereof and the manner, in which contracts are entered into, settled and enforced between members of the stock exchanges.

The SEBI Act empowers SEBI to regulate the Indian securities markets, including stock exchanges and intermediaries in the capital markets, protect the interests of investors in securities, promote and monitor self-regulatory organisations and prohibit fraudulent and unfair trade practices. Regulations concerning minimum disclosure requirements by public companies, rules and regulations concerning investor protection, insider trading, substantial acquisitions of shares and takeover of companies, buy-backs of securities, employee stock option schemes, stockbrokers, merchant bankers, underwriters, mutual funds, foreign institutional investors, credit rating agencies and other capital market participants have been notified by the relevant regulatory authority.

BSE

Established in 1875, it is the oldest stock exchange in India. In 1956, it became the first stock exchange in India to obtain permanent recognition from the Government under the SCRA. Pursuant to the BSE (Corporatization and Demutualization) Scheme 2005 of the SEBI, with effect from August 19, 2005, the BSE was incorporated as a company under the Companies Act, 1956. BSE was listed on NSE with effect from February 3, 2017.

NSE

NSE was established by financial institutions and banks to provide nationwide online, satellite-linked, screen-based trading facilities with market-makers and electronic clearing and settlement for securities including government securities, debentures, public sector bonds and units. The NSE was recognised as a stock exchange under the SCRA in April 1993 and commenced operations in the wholesale debt market segment in June 1994. The capital market (equities) segment commenced operations in November 1994 and operations in the derivatives segment commenced in June 2000.

Listing and delisting of securities

The listing of securities on a recognised Indian stock exchange is regulated by the applicable Indian laws including the Companies Act, 2013, the SCRA, the SCRR, the SEBI Act and various guidelines and regulations issued by the SEBI including the SEBI ICDR Regulations and the SEBI Listing Regulations. The SCRA empowers the governing body of each recognised stock exchange to suspend trading of or withdraw admission to dealings in a listed security for breach of or non-compliance with any conditions or breach of company's obligations under the SEBI Listing Regulations or for any reason, subject to the issuer receiving prior written notice of the intent of the exchange and upon granting of a hearing in the matter. SEBI also has the power to amend the SEBI Listing Regulations and bye-laws of the stock exchanges in India, to overrule a stock exchange's governing body and withdraw recognition of a recognized stock exchange.

Further, SEBI has notified the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 in relation to the voluntary and compulsory delisting of equity shares from the stock exchanges. In addition, certain amendments to the SCRR have also been notified in relation to delisting.

Minimum level of public shareholding

All listed companies (except public sector undertakings) are required to maintain a minimum public shareholding of 25%. In this regard, SEBI has provided several mechanisms to comply with this requirement. Where the public shareholding in a listed company falls below 25% at any time, such company is required to bring its public shareholding to a minimum of 25% within a maximum period of 12 months from the date of such public shareholding having fallen below the 25% threshold, in the manner specified by SEBI. Further, every listed public sector company whose public shareholding falls below 25% at any time after the commencement of the Securities Contracts (Regulation) (Second Amendment) Rules, 2018, shall increase its public shareholding to at least 25%, within a period of two years from the date of such fall, in the manner specified by SEBI. Consequently, a listed company may be delisted from the Stock Exchanges for not complying with the above-mentioned requirements. Our Company is in compliance with this minimum public shareholding requirement.

Index-based market-wide circuit breaker system

In order to restrict abnormal price volatility in any particular stock, the SEBI has instructed stock exchanges to apply daily circuit breakers which do not allow transactions beyond a certain level of price volatility. The index-based market-wide circuit breaker system (equity and equity derivatives) applies at three stages of the index movement, at 10%, 15% and 20%. The Stock Exchanges on a daily basis translate the circuit breaker limits based on previous day's closing level of the index. These circuit breakers, when triggered, bring about a co-ordinated trading halt in all equity and equity derivative markets nationwide. The market-wide circuit breakers are triggered by movement of either the SENSEX of the BSE or the CNX NIFTY of the NSE, whichever is breached earlier.

In addition to the market-wide index-based circuit breakers, there are currently in place individual scrip-wise price bands of 5%, 10% and 20% movements either up or down. However, no price bands are applicable on scrips on which derivative products are available or scrips included in indices on which derivative products are available.

The stock exchanges in India can also exercise the power to suspend trading during periods of market volatility. Margin requirements are imposed by stock exchanges that are required to be paid by the stockbrokers.

Internet-based securities trading and services

Internet trading takes place through order routing systems, which route client orders to exchange trading systems for execution. Stock brokers interested in providing this service are required to apply for permission to the relevant stock exchange and also have to comply with certain minimum conditions stipulated by SEBI and other applicable laws. NSE became the first exchange to grant approval to its members for providing internet-based trading services. Internet trading is possible on both the "equities" as well as the "derivatives" segments of the NSE.

Trading hours

Trading on both, the NSE and the BSE occurs from Monday to Friday, between 9:15 a.m. and 3:30 p.m. IST (excluding the 15 minutes pre-open session from 9:00 a.m. to 9:15 a.m.). The BSE and the NSE are closed on public holidays. The recognised stock exchanges have been permitted to set their own trading hours (in the cash and derivatives segments) subject to the condition that (i) the trading hours are between 9.00 a.m. and 5.00 p.m.; and (ii) the stock exchange has in place a risk management system and infrastructure commensurate to the trading hours.

Trading procedure

In order to facilitate smooth transactions, the BSE replaced its open outcry system with the BSE on-line trading facility in 1995. This totally automated screen based trading in securities was put into practice nation-wide. This has enhanced transparency in dealings and has assisted considerably in smoothening settlement cycles and improving efficiency in back-office work. In the year 2014, BSE introduced its new generation fully automated BSE on-line trading platform ("**BOLT+**") through which all trades on the equity cash, equity derivatives and currency segments of the exchange are executed.

The NSE has introduced a fully automated trading system called National Exchange for Automated Trading ("**NEAT**"), which operates on strict time/ price priority besides enabling efficient trade. NEAT has provided depth in the market by enabling large number of members all over India to trade simultaneously, narrowing the spreads.

SEBI Listing Regulations

Public listed companies are required under the SEBI Listing Regulations to prepare and circulate to their shareholders audited annual accounts which comply with the disclosure requirements and regulations governing their manner of presentation and which include sections relating to corporate governance, related party transactions and management's discussion and analysis as required under the SEBI Listing Regulations. In addition, a listed company is subject to continuing disclosure requirements pursuant to the terms of the SEBI Listing Regulations.

Takeover Regulations

Disclosure and mandatory bid obligations for listed Indian companies under Indian law are governed by the Takeover Regulations, which provides for specific regulations in relation to substantial acquisition of shares and takeover. Once the equity shares of a company are listed on a stock exchange in India, the provisions of the Takeover Regulations will apply to any acquisition of the company's shares/ voting rights/ control. The Takeover Regulations prescribes certain thresholds or trigger points in the shareholding a person or entity has in the listed Indian company, which give rise to certain obligations on part of the acquirer. Acquisitions up to a certain threshold prescribed under the Takeover Regulations mandate specific disclosure requirements, while acquisitions crossing particular thresholds may result in the acquirer having to make an open offer of the shares of the target company. The Takeover Regulations also provides for the possibility of indirect acquisitions, imposing specific obligations on the acquirer in case of such indirect acquisition. The Takeover Regulations also provides certain general exemptions which exempt certain acquisitions from the obligation to make an open offer. The Takeover Regulations were amended on June 22, 2020, to exempt any acquisitions by way of preferential issue from the obligation to make an open offer. Subsequently, the Takeover Regulations were amended on August 13, 2021 exempting (a) persons, together with persons acting in concert with him, holding shares or voting rights entitling him to exercise twenty-five per cent or more of the voting rights in a target company; and (b) promoter of the target company, together with persons acting in concert with him, from making continual disclosures in relation to aggregate shareholding and voting rights in the target company. Further, the amendment has also removed certain disclosure obligations for acquirers/promoters, pertaining to acquisition or disposal of shares aggregating to 5% and any change of 2% thereafter, annual shareholding disclosure and creation/invocation/release of encumbrance registered in depository systems under the Takeover Regulations. These relaxations have been given on account of implementation of the System Driven Disclosures ("**SDD**").

Prohibition of SEBI Insider Trading Regulations

The SEBI Insider Trading Regulations were notified on January 15, 2015 and came into effect on May 15, 2015, which repealed the regulations of 1992. The SEBI Insider Trading Regulations prohibit and penalize insider trading in India and impose certain restrictions on the communication of information by listed companies. An insider is, among other things, prohibited from dealing in the securities of a listed company when in possession of unpublished price sensitive information ("**UPSI**"), subject to certain limited exceptions. Under the SEBI Insider Trading Regulations, (i) no insider shall communicate, provide or allow access to any UPSI relating to such companies and securities to any person including other insiders; and (ii) no person shall procure or cause the communication by any insider of UPSI relating to such companies and securities, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. However, UPSI may be communicated, provided or allowed access to or procured, under certain circumstances specified in the SEBI Insider Trading Regulations.

Further, the SEBI Insider Trading Regulations makes it compulsory for listed companies and certain other entities that are required to handle UPSI in the course of business operations to establish an internal code of practices and procedures for fair disclosure of UPSI and to regulate, monitor and report trading by insiders. To this end, the SEBI Insider Trading Regulations provide principles of fair disclosure for purposes of code of practices and procedures for fair disclosure of UPSI and minimum standards for code of conduct to regulate, monitor and report trading by insiders.

The SEBI Insider Trading Regulations also provides for initial and continuing disclosure obligations for shareholders holding more than a pre-defined percentage, and directors and officers, with respect to their shareholding in the company, and the changes therein. Initial disclosures are required from promoters, key managerial personnel, directors as well as continual disclosures by every promoter, employee or director in case value of trade exceed monetary threshold of 10 lakh rupees over a calendar quarter, within two days of reaching such threshold. The board of directors of all listed companies are required to formulate and publish on the company's website a code of procedure for fair disclosure of UPSI along with a code of conduct for its employees for compliances with the SEBI Insider Trading Regulations. The definition of "insider" includes any person who has received or has had access to unpublished price sensitive information in relation to securities of a company or any person reasonably expected to have access to unpublished price sensitive information in relation to securities of a company and who is or was connected with the company or is deemed to have been connected with the company. On July 17, 2020, SEBI amended the SEBI Insider Trading Regulations to prescribe that the board of directors or head(s) of listed companies shall ensure that a structured digital database containing the nature of unpublished price sensitive information, the names and details of persons who have shared the information and the names and details persons with whom information is shared shall be maintained.

Depositories

The Depositories Act provides a legal framework for the establishment of depositories to record ownership details and effect transfer in book-entry form. Further, SEBI has framed regulations in relation to, among other things, the formation and registration of such depositories, the registration of participants as well as the rights and obligations of the depositories, participants, companies and beneficial owners. The depository system has significantly improved the operation of the Indian securities markets.

Derivatives (Futures and Options)

Trading in derivatives is governed by the SCRA, the SCRR and the SEBI Act. The SCRA was amended in February 2000 and derivatives contracts were included within the term "securities", as defined by the SCRA. Trading in derivatives in India takes place either on separate and independent derivatives exchanges or on a separate segment of an existing stock exchange. The derivatives exchange or derivatives segment of a stock exchange functions as a self-regulatory organisation under the supervision of the SEBI.

DESCRIPTION OF THE EQUITY SHARES

The following is the information relating to the share capital of our Company including a brief summary of the Memorandum of Association and Articles of Association and the Companies Act. Bidders are urged to read the Memorandum of Association and Articles of Association carefully, and consult with their advisers, as the Memorandum of Association and Articles of Association and applicable Indian law, and not this summary, govern the rights attached to the Equity Shares.

Share capital

The authorised share capital of our Company is ₹ 770,000,000 comprising 77,000,000 Equity Shares (of face value of ₹ 10 each). As on the date of this Preliminary Placement Document, the issued, subscribed and paid-up share capital of our Company is ₹ 618,209,920 comprising 61,820,992 Equity Shares (of face value of ₹ 10 each). The Equity Shares are listed on BSE and NSE. For further details, please refer to the section titled "*Capital Structure*" on page 85.

Dividends

Under the Companies Act, 2013, an Indian company pays dividend upon a recommendation by its board of directors and subject to approval by a majority of the shareholders at the AGM held each fiscal year. The dividend on equity shares can be declared/paid only after declaration/payment of applicable dividend on preference shares. Unless the board of directors of a company recommends the payment of a dividend, the shareholders at a general meeting have no power to declare any dividend. Subject to certain conditions laid down by Section 123 of the Companies Act, 2013, no dividend can be declared or paid by a company for any fiscal year except, among other things, out of the profits of the company for that year, calculated in accordance with the provisions of the Companies Act, 2013 or out of the profits of the company for any previous fiscal year(s) arrived at as laid down by the Companies Act, 2013. Further, under the Companies Act, 2013, a company is not permitted to declare any dividends unless carried over previous losses and depreciation not provided in previous year or years are set off against the profit of the company for the current year.

According to the Articles of Association, our Company in a general meeting may declare dividends, but no dividend shall exceed the amount recommended by our Board. Subject to the provisions of the Companies Act, 2013, our Board may from time to time pay to the Shareholders such interim dividends as appear to it to be justified by the profits of our Company. Our Board may, before recommending any dividend, set aside out of the profits of our Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of our Board, be applicable for any purpose to which the profits of our Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of our Company or be invested in such investments (other than Equity Shares of our Company) as our Board may, from time to time, think fit. Our Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

Under the Companies Act, 2013, dividends must be paid within 30 days from the date of its declaration. Where our Company has declared dividend, but which has not been paid or claimed within 30 days from the date of declaration, our Company shall, within seven days from the date of expiry of the said period of 30 days, transfer the total amount of the unpaid or unclaimed dividend to the unpaid dividend account. All Equity Shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by our Company in the name of Investor Education and Protection Fund, established by the Central Government.

Issue of bonus shares and capitalization of reserves

In addition to permitting dividends to be paid out of current or retained earnings, as described above, the Companies Act, 2013 permits the board of directors, if so approved by the shareholders in a general meeting, to distribute an amount transferred in the free reserves, the securities premium account or the capital redemption reserve account, to its shareholders, in the form of fully paid-up bonus shares. Bonus shares must be distributed to shareholders in the proportion of the number of ordinary shares owned by them as recommended by the board of directors. The shareholders on record on a fixed record date are entitled to receive such bonus shares. Any issue of bonus shares is subject to regulations issued by SEBI. Further, as per the Companies Act, 2013, bonus shares can only be issued if the company has not defaulted in payments of statutory dues of the employees, such as, contribution to provident fund, gratuity and bonus or principal/ interest payments on fixed deposits or debt securities issued by it. The bonus issue must be made out of free reserves built out of profits or share premium account collected in cash only and not from reserves created by revaluation of fixed assets. Further, bonus shares cannot be issued in lieu of dividend.

Pre-emptive rights and alteration of share capital

Subject to the provisions of the Companies Act, our Company may increase its share capital by issuing new shares on such terms and with such rights as it, by action of its shareholders in a general meeting may determine. Under Section 62(1)(a) of the Companies Act, 2013, the shareholders have the pre-emptive right to subscribe for new shares in proportion to the amount paid up on those shares at that date. The offer shall be made by notice specifying the number of shares offered and the date (being not less than 15 days and not exceeding 30 days from the date of the offer) within which the offer, if not accepted, will be deemed to have been declined. The offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him in favour of any person, and the notice shall contain a statement of this right. The board of directors is authorized to distribute any new shares not purchased by the pre-emptive rights holders in a manner which is not disadvantageous to the shareholders and the company.

Our Articles of Association provide that our Company may, from time to time, by ordinary resolution in its general meetings, undertake any of the following:

- increase the share capital by such sum, to be divided into shares of such amounts as it thinks appropriate;
- divide, sub-divide or consolidate its shares, or any of them, and the resolution whereby any share is sub-divided, may determine that as between the holders the holders of the shares resulting from such sub-division one or more of such shares have some preference or special advantage in relation to dividend, capital or otherwise as compared with others;
- cancel shares which are the date of such general meeting have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of shares so cancelled; and
- consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.

Preference shares

Subject to Section 55 of the Companies Act, 2013, any new shares may be issued as preference shares which are liable to be redeemed within a period not exceeding 20 years from the date of their issue, and the resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption subject to the conditions provided in the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, as amended.

Our Articles of Association provide that our Company shall have power to issue, subject to the provisions of the Companies Act, 2013 and consent of our Board, any preference shares on the terms that they are, or at the option of our Company, liable to be redeemed on such terms and in any manner permissible under the Companies Act, 2013 and the Directors may, subject to the applicable provisions of the Companies Act, 2013, exercise such power as they deem fit and provide for redemption at a premium or otherwise as they deem fit.

General meetings of Shareholders

There are two types of general meetings of the Shareholders:

(i) Annual General Meeting, and

(ii) Extraordinary General Meeting.

As per the provisions of our Articles of Association, all general meetings other than Annual General Meetings shall be called Extraordinary General Meetings.

In accordance with Section 96 of the Companies Act, 2013, a company must hold its annual general meeting within six months after the expiry of each fiscal provided that not more than 15 months shall elapse between the annual general meeting and the next one, unless extended by the Registrar of Companies at its request for any special reason for a period not exceeding three months. Our Company shall, in addition to any other meetings, hold a general meeting which shall be styled as an Annual General Meeting at intervals and in accordance with the following provisions: (a) our Company shall hold its Annual General Meetings within such intervals as are specified in Section 96 read with Section 129 of the Companies Act, 2013 and subject to the provisions of Section 96(2) of the Companies Act, 2013 at such times and places as may be determined by our Board.

Our Board may, whenever it thinks fit, call an Extraordinary General Meeting. Further, our Board may call an Extraordinary General Meeting on requisition in compliance with the provisions of the Companies Act, 2013.

Whenever our Company proposes to undertake any action that statutorily requires the approval of the Shareholders of our Company, our Company shall call for an Extraordinary General Meeting in accordance with the provisions of the Companies Act, 2013 by serving at least 21 days' written notice to all Shareholders, with an explanatory statement containing all relevant information relating to the agenda for the Extraordinary General Meeting. Unless waived in writing by all the Shareholders, any item not specifically included in the agenda of a Shareholders' meeting shall not be considered or voted upon at that meeting of the Shareholders (including at any adjournments thereof).

Our Company may also pass resolutions by means of postal ballot and/or other ways as may be prescribed under Section 110 of the Companies Act, 2013 and/or other applicable provisions, if any, and any future amendments or re-enactments, in respect of any business that can be transacted by our Company in a general meeting, instead of transacting the business therein. Further, in the case of resolutions relating to such business as the Government of India may prescribe, to be conducted only by postal ballot and/or other ways as may be prescribed, our Company shall get such resolutions passed only by postal ballot and/or other ways as may be prescribed, instead of transacting the business in a general meeting of the Company.

Voting rights

At a general meeting, every member holding shares is entitled to vote through e-voting process. Upon a poll, the voting rights of each shareholder entitled to vote and present in person or by proxy is in the same proportion as the capital paid up on each share held by such holder bears to our Company's total paid up capital. The Chairman of the meeting has a casting vote or second vote. Ordinary resolutions may be passed by simple majority of those present and voting. Special resolutions require that the votes cast in favour of the resolution must be at least three times the votes cast against the resolution. Subject to the provisions of the Companies Act, 2013 and our Articles of Association, votes may be given either personally or by proxy, and in the case of a body corporate, a duly authorized representative under Section 113 of the Companies Act, 2013 shall be entitled to exercise the same powers on behalf of the corporation as if it were an individual member of the company.

On a show of hands, every member holding Equity Shares and present in person shall have one vote. On a poll, every member holding Equity Shares in our Company shall have voting rights in proportion to his share of the paid-up equity share capital. In the case of joint holders, any one of such holders may vote at any meeting personally or by proxy in respect of such share, as if he were solely entitled thereto, and if more than one of such members be present at any meeting, either personally or by proxy, then one of the said members so present whose name stands first on the Register in respect of such share shall alone be entitled to vote in respect thereof. Further, upon a show of hands or upon a poll, the voting right of every member holding preference shares shall be subject to the provisions of Section 47 of the Companies Act, 2013. A member who is of unsound mind may vote whether on a show of hands or a poll by his committee or any other legal guardian and such person may give their votes by proxy.

Any business other than upon which a poll has been demanded may be proceeded with, pending the taking of the poll. No Shareholder shall be entitled to exercise any voting right, either personally or by proxy at any meeting of the Company unless all calls or other sums presently payable by him in respect of the shares in the Company have been paid, or in regard to which the Company has exercised any right of lien. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the chairperson of the meeting, whose determination made in good faith shall be final and conclusive.

The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the Registered Office of our Company at least 48 hours before the time of holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote and in default, the instrument of proxy shall not be treated as valid. A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the prior death or insanity of the principal, or revocation of the instrument, or transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death, insanity, revocation or transfer shall have been received by our Company at the Registered Office before the vote is given. However, the chairman of that meeting shall be entitled to require such evidence as he may think fit, of the due execution of the instrument of proxy and that such instrument has not been revoked.

Transfer and transmission of Equity Shares

Equity shares held through depositories are transferred in the form of book entries or in electronic form in accordance with the regulations laid down by SEBI. These regulations provide the regime for the functioning of the depositories and the depository participants and set out the manner in which the records are to be kept and maintained and the safeguards to be followed in this system. Transfers of beneficial ownership of shares held through a depository are exempt from stamp duty; however, subject to securities transaction tax (levied on and collected by the stock exchanges on which such equity shares are sold). Our Company has entered into an agreement for such depository services with the NSDL and CDSL. Further, SEBI has mandated that securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019.

Pursuant to the SEBI Listing Regulations, in the event our Company has not effected the transfer of shares within 15 days or where our Company has failed to communicate to the transferee any valid objection to the transfer within the stipulated time period of 15 days, it is required to compensate the aggrieved party for the opportunity loss caused during the period of the delay. The Equity Shares shall be freely transferable, subject to applicable laws.

The executor or administrator of a deceased member (not being one of the several joint-holders) shall be the only person recognised in the name of such member, and in case of the death of anyone or more of the joint holders of any registered Equity Share, the survivor shall be the only person recognised by the Company as having any title to or interest in such Equity Share. However, the above stated shall not release the estate of a deceased joint holder from any liability in respect of any Equity Share which had been jointly held by him with other persons.

If any person becoming entitled to Equity Shares in consequence of the death of a Shareholder, elects to be registered as holder of the Equity Share himself, he shall deliver or send to the Company, a notice signed by him stating that he so elects. If the said person elects to transfer the Equity Shares, he shall testify his election by executing an instrument of transfer of the Equity Shares. Our Board shall, in either case, have the same right to decline or suspend registration as it would have had if the deceased, lunatic, insolvent, bankrupt shareholder had transferred the Equity Share(s) before his death, lunacy, bankruptcy or insolvency.

Any person becoming entitled to Equity Shares by reason of the death, lunacy, bankruptcy or insolvency of a Shareholder shall, subject to Section 123 of the Companies Act, 2013, be entitled to the same dividends and other advantages as he would be entitled to if he were the registered holder of the Equity Shares.

Registration of Transfers and Register of Members

Our Company is required to maintain a register of members wherein the particulars of the members of our Company are entered. We recognize as shareholders only those persons whose names appear on the register of shareholders and cannot recognize any person holding any share or part of it upon any express, implied or constructive trust, except as permitted by law. In respect of electronic transfers, the depository transfers shares by entering the name of the purchaser in its books as the beneficial owner of the shares. In turn, the name of the depository is entered into our records as the registered owner of the shares. The beneficial owner is entitled to all the rights and benefits as well as the liabilities with respect to the shares held by a depository.

For the purpose of determining the shareholders, entitled to corporate benefits declared by our Company, the register may be closed for such period as the Board of Directors may deem expedient, subject to such period not exceeding the number of days as may be prescribed under applicable laws including the provisions of the Companies Act. Under the SEBI Listing Regulations of the stock exchanges on which our Company’s outstanding Equity Shares are listed, our Company may, upon at least seven working days’ (excluding the date of intimation and the record date) advance notice to such stock exchanges, set a record date and/or close the register of shareholders in order to ascertain the identity of shareholders. The trading of Equity Shares and the delivery of certificates in respect thereof may continue while the register of shareholders is closed.

Directors

The Articles of Association provide that the number of Directors on the Board shall not be less than three and not more than fifteen. The Articles of Association also permit our Directors to appoint any other person as a director as an addition to the Board but so that the total number of Directors shall not at any time exceed the maximum number of 15, as fixed under the Articles of Association. However, any director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if it had not been vacated, but shall be eligible for re-election at such meeting.

Acquisition by our Company of its own Equity Shares

The Company is permitted to buy-back its securities including shares in accordance with the provisions of Sections 68, 69 and 70 and other applicable provisions, if any, of the Companies Act, 2013 (including any future amendments or re-enactments) and as per the rules and procedures prescribed therein and in compliance with any related SEBI regulations, as well as other the prevailing regulatory provisions and guidelines.

Liquidation rights

In the event of our winding up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Companies Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not. The liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

Winding up

As per the provisions of our Articles of Association, our Company may be wound up in accordance with the Companies Act, 2013 and the Insolvency and Bankruptcy Code, 2016, as amended (to the extent applicable). If our Company shall be wound up, the liquidator may with the sanction of special resolution of our Company and any other sanctions as required by the Companies Act, 2013 divide amongst the shareholders, in specie or kind the whole or any part of the assets of the Company.

TAXATION

STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE LAWS IN INDIA

To,
The Board of Directors
Coforge Limited
8, Balaji Estate, 3rd Floor,
Guru Ravi Dass Marg, Kalkaji
New Delhi 110 019

Dear Sirs,

Statement of Possible Tax Benefits available to Coforge Limited and its shareholders under the Indian tax laws

1. We hereby confirm that the enclosed Annexure, prepared by Coforge Limited ('the Company'), provides the possible tax benefits available to the Company and to the shareholders of the Company under the Income-tax Act, 1961 ('the Act'), as amended, the Income-tax Rules, 1962, applicable for the Financial Year 2023-24 relevant to the assessment year 2024-25 presently in force in India (referred to as the "Direct Tax Laws"). Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company and/or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfil.

2. The benefits discussed in the enclosed Annexure are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that the enclosed Annexure is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed offering of equity shares of face value of Rs. 10 each by the Company in a Qualified Institutions Placement in accordance with the provisions of Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "**Offering**").

3. We do not express any opinion or provide any assurance as to whether:

   (i) the Company or its shareholders will continue to obtain these benefits in future;
   (ii) the conditions prescribed for availing the benefits have been / would be met with; and
   (iii) the revenue authorities/courts will concur with the views expressed herein.

4. The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of their understanding of the business activities and operations of the Company.

5. This Statement is issued solely in inclusion in the Preliminary Placement Document ("PPD") and the Placement Document ("PD") in connection with the Offering, to be filed by the Company with the National Stock Exchange of India Limited and BSE Limited, and is not to be used, referred to or distributed for any other purpose.

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

per Amit Virmani
Partner
Membership Number: 504649
UDIN: 24504649BKGTTY2903
Place of Signature: Gurugram
Date: May 20, 2024

Annexure 1

THE STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO COFORGE LIMITED ("THE COMPANY") AND ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS

The information provided below sets out the possible tax benefits available to the Company and its Shareholders under the Income-tax Act, 1961, as amended by the Finance Act. 2024 ("the Act"). It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the equity shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

You should consult your own tax advisors concerning the Indian tax implications and consequences of purchasing, owning and disposing of equity shares in your particular situation.

A. POSSIBLE TAX BENEFITS AVAILABLE TO THE COMPANY UNDER THE ACT

The following benefits are available to the Company after fulfilling conditions as per the applicable provisions of the Act:

I. Direct taxes:

a. Deduction under section 10AA of the Act is available after fulfilling conditions as per the respective provisions of the relevant tax laws.

Section 10AA of the Act provides that a taxpayer, being a manufacturer or provider of services from a Special Economic Zone ('SEZ'), during the previous year commencing on or after the 1st day of April 2006, in computing his total income can claim a deduction of 100% of profits and gains derived from the export, of such articles or things or from services for a period of five (5) consecutive assessment years beginning with the assessment year relevant to the previous year in which the unit begins to manufacture or produce such articles or things or provide services, as the case may be, and 50% of such profits and gains for further five (5) assessment years and thereafter. Further, the taxpayer can avail 50% of the profits as deduction for the next five (5) consecutive assessment years provided the deduction is credited to a reserve account and utilized for the purposes specified therein.

The deduction is available in respect of profits of the business, in the proportion in which the export turnover bears to the total turnover of the business carried out by the company. In order to avail the tax benefits under section 10AA of the Act, *inter alia*, the following conditions must be fulfilled:

- An undertaking must have been set up in a SEZ, which begins to manufacture or produce articles or provide services on or after 01 April 2006 and before 01 April 2021;
- The undertaking should not be formed by the transfer to a new business of machinery or plant previously used for any purpose. This condition is relaxed where the used plant and machinery does not constitute more than 20 per cent of the total value of the machinery or plant used in the new business ('the 80:20 test'); and
- The undertaking should not be formed by splitting up or reconstruction, of an existing business ('splitting up and reconstruction test').

The Company, has following SEZ units which are eligible for deduction under section 10AA of the Act:

SEZ unit	Date of commencement of manufacture or production
Unit – 3	January 1, 2016
Unit – 4	December 31, 2019

The Company cannot avail this benefit if it chooses to opt for lower corporate tax rate under section 115BAA of the Act.

b. Corporate Social Responsibility ('CSR') expenditure claimed as deduction under section 80G of the Act

The expenditure incurred on account of CSR under the mandatory requirement of the Companies Act, 2013, fulfilling the conditions for deduction under section 80G of the Act is an allowable deduction.

The Company is availing the deduction under section 80G of the Act on fulfilment of conditions.

c. Deduction of dividend up streamed claimed as deduction under section 80M of the Act

With respect to a resident corporate shareholder, a new section 80M has been inserted in the Act to remove the cascading effect of taxes on inter-corporate dividends from financial year ('FY') 2020-21 and onwards.

Subject to the fulfilment of prescribed conditions, the section provides that where the gross total income of a domestic company in any previous year includes any income by way of dividends from any other domestic company or a foreign company or a business trust, there shall, in accordance with and subject to the provisions of this section, be allowed in computing the total income of such domestic company, a deduction of an amount equal to so much of the amount of income by way of dividends received from such other domestic company or foreign company or business trust which does not exceed the amount of dividend distributed by it on or before the due date. The 'due date' means the date one month prior to the due date for furnishing the return of income under sub-section (1) of section 139 of the Act.

Where the Company receives any such dividend during a FY and also, distributes dividend to its shareholders before the aforesaid date, as may be relevant to the said FY, it shall be entitled to the deduction under Section 80M of the Act.

The Company is availing the deduction under section 80M of the Act on fulfilment of conditions.

B. POSSIBLE TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS OF THE COMPANY

I. Direct taxes – in the hands of resident shareholders:

a) Taxation on sale of shares

Section 112A of the Act provides for concessional tax rate of 10% (plus applicable surcharge and cess) on long-term capital gains (exceeding Rs. 1,00,000) arising from the transfer of equity shares or units of an equity-oriented fund or units of a business trust, if Security Transaction Tax ('STT') has been paid on both acquisition and transfer of such shares / units and subject to fulfilment of other prescribed conditions (including Notification No. 60/2018/F.No.370142/9/2017-TPL dated 1 October 2018). The benefit of foreign currency exchange difference and indexation, as provided under the first and second proviso to section 48 of the Act, shall not be applicable for computing long-term capital gains taxable under section 112A of the Act.

Shares of the Company held for not more than 12 months are considered as short-term capital asset. As per the provisions of section 111A of the Act, short-term capital gains arising from transfer of equity shares in the Company through a recognized stock exchange and subject to STT shall be taxable at a concessional rate of 15% (plus applicable surcharge and cess, if any).

In case of shareholders who are individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, whether incorporated or not and every artificial juridical person, surcharge on amount of Income-tax computed in respect of capital gains would be restricted to 15%.

b) Taxation on receipt of dividend

Dividend received by the shareholder of the Company shall be chargeable to tax at normal tax rates.

Further, in case of shareholders who are individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, whether incorporated or not and every artificial juridical person, surcharge on amount of Income-tax computed in respect of dividend would be restricted to 15%.

c) Deductions allowed in receipt of dividend – for Companies

For corporate shareholder, deduction under section 80M of the Act (as discussed above) can be claimed on upward streaming of the dividend income.

d) Advance tax is to be paid after actual receipt of income

Considering the nature of dividend income and capital gains income, it may not possible for taxpayer to accurately determine the advance tax liability on such dividend income and therefore, the proviso to Section 234C(1) of the Act provides that no interest shall be levied under Section 234C of the Act if the shortfall in payment of advance tax instalment is on account of underestimation or failure to estimate dividend income/ capital gains and the taxpayer has paid the whole of the amount of tax payable in respect of such dividend income/ capital gains as part of the remaining instalments of advance tax which are due or where no such instalments are due, by the 31st March of the FY.

II. Direct taxes – *in the hands of non-resident shareholders*:

In addition to the benefits available to the resident shareholders, Non-resident shareholders, have an option to opt for taxation as per applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile, if certain documents are available.

Notes:

1. The above statement of Direct Tax Benefits sets out the special tax benefits available to the Company and its shareholders under the current tax laws presently in force in India.

2. This statement does not discuss any tax consequences in the country outside India of an investment in the Shares. The subscribers of the Shares in the country other than India are urged to consult their own professional advisers regarding possible income-tax consequences that apply to them.

3. The above statement covers only above-mentioned tax laws benefits and does not cover any indirect tax law benefits or benefit under any other law. The views expressed in this statement are based on the facts and assumptions as indicated in the statement. No assurance is given that the revenue authorities/courts will concur with the views expressed herein.

The views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

For Coforge Limited

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Saurabh Goel
Chief Financial Officer

Place of Signature: Greater Noida
Date: May 20, 2024

CERTAIN TAX CONSIDERATIONS

Certain India Income Tax considerations

There may be certain material Indian tax consequences to a U.S. holder (as defined below) of ownership of Equity Shares which are based upon laws, regulations, decrees, rulings, income tax conventions (treaties), administrative practice and judicial decisions in effect at the date of this Preliminary Placement Document. Legislative, judicial or administrative changes or interpretations may, however, be forthcoming that could alter or modify the statements and conclusions set forth herein. Any such changes or interpretations may be retroactive and could affect the tax consequences to holders of the Equity Shares.

Certain U.S. Federal Income Tax considerations

The following is a discussion of certain material U.S. federal income tax consequences to a U.S. holder (as defined below) for purchasing, owning and disposing of Equity Shares acquired pursuant to this Issue. This summary does not address any aspect of U.S. federal non-income tax laws, such as U.S. federal estate and gift tax laws, or state, local or non-U.S. tax laws, and does not purport to be a comprehensive description of all of the U.S. tax considerations that may be relevant to a particular person's decision to acquire Equity Shares.

YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE U.S. FEDERAL, STATE, LOCAL AND NON-U.S. TAX CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION.

The discussion applies to you only if you acquire the Equity Shares in this Issue and you hold the Equity Shares as capital assets within the meaning of Section 1221 of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"). This section does not apply to you if you are a member of a special class of holders subject to special tax rules, including:

- a broker;
- a dealer in securities, commodities or non-U.S. currencies;
- a trader in securities that elects to use a mark-to-market method of accounting for your securities holdings;
- a bank or other financial institution;
- a tax-exempt organization;
- an insurance company;
- a regulated investment company;
- an accrual method taxpayer subject to special tax accounting rules as a result of its use of financial statements;
- an investor who is a U.S. expatriate, former U.S. citizen or former long term resident of the United States;
- a controlled foreign corporation;
- a passive foreign investment company;
- a mutual fund;
- an individual retirement or other tax-deferred account;
- a holder liable for alternative minimum tax;
- a holder that actually, indirectly or constructively owns 10% or more of (i) the total combined voting power of all classes of the Company voting stock or (ii) the total value of all classes of the Company stock;
- a partnership or other pass-through entity for U.S. federal income tax purposes;
- a holder that holds Equity Shares as part of a straddle, hedging, constructive sale, conversion or other integrated transaction for U.S. federal income tax purposes; or
- a U.S. holder (as defined below) whose functional currency is not the U.S. Dollar.

This section is based on the Code, existing and proposed U.S. Department of the Treasury regulations issued under the Code, legislative history, and judicial and administrative interpretations thereof, all as of the date hereof. All of the foregoing are subject to change at any time, and any change could be retroactive and could affect the accuracy of this discussion. In addition, the application and interpretation of certain aspects of the passive foreign investment company ("**PFIC**") rules, referred to below, require the issuance of regulations which in many instances have not been promulgated and which may have retroactive effect. There can be no assurance that any of these regulations will be enacted or promulgated, and if so, the form they will take or the effect that they may have on this discussion.

This discussion is not binding on the U.S. Internal Revenue Service ("IRS") or the courts. No ruling has been or will be sought from the IRS with respect to the positions and issues discussed herein, and there can be no assurance that the IRS or a court will not take a different position concerning the U.S. federal income tax consequences of an investment in the Equity Shares or that any such position would not be sustained.

For U.S. federal income tax purposes, you are a "U.S. holder" if you are a beneficial owner of Equity Shares that acquired the shares pursuant to this Issue and you are:

- an individual who is a citizen or resident of the United States;
- a corporation, or other entity treated as a corporation for U.S. federal income tax purposes created or organized in or under the laws of the United States, any State thereof or the District of Columbia;
- an estate whose income is subject to U.S. federal income tax regardless of its source; or
- a trust that (1) a U.S. court can exercise primary supervision over the trust's administration and one or more U.S. persons are authorised to control all substantial decisions of the trust or (2) has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person.

In addition, this discussion is limited to U.S. holders who are not resident in India for purposes of the Income Tax Treaty between the United States and India.

If a partnership (including for this purpose any entity treated as a partnership for U.S. federal income tax purposes) is a beneficial owner of the Equity Shares, the U.S. tax treatment of a partner in the partnership generally will depend on the status of the partner and the activities of the partnership. A holder of the Equity Shares that is a partnership and partners in such a partnership should consult their own tax advisors concerning the U.S. federal income tax consequences of purchasing, owning and disposing of Equity Shares.

Taxation of Dividends

Subject to the PFIC rules described below under "*PFIC considerations*", if you are a U.S. holder you generally must include in your gross income as a dividend the gross amount of any distributions of cash or property (other than certain pro rata distributions of Equity Shares) with respect to Equity Shares, to the extent the distribution is paid by our Company out of its current or accumulated earnings and profits, as determined for U.S. federal income tax purposes. A U.S. holder will include the dividend as ordinary income at the time of actual or constructive receipt. Distributions in excess of current and accumulated earnings and profits, as determined for U.S. federal income tax purposes, will be treated as a non-taxable return of capital to the extent of your basis in the Equity Shares and thereafter as capital gain from the sale or exchange of such Equity Shares. Notwithstanding the foregoing, our Company does not intend to maintain calculations of its earnings and profits as determined for U.S. federal income tax purposes. Consequently, distributions generally will be reported as dividend income for U.S. information reporting purposes.

Subject to the PFIC rules described below, dividends paid by a non-U.S. corporation generally will be taxed at the preferential tax rates applicable to long-term capital gain of non-corporate taxpayers if (a) such non-U.S. corporation is eligible for the benefits of certain U.S. treaties or the dividend is paid by such non-U.S. corporation with respect to stock that is readily tradable on an established securities market in the United States, (b) the U.S. holder receiving such dividend is an individual, estate, or trust, and (c) such dividend is paid on shares that have been held by such U.S. holder for at least 61 days during the 121-day period beginning 60 days before the "ex-dividend date." If the requirements of the immediately preceding sentence are not satisfied, a dividend paid by a non-U.S. corporation to a U.S. holder, including a U.S. holder that is an individual, estate, or trust, generally will be taxed at ordinary income tax rates (and not at the preferential tax rates applicable to long-term capital gains). The dividend rules are complex, and each U.S. holder should consult its own tax advisor regarding the dividend rules.

Dividends received generally will be income from non-U.S. sources, which may be relevant in calculating your U.S. foreign tax credit limitation. Such non-U.S. source income generally will be "passive category income", which is treated separately from other types of income for purposes of computing the foreign tax credit allowable to you. The rules with respect to foreign tax credits are complex and involve the application of rules that depend on a U.S. holder's particular circumstances. You should consult your own tax advisor to determine the foreign tax credit implications of owning the Equity Shares.

The amount of the dividend distribution that you must include in your income as a U.S. holder will be the U.S. Dollar value of the Indian Rupee payments made, determined at the spot Indian Rupee/U.S. Dollar exchange rate on the date the dividend distribution is includible in your income, regardless of whether the payment is in fact converted into U.S. Dollars. Generally, any gain or loss resulting from currency exchange fluctuations during the period from the date you include the dividend payment in income to the date you convert the payment into U.S. Dollars will be treated as ordinary income or loss. The gain or loss generally will be income or loss from sources within the United States for foreign tax credit limitation purposes.

Taxation of sale, exchange or other taxable disposition of Equity Shares

Subject to the PFIC rules discussed below, if you are a U.S. holder and you sell, exchange or otherwise dispose of your Equity Shares in a taxable disposition, you generally will recognize capital gain or loss for U.S. federal income tax purposes equal to the difference between the U.S. Dollar value of the amount realized and your tax basis, determined in U.S. Dollars, in your Equity Shares. Gain or loss recognized on such a sale, exchange or other disposition of Equity Shares generally will be long-term capital gain if the U.S. holder has held the Equity Shares for more than one year. Long-term capital gains of U.S. holders who are individuals (as well as certain trusts and estates) are generally taxed at preferential rates (currently at a maximum rate of 20%). The gain or loss generally will be income or loss from sources within the United States for foreign tax credit limitation purposes, unless it is attributable to an office or other fixed place of business outside the United States and certain other conditions are met. Your ability to deduct capital losses is subject to limitations.

Medicare tax

Certain U.S. holders who are individuals, estates or trusts are required to pay a 3.8% Medicare surtax on all or part of that holder's "net investment income", which includes, among other items, dividends on, and capital gains from the sale or other taxable disposition of, the Equity Shares, subject to certain limitations and exceptions. Prospective investors should consult their own tax advisors regarding the effect, if any, of this surtax on their ownership and disposition of the Equity Shares.

PFIC considerations

The Code provides special rules regarding certain distributions received by U.S. persons with respect to, and sales, exchanges and other dispositions, including pledges, of, shares of stock in a PFIC. A non-U.S. corporation will be treated as a PFIC for any taxable year in which either: (i) at least 75 percent of its gross income is "passive income" or (ii) at least 50 percent of its gross assets during the taxable year (generally based on the average of the fair market values of the assets determined at the end of each quarterly period) are "passive assets," which generally means that they produce passive income or are held for the production of passive income. Passive income for this purpose generally includes, among other things, dividends, interest, rents, royalties, gains from commodities and securities transactions, and gains from assets that produce passive income. Cash is generally a passive asset. However, under recently proposed U.S. Treasury regulations, on which taxpayers may rely, an amount of cash held in a non-interest bearing financial account that is held for the present needs of an active trade or business and is no greater than the amount necessary to cover operating expenses incurred in the ordinary course of the trade or business and reasonably expected to be paid within 90 days is generally not treated as a passive asset. Further, goodwill is generally treated as an active asset to the extent attributable to activities that produce or are intended to produce active income. In determining whether a non-U.S. corporation is a PFIC, a pro rata portion of the income and assets of each corporation in which it owns, directly or indirectly, at least a 25% interest (by value) is taken into account.

Based on the current and projected composition of our income and assets, including the expected cash proceeds from this offering, and the valuation of our assets, including goodwill, we do not expect to become, a PFIC in the current taxable year or the foreseeable future for U.S. federal income tax purposes. However, no assurance can be given that our Company will not be considered a PFIC in the current or any future taxable years. Our Company's possible status as a PFIC must be determined for each year and cannot be determined until the end of each taxable year. Because this determination is made annually at the end of each taxable year and is dependent upon a number of factors, some of which are beyond our Company's control, including the amount and nature of our Company's income and assets, as well as on the market valuation of our Company's assets, including goodwill, and Equity Shares, and because certain aspects of the PFIC rules are not entirely certain, there can be no assurance that our Company is not a PFIC and will not become a PFIC or that the IRS will agree with our conclusion regarding our PFIC status. If our Company was currently or were to become a PFIC, U.S. holders of Equity Shares would be subject to special rules and a variety of potentially adverse tax consequences under the Code.
If we are a PFIC for any fiscal year during which a U.S. holder holds our Equity Shares, we generally will continue to be treated as a PFIC with respect to that U.S. holder for all succeeding fiscal years during which the U.S. Holder

holds our Equity Shares, unless we cease to meet the threshold requirements for PFIC status and that U.S. holder makes a qualifying “deemed sale” election with respect to the Equity Shares. If such an election is made, the U.S. holder will be deemed to have sold the Equity Shares it holds at their fair market value on the last day of the last fiscal year in which we qualified as a PFIC, and any gain from such deemed sale will be subject to the consequences described below. After the deemed sale election, the Equity Shares with respect to which the deemed sale election was made will not be treated as shares in a PFIC unless we subsequently become a PFIC.

If we are a PFIC for any taxable year during which a U.S. holder holds our Equity Shares, the U.S. holder may be subject to adverse tax consequences. Generally, gain recognized upon a disposition (including, under certain circumstances, a pledge) of our Equity Shares by the U.S. holder would be allocated ratably over the U.S. holder's holding period for such Equity Shares. The amounts allocated to the taxable year of disposition and to years before we became a PFIC would be taxed as ordinary income. The amount allocated to each other taxable year would be subject to tax at the highest rate in effect for that taxable year for individuals or corporations, as appropriate, and would be increased by an additional tax equal to interest on the resulting tax deemed deferred with respect to each such other taxable year. Further, to the extent that any distribution received by a U.S. holder on our Equity Shares exceeds 125% of the average of the annual distributions on such Equity Shares received during the preceding three years or the U.S. holder's holding period, whichever is shorter, that distribution would be subject to taxation in the same manner described immediately above with respect to gain on disposition.

If we are a PFIC for any fiscal year during which any of our non-U.S. subsidiaries is also a PFIC, a U.S. Holder of our Equity Shares during such year will be treated as owning a proportionate amount (by value) of the shares of the lower-tier PFIC for purposes of the application of these rules to such subsidiary. U.S. holders should consult their tax advisers regarding the tax consequences if the PFIC rules apply to any of our subsidiaries. Alternatively, if we are a PFIC and if our Equity Shares are ”regularly traded” on a “qualified exchange”, a U.S. holder may be eligible to make a mark-to-market election that would result in tax treatment different from the general tax treatment described above. Our Equity Shares would be treated as ”regularly traded” in any calendar year in which more than a de minimis quantity of the Equity Shares are traded on a qualified exchange on at least 15 days during each calendar quarter. However, because a mark-to-market election cannot be made for equity interests in any lower-tier PFIC that we may own, a U.S. holder that makes a mark-to-market election with respect to us may continue to be subject to the PFIC rules with respect to any indirect investments held by us that are treated as an equity interest in a PFIC for U.S. federal income tax purposes. If a U.S. holder makes the mark-to-market election, the U.S. Holder generally will recognize as ordinary income any excess of the fair market value of the Equity Shares at the end of each taxable year over their adjusted tax basis, and will recognize an ordinary loss in respect of any excess of the adjusted tax basis of the Equity Shares over their fair market value at the end of the taxable year (but only to the extent of the net amount of income previously included as a result of the mark-to-market election). If a U.S. holder makes the election, the U.S. holder's tax basis in the Equity Shares will be adjusted to reflect these income or loss amounts. Any gain recognized on the sale or other disposition of our Equity Shares in a year when we are a PFIC will be treated as ordinary income and any loss will be treated as an ordinary loss (but only to the extent of the net amount of income previously included as a result of the mark-to-market election). If a U.S. holder makes a mark-to-market election it will be effective for the taxable year for which the election is made and all subsequent taxable years unless our Equity Shares are no longer regularly traded on a qualified exchange or the IRS consents to the revocation of the election. U.S. holders are urged to consult their tax advisers about the availability of the mark-to-market election, and whether making the election would be advisable in their particular circumstances.

Alternatively, a U.S. holder of stock in a PFIC may make a so-called ”Qualified Electing Fund” election to avoid the PFIC rules regarding distributions and gain described above. The PFIC taxation regime would not apply to a U.S. holder who makes a QEF election for all taxable years that such U.S. Holder has held our Equity Shares while we are a PFIC, provided that we comply with specified reporting requirements. Instead, each U.S. holder who has made a valid and effective QEF election is required for each taxable year that we are a PFIC to include in income such U.S. Holder's pro rata share of our ordinary earnings as ordinary income and such U.S. Holder's pro rata share of our net capital gains as long-term capital gain, regardless of whether we make any distributions of such earnings or gain. The QEF election is made on a shareholder-by-shareholder basis and generally may be revoked only with the consent of the IRS. Our Company does not intend to provide to U.S. holders the information required to make a valid QEF election and our Company currently makes no undertaking to provide such information. Accordingly, it is currently anticipated that a U.S. holder will not be able to avoid the special tax rules described above by making the QEF election.

In addition, if we are a PFIC or, with respect to particular U.S. holders, are treated as a PFIC for the taxable year in which we paid a dividend or for the prior taxable year, the preferential rates discussed above with respect to dividends paid to certain non-corporate U.S. Holders would not apply.

If a U.S. Holder owns our Equity Shares during any year in which we are a PFIC, the U.S. Holder generally will be required to file an IRS Form 8621 (Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund) with respect to us, generally with the U.S. holder's federal income tax return for that year. If we are a PFIC for a given taxable year, you should consult your tax advisor concerning your annual filing requirements.

The U.S. federal income tax rules relating to PFICs are complex. U.S. holders are urged to consult their own tax advisers with respect to the ownership and disposition of our Equity Shares, the consequences if we are or become a PFIC, any elections available with respect to our Equity Shares, and the IRS information reporting obligations with respect to the ownership and disposition of our Equity Shares.

Information with respect to foreign financial assets

In addition, certain U.S. holders may be subject to certain reporting obligations with respect to Equity Shares if the aggregate value of these and certain other "specified foreign financial assets" exceeds $50,000. If required, this disclosure is made by filing Form 8938 with the IRS. Significant penalties can apply if U.S. holders are required to make this disclosure and fail to do so. In addition, a U.S. holder should consider the possible obligation for online filing of a FinCEN Report 114—Foreign Bank and Financial Accounts Report as a result of holding Equity Shares. U.S. holders are thus encouraged to consult their U.S. tax advisors with respect to these and other reporting requirements that may apply to their acquisition of Equity Shares.

Information reporting and backup withholding

In general, information reporting requirements will apply to distributions made on our Equity Shares within the U.S. to a non-corporate U.S. holder and to the proceeds from the sale, exchange, redemption or other disposition of Equity Shares by a non-corporate U.S. holder to or through a U.S. office of a broker. Payments made (and sales or other dispositions effected at an office) outside the U.S. will be subject to information reporting in limited circumstances.

In addition, backup withholding of U.S. federal income tax may apply to such amounts if the U.S. holder fails to provide an accurate taxpayer identification number (or otherwise establishes, in the manner provided by law, an exemption from backup withholding) or to report dividends required to be shown on the U.S. holder's U.S. federal income tax returns.

Backup withholding is not an additional income tax, and the amount of any backup withholding from a payment to a U.S. holder will be allowed as credit against the U.S. holder's U.S. federal income tax liability provided that the appropriate returns are filed.

You should consult your own tax advisor as to the qualifications for exemption from backup withholding and the procedures for obtaining the exemption.

The foregoing does not purport to be a complete analysis of the potential tax considerations relating to this Issue, and is not tax advice. Prospective investors should consult their own tax advisors as to the particular tax considerations applicable to them relating to the purchase, ownership and disposition of the Equity Shares, including the applicability of the U.S. federal, state and local tax laws or non-tax laws, non-U.S. tax laws, and any changes in applicable tax laws and any pending or proposed legislation or regulations.

LEGAL PROCEEDINGS

We are involved in various legal proceedings from time to time, including those which arise in the ordinary course of business. These legal proceedings may primarily be in the nature of, amongst others, tax disputes, criminal proceedings, regulatory actions and civil proceedings, arbitration proceedings, commercial proceedings, which are pending before various adjudicating forums within India.

*Except as disclosed in this section, there is no outstanding legal proceeding which has been considered material in accordance with our Company's "Policy for Determination of Material / Price Sensitive Information" framed in accordance with Regulation 30 of the SEBI Listing Regulations and adopted by our Board pursuant to its resolution dated December 1, 2015 and further revised pursuant to the Board resolution dated July 20, 2023 ("**Materiality Policy**"). The SEBI ICDR Regulations mandate legal proceedings to be disclosed in accordance with the materiality policy framed under the SEBI Listing Regulations. Accordingly, all outstanding civil proceedings individually involving (which includes cases filed by and against) our Company, Subsidiaries and Directors, where the amount involved exceeds 5.00% of average absolute value of profit or loss after tax in Fiscals 2022, 2023 and 2024 (such average absolute value being ₹ 7,651.33 million), which is equivalent to ₹ 382.57 million, or above ("**Materiality Threshold**") shall be considered material and shall be disclosed in this Preliminary Placement Document. The Materiality Threshold was approved by our Fund Raising Committee pursuant to its resolution dated May 21, 2024.*

In addition to disclosing the cases above Materiality Threshold involving our Company, Directors and Subsidiaries, our Company has also disclosed in this section, solely for the purpose of the Issue, the following outstanding legal proceedings have been disclosed in this section of this Preliminary Placement Document, to the extent applicable: (i) all outstanding criminal proceedings involving our Company, our Subsidiaries and our Directors; (ii) all outstanding actions initiated (including any show-cause notices received) by any regulatory and/ or statutory authorities such as SEBI or such similar authorities or stock exchanges, involving our Company, our Subsidiaries and our Directors; (iii) consolidated disclosure of all outstanding tax (direct and indirect) proceedings (including show cause notices) involving our Company, Directors and our Subsidiaries; (iv) any other outstanding litigation involving our Company, Directors and our Subsidiaries wherein the aggregate amount involved is not quantifiable, but which, in view of our Company, could have a material adverse effect on the business or operations of our Company.

Further, except as disclosed below and in the other sections of this Preliminary Placement Document, as on the date of this Preliminary Placement Document, (i) there are no inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous companies law in the last three years immediately preceding the year of issue of this Preliminary Placement Document, against our Company and our Subsidiaries; and any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of issue of this Preliminary Placement Document, as applicable, for our Company and Subsidiaries; (ii) there are no material frauds committed against our Company in the last three years; (iii) there are no significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations; (iv) there are no defaults in repayment of (a) statutory dues; (b) debentures and interest thereon; (c) deposits and interests thereon and (d) any loan obtained from any bank or financial institution and interest thereon by our Company, on a consolidated basis; (v) there are no defaults in annual filing of our Company under the Companies Act, 2013 and the rules made thereunder; (vi) there is no litigation or legal action pending or taken by any ministry or department of the Government or a statutory authority against our Promoter during the last three years immediately preceding the year of circulation of this Preliminary Placement Document and no directions have been issued by any ministry or department of the Government or statutory authority upon conclusion of such litigation or legal action; and (vii) there are no reservations, qualifications or adverse remarks of auditors in the last five Fiscal Years immediately preceding the year of circulation of this Preliminary Placement Document.

*Subject to applicable laws and regulations, our Company is in the process of acquiring Cigniti, in relation to which our Company has entered into the SPAs. For the purpose of disclosure in this section of this Preliminary Placement Document, the following legal proceedings have been disclosed in connection with Cigniti: (i) all outstanding legal proceedings which have been considered material in accordance with "Policy for Determination of Materiality" framed in accordance with Regulation 30 of the SEBI Listing Regulations and adopted by the board of directors of Cigniti pursuant to a resolution dated December 1, 2015, which was further revised pursuant to board resolution dated May 1, 2024 ("**Cigniti Materiality Policy**"); and (ii) all outstanding litigations involving Cigniti where the amount involved exceeds ₹ 70.94 million i.e., 5.00% of the average of the absolute value of profit after tax, derived from the audited consolidated financial statements of Cigniti for Fiscals*

2022, 2023 and 2024. Further, only such legal proceedings involving Cigniti which may have a material adverse impact on our Company on a consolidated basis have been disclosed in this section of this Preliminary Placement Document.

It is clarified that for the purposes of the above, pre-litigation notices received by any of our Company and our Subsidiaries from third parties (excluding those notices issued by statutory / regulatory / governmental authorities) shall not be considered as litigation proceedings till such time that any of our Company or our Subsidiaries have been impleaded as a defendant or respondent any such litigation proceedings before any judicial forum or arbitral tribunal.

Capitalised terms used herein shall, unless otherwise specified, have the meanings ascribed to such terms in this section.

I. Litigation involving our Company

A. Criminal proceedings involving our Company

Against our Company

Nil

By our Company

Writ petition filed by our Company

Our Company filed a writ petition under Section 482 of the CrPC ("**Writ Petition**") read with Articles 226 and 227 of the Constitution of India before the High Court of Punjab and Haryana at Chandigarh seeking to quash the first information report dated June 9, 2018 ("**FIR**") filed by Trident Limited ("**Respondent**") under certain sections of the IT Act and the charge sheet dated May 4, 2019 ("**Charge Sheet**"). The FIR alleged certain violations by our employees of the terms of the master services agreement entered into by our Company with the Respondent, in addition to certain provisions of the IT Act. Our Company, in the Writ Petition, has sought for (i) quashing of the FIR on, *inter alia,* the grounds that the allegations made out in the FIR are purely civil in nature arising out a written contract; (ii) quashing of the Charge Sheet on, *inter alia,* the grounds that it has been filed without conclusive investigation or any remote possibility of the allegations in the FIR; and (iii) praying for an interim order staying further proceedings in relation to the FIR. Our Company is only a petitioner in the Writ Petition and has not been named as an accused in either the FIR or the Charge Sheet. The matter is currently pending.

B. Material civil proceedings involving our Company

Against our Company

Nil

By our Company

Nil

C. Actions taken by regulatory and statutory authorities involving our Company

Nil

II. Litigation involving our Subsidiaries

A. Criminal proceedings involving our Subsidiaries

Against our Subsidiaries

Nil

By our Subsidiaries

Nil

B. Material civil litigation involving our Subsidiaries

Against our Subsidiaries

Nil

By our Subsidiaries

Nil

C. Actions taken by regulatory and statutory authorities involving our Subsidiaries

Nil

III. Litigation involving our Directors

A. Criminal proceedings involving our Directors

Against our Directors

Nil

By our Directors

Nil

B. Material civil litigation involving our Directors

Against our Directors

Nil

By our Directors

Nil

C. Actions taken by regulatory and statutory authorities involving our Directors

Nil

IV. Other outstanding litigation involving our Company, Directors and Subsidiaries wherein the aggregated amount involved is not quantifiable, but which could have a material adverse effect on the business and operations of our Company

Nil

V. Tax proceedings involving our Company, our Directors and our Subsidiaries

We have set out below claims relating to direct and indirect taxes involving our Company, Directors and our Subsidiaries, as on the date of this Preliminary Placement Document, giving details of number of cases and total amount involved in all such claims:

Nature of proceedings	Number of outstanding proceedings	Amount involved (in ₹ million)*
Company		
Direct tax	11	495.27
Indirect tax	2	4.84
Directors		
Direct tax	Nil	-
Indirect tax	Nil	-

Nature of proceedings	Number of outstanding proceedings	Amount involved (in ₹ million)*
Subsidiaries		
Direct tax	13	591.58
Indirect tax	-	-

* *To the extent quantifiable*

VI. Inquiries, inspections, or investigations under the Companies Act initiated or conducted in the last three years

There have been no inquiries, inspections or investigations initiated or conducted against our Company or our Subsidiaries under the Companies Act or the Companies Act, 1956 in the last three years immediately preceding the year of issue of this Preliminary Placement Document, nor have there been any prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of this Preliminary Placement Document involving our Company or our Subsidiaries.

VII. Details of acts of material frauds committed against our Company in the last three years, if any, and if so, the action taken by our Company

There are no material frauds committed against our Company in the last three years preceding the date of this Preliminary Placement Document.

VIII. Details of significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations

There are no significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations.

IX. Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of statutory dues; debentures and interests thereon; deposits and interest thereon; and loan from any bank or financial institution and interest thereon by our Company, on a consolidated basis

Except as disclosed below, as on the date of this Preliminary Placement Document, our Company, on a consolidated basis, has no outstanding defaults in repayment of statutory dues, dues payable to holders of any debentures and interest thereon, deposits and interest thereon and loans and interest thereon from any bank or financial institution:

Sr. No.	Details	Amount involved in the default (in ₹ million)	Duration of the default	Present status as on date of this Preliminary Placement Document
1	PF liability payable	0.002	From FY 2020-21	Not paid
2	PF liability payable	0.04	From FY 2021-22	Not paid
3	PF liability payable	2.86	From FY 2022-23	Not paid
4	PF liability payable	2.02	From FY 2023-24	Not paid
5	PF liability payable	0.34	From FY 2024-25	Not paid

X. Details of defaults in annual filing of our Company under the Companies Act, 2013 and the rules made thereunder

As on the date of this Preliminary Placement Document, our Company has not made any default in annual filings of our Company under the Companies Act, 2013 and the rules made thereunder.

XI. Litigation or legal action pending or taken by any ministry or department of the Government or a statutory authority against our Promoter during the last three years

There is no litigation or legal action pending or taken by any ministry or department of the Government or a statutory authority against our Promoter during the last three years preceding the date of this Preliminary Placement Document.

XII. Litigation involving Cigniti

In accordance with the Cigniti Materiality Policy, and taking into consideration other legal proceedings involving Cigniti which may have an impact on our Company on a consolidated basis, the following legal proceedings have been considered material for the purpose of disclosure in this Preliminary Placement Document:

1. Cigniti received a notice from the Directorate General of Revenue Intelligence, Zonal Unit, Ahmedabad dated May 2, 2019 ("**DRI Notice**") seeking information and documents with respect to export incentive benefits availed under the Service Exports from India Scheme ("**SEIS Scheme**"), in response to which Cigniti submitted the requisite information and documents *vide* its letter dated June 28, 2019. Subsequently, Cigniti Technologies Limited also received a show cause notice dated August 25, 2020 ("**August SCN**") from the Directorate General of Foreign Trade, Hyderabad ("**DGFT, Hyderabad**"), stating that the services provided by Cigniti Technologies Limited were not covered under technical testing and analysis services. Further, the August SCN alleged that Cigniti provides services through its subsidiaries in foreign jurisdictions which do not fall under the definition of 'service rendered through commercial presence' in a foreign jurisdiction, which is not eligible for benefits under the SEIS Scheme. The August SCN called upon to show cause as to why the scrips granted amounting to ₹ 65.99 million should not be cancelled or recovered from Cigniti, in accordance with Section 9(4) of the Foreign Trade (Development and Regulation) Act, 1982 read with Rule 10 of the Foreign Trade (Regulation) Rules, 1993 and a penalty should not be imposed as per the provisions of the Customs Act, 1962, as amended. Cigniti responded to the August SCN *vide* its letter dated September 3, 2020. Further, in relation to the above, Cigniti also received a show cause notice dated December 28, 2020 ("**December SCN**") from the Principal Additional Director General, Directorate of Revenue Intelligence, Ahmedabad, to which it responded *vide* its letter dated January 22, 2021.

   Subsequently, Cigniti received communication from the DGFT, Hyderabad asking for submission of documents relating to the SEIS Scheme for the year 2017-18. Cigniti submitted the requested documents with DGFT, Hyderabad. The matter is currently pending.

2. Cigniti received a complaint dated August 23, 2020 under Section 16(3) of the FEMA and a show cause notice dated September 4, 2023 ("**SCN**") from the Directorate of Enforcement, Southern Regional Office, Government of India ("**ED**") to show cause as to why an inquiry should not be held and penalty should not be imposed against Cigniti for the alleged contraventions of Section 6(3) of the FEMA read with Regulations 5(1) and Para 8 of Schedule 1 of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 ("**FEM-TISPRO**"), due to non-allotment of adequate shares against FDI of ₹ 15.15 million within 180 days of receipt of such FDI; (b) Section 6(3) of FEMA, read with Para 9(1)(A) of Schedule I of FEM-TISPRO, for the failure to file advance remittance form with the RBI against the aforementioned FDI received by Cigniti to the tune of ₹ 15.15 million; (c) Section 6(3) of FEMA, read with Regulations 8(3) of FEM-TISPRO, for failure to furnish ESOP declaration form to the RBI within the stipulated time period with respect to remittance of ₹ 0.10 million; and (d) Section 6(3) of the FEMA, read with Regulation 15(iii) of the Foreign Exchange Management (Transfer or Issue of any Foreign Security) (Fourth Amendment) Regulations, 2012, for failure to timely submit with the RBI an annual performance report in respect of overseas direct investment made by Cigniti in Cigniti Inc, USA, Gallop Solutions Inc, USA, Cigniti UK and Cigniti Australia to the tune of ₹ 647.98 million.

   On September 25, 2023, Cigniti submitted a response to the SCN ("**Cigniti Response**"), stating that contravention of (a) was procedural oversight which was technical in nature caused due to misinterpretation of FEMA, whilst acting on the request of the foreign investor to allot shares to its wholly owned Indian subsidiary. As per the Cigniti Response, post requisite approvals from the RBI, the FDI so received has been refunded to the foreign investor. Further, points (b), (c) and (d) of the aforementioned contraventions were, as per the Cigniti Response, unintentional procedural delays and purely technical in nature and that Cigniti is already in the process of regularising and therefore, a penalty should not be levied. Moreover, on March 18, 2024, Cigniti also filed a compounding application with the RBI requesting to be allowed to compound the following non-compliances: (a) delay in filing of Form FC-GPR; (b) delay in filing of ESOP declaration forms; and (c) delay in filing of FLA returns. The matter is currently pending.

STATUTORY AUDITORS

In terms of the provisions of Sections 139, 142 and other applicable provisions of the Companies Act read with Rule 3 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), M/s. S.R. Batliboi & Associates LLP, Chartered Accountants, were re-appointed as the Statutory Auditors of our Company pursuant to a resolution adopted by our Shareholders.

The audited consolidated financial statements for Fiscals 2022, 2023 and 2024 have been audited by our Statutory Auditors.

The peer review certificate of our Statutory Auditors is valid as of the date of this Preliminary Placement Document.

FINANCIAL INFORMATION

S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

THE SKYVIEW 10
18th Floor, "NORTH LOBBY"
Survey No. 83/1, Raidurgam
Hyderabad - 500 032, India
Tel : +91 40 6141 6000

Independent Auditor's Report

To the Members of Cigniti Technologies Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Cigniti Technologies Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group") comprising of the Consolidated Balance Sheet as at March 31 2024, the Consolidated Statement of Profit and Loss, including Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the Consolidated Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated 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 Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India ('ICAI') 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 Consolidated Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements for the year ended March 31, 2024. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

S.R. BATLIBOI & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
HYDERABAD

S.R. Batliboi & Associates LLP, a Limited Liability Partnership with LLP Identity No. AAB-4295
Regd. Office : 22, Camac Street, Block 'B', 3rd Floor, Kolkata-700 016

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Consolidated Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Consolidated Financial Statements. The results of audit procedures performed by us, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Consolidated Financial Statements.

Key audit matters	How our audit addressed the key audit matter
Impairment Assessment of Goodwill (as described in note 3.1 of the Consolidated Financial Statements)	
As at March 31, 2024, the Group has goodwill amounting to Rs. 7,396.83 lakhs on consolidation pertaining to historical and recent acquisition. In accordance with Ind AS, the goodwill is tested annually for impairment using discounted cash flow models of Cash Generating Unit's (CGU) recoverable value compared to the carrying value of the assets. The inputs to the impairment testing model include: - Projected revenue growth, operating margins and operating cash-flows in the years 1-5; - Stable long-term growth rates beyond 5 years and in perpetuity; and - Discount rates that represent the current market assessment of the risks specific to the CGU, taking into consideration the time value of money. The impairment test model includes sensitivity testing of key assumptions, including revenue growth, operating margin and discount rate. The annual impairment testing is considered a key audit matter because the assumptions on which the tests are based are highly judgmental and are affected by future market and economic conditions which are inherently uncertain, and because of the materiality of the balances to the financial statements as a whole.	Our audit procedures included the following: • We tested the design, implementation and operative effectiveness of management's key internal controls over goodwill impairment assessment; • We assessed the Group's methodology and judgements applied in determining the CGUs to which goodwill is allocated and impairment analysis. In making this assessment, we also evaluated the competence, professional qualification, objectivity and independence of Company's specialists involved in the process; • With the assistance of a specialist, we assessed the assumptions around the key drivers of the cash flow forecasts including discount rates, expected growth rates and terminal growth rates used, in consideration of the current and estimated future economic conditions; • We assessed the recoverable value headroom by performing sensitivity testing of key assumptions used; • We discussed potential changes in key drivers as compared to previous year / actual performance with management in order to evaluate whether the inputs and assumptions like projected revenue growth, EBIDTA, etc., used in the cash flow forecasts were suitable; • We tested the arithmetical accuracy of the impairment model; and • We assessed the adequacy of the related disclosures as described in note 3.1 and 35 to the Consolidated Financial Statements.

Other Information

The Holding 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 Consolidated Financial Statements and our auditor's report thereon.

S.R. BATLIBOI & ASSOCIATES LLP CHARTERED ACCOUNTANTS HYDERABAD

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

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

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group 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. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies 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 Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

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

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of their respective companies.

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

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements,

S.R. BATLIBOI & ASSOCIATES LLP CHARTERED ACCOUNTANTS HYDERABAD

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 Holding 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 cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements for the year ended March 31, 2024, and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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, based on our audit and

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on consideration of report of the other auditor of the subsidiary company, incorporated in India, we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.

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

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

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept by the Holding Company and its subsidiaries, incorporated in India so far as it appears from our examination of those books except that daily backups are maintained in servers located outside India as explained in note 46 to the Consolidated Financial Statements and for the matters stated in the paragraph 2(i)(vi) below on reporting under Rule 11(g);

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

(d) In our opinion, the aforesaid Consolidated 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 of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditor who is appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) The observation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2(b) above on reporting under section 143(3)(b) and paragraph 2(i)(vi) below on reporting under Rule 11(g);

(g) With respect to the adequacy of the internal financial controls with reference to Consolidated Financial Statements of the Holding Company and its subsidiary companies, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(h) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Holding Company to their directors in accordance with the provisions of section 197 read with Schedule V to the Act; The provisions of section 197 read with Schedule V of the Act are not applicable to its subsidiaries incorporated in India for the year ended March 31, 2024;

(i) 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 Consolidated Financial Statements disclose the impact of pending litigations on its consolidated financial position of the Group in its Consolidated Financial Statements – Refer note 38(b) to the Consolidated Financial Statements;

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ii. The Group did not have any long-term contracts including derivative contracts during the year ended March 31, 2024;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries, incorporated in India during the year ended March 31, 2024.

iv. a) The respective managements of the Holding Company and its subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us 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 Holding Company or any of such subsidiaries to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of its knowledge and belief, no funds have been received by the respective Holding Company or any of such subsidiaries from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries 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 the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditor of the subsidiary which is incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditor to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. a) The final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

b) The interim dividend declared and paid during the year by the Holding Company is in accordance with section 123 of the Act.

c) As stated in note 12 to the Consolidated Financial Statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

No dividend has been declared or paid during the year by the subsidiary companies, incorporated in India.

vi. Based on our examination which included test checks, and as explained in note 47 to the Consolidated Financial Statements, the Holding Company and its subsidiaries, incorporated in India, have used accounting software, which is operated by a third-party software service provider,

S.R. BATLIBOI & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
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for maintaining its books of account. In the absence of controls on audit trail in Service Organization Controls report, we are unable to comment on whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature being tampered with.

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

S.R. BATLIBOI & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
HYDERABAD

per Harish Khemnani
Partner
Membership Number: 218576
UDIN: 24218576BKGENI5442
Place of Signature: Hyderabad
Date: May 1, 2024

Annexure '1' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date on the Consolidated Financial Statements of Cigniti Technologies Limited (the "Holding Company")

In terms of the information and explanations sought by us and given by the company and to the best of our knowledge and belief, we state that:

There are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order, 2020 of the companies included in the Consolidated Financial Statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable.

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

S.R. BATLIBOI & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
HYDERABAD

per Harish Khemnani
Partner
Membership Number: 218576
UDIN: 24218576BKGENI5442
Place of Signature: Hyderabad
Date: May 1, 2024

Annexure 2 to the Independent Auditor's Report of even date on the Consolidated Financial Statements of Cigniti Technologies Limited (the "Holding Company")

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

In conjunction with our audit of the Consolidated Financial Statements of Cigniti Technologies Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to Consolidated Financial Statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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 Holding Company's internal financial controls with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, 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 Consolidated 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 Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of 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 internal financial controls with reference to Consolidated Financial Statements.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A company's internal financial control with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the

S.R. BATLIBOI & ASSOCIATES LLP
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HYDERABAD

preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Consolidated 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 Consolidated Financial Statements

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

Opinion

In our opinion, the Holding Company and its subsidiaries, which are incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

per Harish Khemnani
Partner
Membership Number: 218576
UDIN: 24218576BKGENI5442
Place of Signature: Hyderabad
Date: May 1, 2024

S.R. BATLIBOI & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
HYDERABAD

Cigniti Technologies Limited
CIN: L72200TG1998PLC030081
Consolidated Balance Sheet as at March 31, 2024
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	Notes	As at March 31, 2024	As at March 31, 2023
Assets			
Non-current assets			
Property, plant and equipment	3	2,302.36	3,021.10
Other intangible assets	3	684.88	1,232.79
Right-to-use asset	43	1,744.41	1,876.15
Goodwill	3.1	7,396.83	7,396.83
Financial assets			
Investments	4(a)	275.15	164.38
Other financial assets	5	963.78	2,571.37
Deferred tax asset (net)	11	907.88	591.29
		14,275.29	**16,853.91**
Current assets			
Financial assets			
Investments	4(b)	24,714.20	17,563.92
Trade receivables	6	31,863.65	25,515.42
Cash and cash equivalents	7	10,396.45	4,378.79
Bank balances other than cash and cash equivalents	8	5,650.11	6,295.70
Other financial assets	5	10,482.71	11,647.33
Other current assets	10	2,295.46	2,176.22
Current tax assets (net)	9	909.36	169.62
		86,311.94	**67,747.00**
Total assets		**100,587.23**	**84,600.91**
Equity and liabilities			
Equity			
Equity share capital	12	2,730.01	2,725.70
Other equity	13	71,077.25	56,209.07
		73,807.26	**58,934.77**
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities	16	855.79	1,391.66
Other financial liabilities	17	-	520.15
Provisions	18	2,410.57	1,692.82
		3,266.36	**3,604.63**
Current liabilities			
Financial liabilities			
Borrowings	14	3,493.44	3,043.67
Lease liabilities	16	1,374.24	1,141.24
Trade payables	15		
- total outstanding dues of micro enterprises and small enterprises		63.82	103.63
- total outstanding dues of creditors other than micro enterprises and small enterprises		11,324.48	11,444.97
Other financial liabilities	17	798.37	805.05
Provisions	18	1,892.45	1,380.47
Other current liabilities	20	2,988.60	2,227.36
Current tax liabilities (net)	19	1,578.21	1,915.12
		23,513.61	**22,061.51**
Total equity and liabilities		**100,587.23**	**84,600.91**
Summary of material accounting policies	2.3		

The accompanying notes are an integral part of the consolidated financial statements.
As per our report of even date.

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm Registration No: 101049W/E300004
Chartered Accountants

S.R. BATLIBOI & ASSOCIATES LLP CHARTERED ACCOUNTANTS HYDERABAD

per Harish Khemnani
Partner
Membership No. 218576

Place: Hyderabad
Date: May 1, 2024

For and on behalf of the Board of Directors
Cigniti Technologies Limited

C. V. Subramanyam
Director
DIN: 0071378

C. Srikanth
Director & CEO
DIN: 06441390

CIGNITI TECHNOLOGIES LIMITED Hyderabad

Krishnan Venkatachary
Chief Financial Officer

A. Naga Vasudha
Company Secretary

Place: Hyderabad
Date: May 1, 2024

Cigniti Technologies Limited
CIN: L72200TG1998PLC030081
Consolidated Statement of Profit and Loss for the year ended March 31, 2024
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	Notes	Year ended March 31, 2024	Year ended March 31, 2023
Income			
Revenue from operations	21	181,501.33	164,758.08
Other income	22	1,078.84	488.94
Finance income	23	2,228.74	982.82
Total income		**184,808.91**	**166,229.84**
Expenses			
Employee benefits expense	24	112,418.02	96,445.78
Hired contractors costs	25	28,611.94	30,749.57
Other expenses	26	18,295.84	13,792.40
Depreciation and amortization expense	27	3,033.33	2,638.35
Finance costs	28	412.21	439.69
Total expenses		**162,771.34**	**144,065.79**
Profit before tax		**22,037.57**	**22,164.05**
Tax expenses	29		
Current tax		5,794.86	5,792.58
Deferred tax		(316.49)	(460.59)
Total tax expenses		**5,478.37**	**5,331.99**
Net profit for the year		**16,559.20**	**16,832.06**
Other Comprehensive Income (OCI)			
a) Items to be reclassified to profit or loss in subsequent periods			
Exchange differences on translation of foreign operations		387.99	934.83
b) Items not to be reclassified to profit or loss in subsequent periods			
Re-measurement gains on employee defined benefit plans, net of tax	31(I)(E)	11.13	161.31
Total other comprehensive income for the year, net of tax		**399.12**	**1,096.14**
Total comprehensive income for the year, net of tax		**16,958.32**	**17,928.20**
Earnings per share (EPS) (Nominal value of equity share is Rs. 10/- each) (amount in Rs.)	30		
Basic EPS		60.68	61.32
Diluted EPS		60.41	61.21
Summary of material accounting policies	2.3		

The accompanying notes are an integral part of the consolidated financial statements.
As per our report of even date.

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm Registration No: 101049W/E300004
Chartered Accountants

per Harish Khemnani
Partner
Membership No. 218576

S.R. BATLIBOI & ASSOCIATES LLP CHARTERED ACCOUNTANTS HYDERABAD

Place: Hyderabad
Date: May 1, 2024

For and on behalf of the Board of Directors
Cigniti Technologies Limited

C. V. Subramanyam
Director
DIN: 0071378

C. Srikanth
Director & CEO
DIN: 06441390

CIGNITI TECHNOLOGIES LIMITED Hyderabad

Krishnan Venkatachary
Chief Financial Officer

A. Naga Vasudha
Company Secretary

Place: Hyderabad
Date: May 1, 2024

Cigniti Technologies Limited
CIN: L72200TG1998PLC030081
Consolidated Statement of Changes in Equity for the year ended March 31, 2024
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

a. Equity share capital

Equity shares of Rs.10 each, issued, subscribed and fully paid	No.	Rs.
For the year ended March 31,2024		
As at April 1, 2023	**27,256,959**	**2,725.70**
Add: Issued during the year (refer note 12)	43,125	4.31
As at March 31, 2024	**27,300,084**	**2,730.01**
For the year ended March 31,2023		
As at April 1, 2022	**28,052,509**	**2,805.25**
Add: Issued during the year (refer note 12)	37,500	3.75
Less: Buyback during the year (refer note 12)	(833,050)	(83.30)
As at March 31, 2023	**27,256,959**	**2,725.70**

b. Other equity

	Other components of equity					Total
	Securities premium	Share based payment reserve	Capital redemption reserve	Retained earnings	Foreign currency translation reserve	
For the year ended March 31,2024						
As at April 1, 2023	**25,737.43**	**419.69**	**83.30**	**30,021.97**	**(53.32)**	**56,209.07**
Profit for the year	-	-	-	16,559.20	-	16,559.20
Dividend	-	-	-	(2,318.96)	-	(2,318.96)
Exchange differences on translation of foreign operations	-	-	-	-	387.99	387.99
Re-measurement gains on employee defined benefit plans	-	-	-	11.13	-	11.13
Issue of equity shares on exercise of options	185.70	(151.20)	-	-	-	34.50
Share-based payment expense	-	194.32	-	-	-	194.32
As at March 31, 2024	**25,923.13**	**462.81**	**83.30**	**44,273.34**	**334.67**	**71,077.25**
For the year ended March 31,2023						
As at April 1, 2022	**29,390.20**	**111.53**	**-**	**14,665.54**	**(988.15)**	**43,179.12**
Profit for the year	-	-	-	16,832.06	-	16,832.06
Dividend	-	-	-	(687.70)	-	(687.70)
Exchange differences on translation of foreign operations	-	-	-	-	934.83	934.83
Re-measurement gains on employee defined benefit plans	-	-	-	161.31	-	161.31
Issue of equity shares on exercise of options	120.71	(34.46)	-	-	-	86.25
Buy-back of equity shares	(3,773.48)	-	-	(865.94)	-	(4,639.42)
Amount transferred to capital redemption reserve upon buyback	-	-	83.30	(83.30)	-	-
Share-based payment expense	-	342.62	-	-	-	342.62
As at March 31, 2023	**25,737.43**	**419.69**	**83.30**	**30,021.97**	**(53.32)**	**56,209.07**

The accompanying notes are an integral part of the consolidated financial statements.
As per our report of even date.

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm Registration No: 101049W/E300004
Chartered Accountants

S.R. BATLIBOI & ASSOCIATES LLP CHARTERED ACCOUNTANTS HYDERABAD

per Harish Khemnani
Partner
Membership No. 218576

Place: Hyderabad
Date: May 1, 2024

For and on behalf of the Board of Directors
Cigniti Technologies Limited

C. V. Subramanyam
Director
DIN: 0071378

C. Srikanth
Director & CEO
DIN: 06441390

CIGNITI TECHNOLOGIES LIMITED Hyderabad

Krishnan Venkatachary
Chief Financial Officer

A. Naga Vasudha
Company Secretary

Place: Hyderabad
Date: May 1, 2024

Cigniti Technologies Limited
CIN: L72200TG1998PLC030081
Consolidated Statement of Cash Flows for the year ended March 31, 2024
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

		Year ended	
		March 31, 2024	**March 31, 2023**
Cash flows from operating activities			
Profit before tax		22,037.57	22,164.05
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation and amortization expense		3,033.33	2,638.35
Finance income		(2,228.74)	(982.82)
Loss on sale of property, plant and equipment, net		(0.08)	-
Liabilities no longer required written back		(65.76)	-
Finance costs		412.21	439.69
Unrealised foreign exchange loss/(gain), net		134.87	(53.82)
Changes in fair value of financial liabilities		(327.85)	212.18
Share-based payment expense		194.32	342.62
Provision for expected credit loss, net		346.08	99.23
Operating profit before working capital changes		**23,535.95**	**24,859.48**
Movements in working capital			
(Decrease)/increase in trade payables		(94.55)	2,664.14
Increase/(decrease) in financial liabilities		307.48	(113.15)
Increase in other liabilities		761.24	306.73
Increase in provisions		1,244.60	871.91
Increase in trade receivables		(6,829.18)	(2,633.94)
Decrease/(increase) in financial assets		1,011.37	(4,693.93)
(Increase)/decrease in other assets		(119.24)	199.38
Cash generated from operations		**19,817.67**	**21,460.62**
Income taxes paid (net of refunds)		(6,875.35)	(5,743.18)
Net cash flows from operating activities	**(A)**	**12,942.32**	**15,717.44**
Cash flows used in investing activities			
Purchase of property, plant and equipment		(557.91)	(1,319.52)
Proceeds from sale of property, plant and equipment		55.82	-
Acquisition of a subsidiary, net of cash acquired (refer note (i) below)		-	(2,114.28)
Payment of contingent consideration pertaining to acquisition of a subsidiary		(684.00)	-
Investment in other entities		(110.77)	(164.38)
Investments in mutual funds and other debt instruments		(13,356.59)	(11,833.41)
Redemption of mutual funds and other debt instruments		8,014.29	6,884.30
Investment in bank deposits		(4,441.33)	(5,946.50)
Redemption of bank deposits		6,855.05	8,552.22
Interest received		413.48	295.39
Net cash flows used in investing activities	**(B)**	**(3,811.96)**	**(5,646.18)**
Cash flows used in financing activities			
Proceeds from shares issued against stock options		38.81	90.00
Buyback of equity shares including transaction cost and tax on buyback		-	(4,722.73)
Repayment of borrowings		-	(98.45)
Payment towards lease liabilities		(1,421.06)	(1,166.76)
Interest, other borrowing cost and factoring charges paid		(262.35)	(251.40)
Dividend paid		(2,305.86)	(674.62)
Bill discounting with bank, net		-	(52.17)
Net cash flows used in financing activities	**(C)**	**(3,950.46)**	**(6,876.13)**
Net increase in cash and cash equivalents	**(A+B+C)**	**5,179.90**	**3,195.13**
Exchange differences on translation of foreign currency balances		387.99	337.72
Cash and cash equivalents at the beginning of the year		1,335.12	(2,197.73)
Cash and cash equivalents at the end of the year		**6,903.01**	**1,335.12**
Components of cash and cash equivalents			
Balances with banks including cash on hand		10,396.45	4,378.79
Cash credit facility		(3,493.44)	(3,043.67)
Total cash and cash equivalents		**6,903.01**	**1,335.12**
Note (i) Net cash outflow on acquisition of business			
Consideration paid in cash for acquisition		-	(2,280.00)
Less: Cash and cash equivalent balances acquired on the acquisition		-	165.72
Net cash outflow on acquisition of business		**-**	**(2,114.28)**

Refer note 8.1 for change in liabilities arising from financing activities and non-cash investing activities

The accompanying notes are an integral part of the consolidated financial statements.
As per our report of even date.

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm Registration No: 101049W/E300004
Chartered Accountants

S.R. BATLIBOI & ASSOCIATES LLP CHARTERED ACCOUNTANTS HYDERABAD

per Harish Khemnani
Partner
Membership No. 218576

Place: Hyderabad
Date: May 1, 2024

For and on behalf of the Board of Directors
Cigniti Technologies Limited

C. V. Subramanyam
Director
DIN: 0071378

C. Srikanth
Director & CEO
DIN: 06441390

CIGNITI TECHNOLOGIES LIMITED Hyderabad

Krishnan Venkatachary
Chief Financial Officer

A. Naga Vasudha
Company Secretary

Place: Hyderabad
Date: May 1, 2024

1. Corporate information

The Consolidated Financial Statements comprise financial statements of Cigniti Technologies Limited ("the Company") and its subsidiaries (hereinafter collectively referred to as "the Group") (CIN: L72200TG1998PLC030081) for the year ended March 31, 2024. The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act. Its shares are listed on two recognised stock exchanges in India. The registered office of the Company is located at Dwarakapuri Colony, Panjagutta, Hyderabad. The Group is principally engaged in providing Digital Assurance and Engineering (Software testing) Services across the world.

The Consolidated Financial Statements were approved for issue in accordance with a resolution of the directors on May 1, 2024.

2. Material accounting policies

2.1 Basis of preparation

The Consolidated Financial Statements of the Group have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the Consolidated Financial Statements.

The Consolidated Financial Statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
- Contingent consideration

The Consolidated Financial Statements are presented in INR and all values are rounded to the nearest lakhs, except when otherwise indicated.

2.2 Basis of consolidation

The Consolidated Financial Statements comprise the financial statements of the Company and its subsidiaries as at March 31, 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

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

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

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

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

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

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

Consolidation procedures:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset / eliminate the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as property, plant and equipment, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

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

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Group Information:

Information about subsidiaries

The consolidated financial statements of the Group include subsidiaries listed in the table below:

Name	Principal activities	Place and Country of operation	% equity interest	
			March 31, 2024	March 31, 2023
Cigniti Technologies Inc.	Digital Assurance and Engineering (Software testing) Services	USA	100%	100%
Cigniti Technologies (UK) Limited	Digital Assurance and Engineering (Software testing) Services	UK	100%	100%
Cigniti Technologies (Australia) Pty Ltd	Digital Assurance and Engineering (Software testing) Services	Australia	100%	100%
Cigniti Technologies Canada Inc	Digital Assurance and Engineering (Software testing) Services	Canada	100%	100%
Gallop Solutions Private Limited	Digital Assurance and Engineering (Software testing) Services	India	100%	100%
Cigniti Technologies (SG) Pte. Ltd.	Digital Assurance and Engineering (Software testing) Services	Singapore	100%	100%
Cigniti Technologies (CZ) Limited s.r.o.	Digital Assurance and Engineering (Software testing) Services	Czech Republic	100%	100%
Aparaa Digital Private Limited	Digital Assurance and Engineering (Software testing) Services	India	100%	100%
Roundsqr Inc. (dissolved on January 30, 2023)	Digital Assurance and Engineering (Software testing) Services	USA	-	100%
Roundsqr Pty Ltd.	Digital Assurance and Engineering (Software testing) Services	Australia	100%	100%
Cigniti Technologies CR Limitada	Digital Assurance and Engineering (Software testing) Services	Costa Rica	100%	100%

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2.3 Summary of material accounting policies

(a) Use of estimates and judgements

The preparation of Consolidated Financial Statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

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. The Group based its assumptions and estimates on parameters available when the Consolidated 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 Group. Such changes are reflected in the assumptions when they occur.

(b) Business combination and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. Acquisition-related costs are expensed as incurred and the services are received, with the exception of the costs of issuing debt or equity securities that are recognised in accordance with Ind AS 32 and Ind AS 109.

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

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

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.

- Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition are accounted in accordance with Ind AS 12.

- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.

- Assets that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.

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- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

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

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

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

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

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

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

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained

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about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

(c) Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.
The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

(d) Foreign currencies

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

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

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

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

- Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.

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- Exchange differences arising on monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.
- Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

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

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

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

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

(e) Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

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

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

All assets and liabilities for which fair value is measured or disclosed in the 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) market prices in active markets for identical assets or liabilities;
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

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

(f) Revenue from contracts with customer

The Group derives revenue primarily from Digital Assurance and Engineering (Software testing) Services. Revenue from contracts with customers is recognised when control of the services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services. The Group has concluded that it is the principal in its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to credit risks. Revenue is net of volume discounts / price incentives which are estimated and accounted for based on the terms of contract.

Rendering of services

The method for recognising revenues and costs depends on the nature of services rendered as mentioned below:

- Time and material: Revenue from time and material contracts are recognised as the related services are performed, which is pursued based on the efforts spent and agreed rate with the customer. Revenue from the end of the last invoicing to the reporting date is recognised as unbilled revenue.

- Fixed price contracts: Revenue from fixed-price contracts is recognised as per the ‘percentage- of-completion’ method, where the performance obligations are satisfied over time and when there is no uncertainty as to measurement or collectability of consideration. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Percentage of completion is determined based on the project costs incurred to date as a percentage of total estimated project costs required to complete the project. The input method has been used to measure the progress towards completion as there is direct relationship between input and productivity.

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Contract balances:

- Contract assets
  A contract asset is the right to consideration in exchange for services transferred to the customer. If the Group performs by transferring services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Revenue in excess of invoicing are classified as unbilled revenue (contract assets).

- Trade receivables
  A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section financial instruments – initial recognition and subsequent measurement.

- Contract liabilities
  A contract liability is the obligation to transfer services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

Other income

- Income from Government incentive:
  Income from Services Exports from India Scheme ('SEIS') incentives under Government's Foreign Trade Policy 2015-20 is recognised on expected realisable value based on effective rate of incentive under the scheme, provided no significant uncertainty exists for the measurability, realisation and utilisation of the credit under the scheme. The receivables related to SEIS scrips are classified as 'Other financial assets' as "Export incentive receivable".

- Interest income is recognised on a time proportion basis taking into account the amount outstanding and rate applicable in the transaction.

- Earnings and losses from investments is recognised based on changes in fair value of investments during the year and are reported on net basis.

- Foreign currency gains and losses are reported on net basis.

(g) Taxes

Current income tax

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

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provision where appropriate.

Deferred tax

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

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Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.

- In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.

- In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

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

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

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI / capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss.

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GST paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of GST paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

(h) Property, plant and equipment

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Property, plant and equipment under installation or under construction as at balance sheet are shown as capital work-in-progress, and the related advances are shown as loans and advances.

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

Depreciation
Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The management has made technical assessment of the useful lives of the following classes of assets which coincides with the lives prescribed under Schedule II of the Companies Act, 2013:

Asset	Useful lives estimated by the management (years)
Buildings	60
Electrical equipment	10
Leasehold improvements	Over the period of lease
Furniture and fixtures	10
Office equipments	5
Computer and computer equipments	3
Vehicles	8

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

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(i) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

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

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

A summary of the policies applied to the Group's intangible assets is, as follows:

Intangible assets	Useful lives
Software licenses	3 years
Customer relationships	3 years
Non-compete fees	3 years

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

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

(j) Leases

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

Group as a lessee

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

i. Right-of-use assets

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

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ROU	Useful lives
Office premises	3-5 years

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

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section Impairment of non-financial assets.

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

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

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

(k) Impairment of non-financial assets
The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an 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 groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

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Impairment losses of continuing operations are recognised in the statement of profit and loss.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for the Group's CGU. 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 Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the Group operates, or for the market in which the asset is used.

For assets excluding goodwill, 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 Group 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 or loss. After impairment, amortisation is provided on the revised carrying amount of the asset over its remaining useful life.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

(l) Provisions, contingent liabilities and commitments

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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

Contingent liability

Contingent liability is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will not be required to settle the obligation.
- A present obligation arising from past events, when it cannot be measured reliably.
- A possible obligation arising from past events, unless the probability of outflow of resources is remote.

The Group does not recognise a contingent liability but discloses its existence in the financial statements.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance

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Contingent liabilities recognised in a business combination

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with the requirements for provisions above or the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the requirements for revenue recognition.

(m) Retirement and other employee benefits

Retirement benefit in the form of Provident Fund and Employee State Insurance are defined contribution schemes. The Group has no obligation, other than the contribution payable to the fund. The Group recognises contribution payable to these schemes as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Group operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The Group also provides certain additional post employment healthcare benefits to employees in the United States. These healthcare benefits are unfunded.
The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

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

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

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

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

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

Short term employee benefits

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains / losses are immediately taken to the statement of profit and loss and are not deferred.

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However, the Group presents the entire provision towards accumulated leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

(n) Hired contractors cost

Hired contractors cost represents cost of technical sub-contractors for service delivery to the Group's customers. These costs are accrued based on services received from the sub-contractors in line with the terms of the contract.

(o) Share-based payments

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

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

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

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

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

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

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

(p) Financial instruments

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

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Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.
The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section Revenue from contracts with customers.

For a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

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

- Financial assets at amortised cost (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

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

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the 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 profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group elected to classify irrevocably its non-listed equity investments under this category.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

This category includes derivative instruments and listed equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognised in the statement of profit and loss when the right of payment has been established.

Derecognition

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

a) the rights to receive cash flows from the asset have expired, or

b) the Group has transferred its rights to receive cash flows from the asset, and

    i. the Group has transferred substantially all the risks and rewards of the asset, or
    ii. the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the group 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 group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the group 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 Group 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 group could be required to repay.

Impairment of financial assets

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

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
b) 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.

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The group follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- Other financial assets

The application of simplified approach does not require the group 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.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) 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 entity is required to use the remaining contractual term of the financial instrument.

- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

As a practical expedient, the Group evaluates individual balances to determine impairment loss allowance on its trade receivables. The evaluation is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.
ECL impairment loss allowance (or reversal) recognised during the period is recognised as expense/ income in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. Financial assets measured as at amortised cost and contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the group does not reduce impairment allowance from the gross carrying amount. For assessing increase in credit risk and impairment loss, the group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities
Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings, payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, contingent consideration and loans and borrowings including bank overdrafts and cash credits.

Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below:

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Financial liabilities at fair value through profit or loss (Contingent consideration)

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 recognised in OCI. These gains/ losses are not subsequently transferred to P&L. However, the group 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.

Financial liabilities at amortised cost (Loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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 as finance costs in the statement of 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 or loss.

Reclassification of financial assets

The group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The group's senior management determines change in the business model as a result of external or internal changes which are significant to the group's operations. Such changes are evident to external parties. A change in the business model occurs when the group either begins or ceases to perform an activity that is significant to its operations. If the group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(q) 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.

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For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

(r) Segment information
The Group has only one reportable business segment, which is rendering of Digital Assurance and Engineering (Software testing) Services. Accordingly, the amounts appearing in the financial statements relate to the Group's single business segment.

(s) Dividend
The Company recognises a liability to pay dividend to equity holders of the parent when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

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

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

2.4 New and amended standards

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after April 1, 2023. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective:

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the consolidated financial statements of the Group.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Group's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Group's financial statements.

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(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The Group previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the Group has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact in the balance sheet. There was also no impact on the opening retained earnings as at April 01, 2022.

2.5 Standards notified but not yet effective

There are no standards that are notified and not yet effective as on the date.

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3. Property, plant and equipment and other intangible assets

	Property, plant and equipment							
	Buildings	Electrical equipments	Leasehold improvements	Furniture and fixtures	Office equipments	Computer and computer equipment	Vehicles	Total property, plant and equipment
Cost								
As at April 1, 2022	193.53	536.36	317.10	578.09	361.21	3,423.67	187.98	5,597.94
Additions	-	1.84	98.61	-	14.62	903.43	52.13	1,070.63
On account of acquisition of subsidiary (refer note 41)	-	-	-	0.38	-	12.88	-	13.26
Exchange differences	-	-	-	20.77	0.61	56.23	3.22	80.83
As at March 31, 2023	193.53	538.20	415.71	599.24	376.44	4,396.21	243.33	6,762.66
Additions	-	186.78	113.82	15.15	130.55	356.56	-	802.86
Disposals	-	-	-	-	-	-	(229.00)	(229.00)
Exchange differences	-	-	-	3.80	9.78	13.70	-	27.28
As at March 31, 2024	193.53	724.98	529.53	618.19	516.77	4,766.47	14.33	7,363.80
Depreciation								
As at April 1, 2022	25.13	236.79	177.94	407.03	281.27	1,145.12	66.24	2,339.52
Charge for the year	4.25	55.27	21.51	27.14	53.59	1,151.75	24.90	1,338.41
Exchange differences	-	-	-	20.55	0.61	39.19	3.28	63.63
As at March 31, 2023	29.38	292.06	199.45	454.72	335.47	2,336.06	94.42	3,741.56
Charge for the year	4.26	54.30	39.25	27.25	41.61	1,207.97	23.54	1,398.18
Disposals	-	-	-	-	-	-	(104.30)	(104.30)
Exchange differences	-	-	-	3.77	9.76	11.80	0.67	26.00
As at March 31, 2024	33.64	346.36	238.70	485.74	386.84	3,555.83	14.33	5,061.44
Net book value								
As at March 31, 2023	164.15	246.14	216.26	144.52	40.97	2,060.15	148.91	3,021.10
As at March 31, 2024	159.89	378.62	290.83	132.45	129.93	1,210.64	-	2,302.36

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3. Property, plant and equipment and other intangible assets

	Other intangible assets			
	Software license	Customer relationship	Non-compete fee	Total other intangible assets
Cost				
As at April 1, 2022	246.66	-	-	246.66
Additions	-	-	-	-
On account of acquisition of subsidiary (refer note 41)		879.74	763.98	1,643.72
Exchange differences	-	-	-	-
As at March 31, 2023	246.66	879.74	763.98	1,890.38
Additions	-	-	-	-
Exchange differences	-	-	-	-
As at March 31, 2024	246.66	879.74	763.98	1,890.38
Amortisation				
As at April 1, 2022	246.66	-	-	246.66
Charge for the year	-	219.93	191.00	410.93
Exchange differences	-	-	-	-
As at March 31, 2023	246.66	219.93	191.00	657.59
Charge for the year	-	293.25	254.66	547.91
Exchange differences	-	-	-	-
As at March 31, 2024	246.66	513.18	445.66	1,205.50
Net book value				
As at March 31, 2023	-	659.81	572.98	1,232.79
As at March 31, 2024	-	366.56	318.32	684.88

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3.1 Goodwill

Goodwill acquired through business combinations of Cigniti Inc, Gallop Solutions Inc, Cigniti Software Services Private Limited, Aparaa Digital Private Limited and Gallop Solutions Private Limited has been allocated to its Cash Generating Unit (CGU) for impairment testing which represents the lowest level within the Group at which the Goodwill is monitored.

Carrying amount of goodwill

	March 31, 2024	March 31, 2023
Opening balance	7,396.83	5,486.22
Add: On account of acquisition of subsidiary (refer note 41)	-	1,910.61
Closing balance	7,396.83	7,396.83

Impairment testing of goodwill

The Group performed its annual impairment test as at March 31, 2024 and March 31, 2023. Based on the approved business plan and valuation assessment, the management of the Group expects growth in operations and sustained profitability. The projections of the business is above the book value of its equity, indicating no signs of impairment of goodwill. Accordingly, these Consolidated Financial Statements do not include any adjustment relating to impairment of goodwill.

The recoverable amount of the CGUs has been determined being higher of fair value less cost of disposal and value in use. Value in use is calculated using cash flow projections from financial budgets approved by the management covering a five-year period and fair value is computed using comparable multiple method. The projected cash flows are based on financial assumptions that are derived from the integrated results of economic outlook, industry outlook, project analysis, historical financial analysis etc. The pre-tax discount rate applied to cash flow projections for impairment testing during the current year is 9.26%-15.85%(March 31, 2023: 11.32%) and cash flows beyond the five-year period are extrapolated using a 3.1%-3.2% growth rate (March 31, 2023: 5.9%) that is the same as the long-term average growth rate for the industry. It was concluded that fair value less cost of disposal approximates value in use which is higher than the carrying value. As a result of this analysis, management has not recognised any impairment charge for the year ended March 31, 2024.

Key assumptions used for value in use calculations

The calculation of value in use for the units is most sensitive to the following assumptions:

a. Revenue growth and EBITDA Margins based on approved financial budgets
b. Discount rates arrived based on capital structure of peer group in accordance with Ind AS 36
c. Growth rates used to extrapolate cash flows beyond the forecast period, based on the long term average growth rate for the industry.

Sensitivity to changes in assumptions

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

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Financial assets

There are no loans or deposits given, covered under section 186(4) of Companies Act, 2013.

4(a) Non-current investments

	March 31, 2024	March 31, 2023
Investments carried at fair value through other comprehensive income		
Equity instruments of other entities (unquoted)		
Nil (March 31, 2023: 17,774) equity shares of $ 0.00, each fully paid-up in Lambda Testing Inc.*	-	82.19
13,322 (March 31, 2023: 13,332) equity shares of $ 0.01, each fully paid-up in Simnovus Corporation	83.38	82.19
23,200 (March 31, 2023: Nil) equity shares of $0.00, each fully paid-up in Loquat Inc.*	166.77	-
Investments carried at fair value through profit and loss		
Preferred instruments of other entities (unquoted)		
100 (March 31, 2023: Nil) compulsory convertible preference shares of Rs. 10 fully paid-up in Hirexai Private Limited	25.00	-
	275.15	164.38
Aggregate value of unquoted investments	275.15	164.38
Aggregate amount of impairment in value of investments	-	-

* Investments par value rounded off to nearest two decimal.

Equity instruments designated at fair value through OCI include investments in equity shares of non-listed companies. The Group holds non-controlling interests in these companies. These investments were irrevocably designated at fair value through OCI as the Group considers these investments to be strategic in nature.

4(b) Current investments

	March 31, 2024	March 31, 2023
Valued at fair value through profit and loss		
Investment in bonds, quoted		
Unsecured, considered good	10,130.75	8,155.41
Investment in debentures, quoted		
Unsecured, considered good	8,569.89	4,122.28
Investment in commercial paper, quoted		
Unsecured, considered good	2,128.89	-
Investment in mutual funds, quoted		
Unsecured, considered good	3,884.67	5,286.23
	24,714.20	17,563.92
Aggregate book value of quoted investments	24,714.20	17,563.92
Aggregate market value of quoted investments	24,714.20	17,563.92
Aggregate amount of impairment in value of investments	-	-

		March 31, 2024		March 31, 2023	
		Units	Amount	Units	Amount
Bonds					
Bharat Bond ETF		80,000.00	1,082.06	80,000.00	1,002.20
India Grid Trust		60,000.00	644.89	60,000.00	643.21
Bank of Baroda		49.00	504.60	49.00	504.37
State Bank of India		15.00	626.51	60.00	619.23
Mahindra & Mahindra		500.00	519.97	110.00	1,039.28
Shriram Transport Finance		440.00	4,593.48	220.00	2,271.89
Aditya Birla		50.00	578.73	50.00	531.95
Bajaj Finance		50.00	531.12	50.00	512.60
Kotak Mahindra		500.00	543.50	500.00	500.46
Punjab National Bank		50.00	505.89	-	-
IIFL Home Finance Ltd		-	-	50.00	530.22
	A		10,130.75		8,155.41
Debentures					
Non-convertible debentures of L & T Finance MLD		200.00	2,214.33	200.00	2,056.27
Non-convertible debentures of HDB Financial Services		50.00	502.24	-	-
Non-convertible debentures of Muthoot Finance Ltd		112,000.00	3,200.18	-	-
Non-convertible debentures of ICICI HFCL		100.00	1,109.69	200.00	2,066.01
Non-convertible debentures of Bharti Telecom		1,500.00	1,543.45	-	-
	B		8,569.89		4,122.28
Commercial Paper					
360 One Wam Limited		460.00	2,128.89	-	-
	C		2,128.89		-
Mutual Funds					
Kotak Debt hybrid -Growth Regular Plan		1,278,681.66	670.14	1,278,681.66	571.29
Kotak Credit Risk Fund - Growth Regular Plan		2,434,478.82	655.18	2,434,478.82	605.33
Axis Regular Saver Fund - Regular Growth (ISGPG)		-	-	3,280,338.03	803.93
Aditya Birla Sun Life Low Duration Fund - Growth-Direct Plan		138,826.44	915.07	138,826.43	848.86
Aditya Birla Sun Life Regular Savings Fund Regular Plan Growth		-	-	1,870,167.65	985.74
ICICI Prudential PAMP Asset Allocation Fund (FOF)_Growth		508,022.72	524.98	508,022.72	432.38
ICICI PLFRAG Medium Term Bond Fund Growth		1,134,765.86	457.86	1,134,765.86	426.21
ICICI Prudential Savings Fund- Direct Plan		132,407.63	661.44	132,407.63	612.49
	D		3,884.67		5,286.23
	(A+B+C+D)		24,714.20		17,563.92

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

5 Other financial assets

	Non current		Current	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Bank deposits with remaining maturity more than twelve months	224.53	1,413.50	-	-
Margin money deposits (having remaining maturity of more than twelve months)	-	579.16	-	-
Unsecured, considered good				
Interest receivable	-	-	317.01	309.71
Other receivables	-	-	912.53	-
Security deposits	739.25	578.71	78.84	76.08
Export incentive receivable (refer note 38(b)(ii))	-	-	1,770.78	1,770.78
Unbilled receivables (refer note 6.2)	-	-	7,403.55	9,490.76
	963.78	2,571.37	10,482.71	11,647.33

6 Trade receivables

	March 31, 2024	March 31, 2023
Trade receivables, considered good - Unsecured	32,577.26	25,879.91
Less: Allowance for expected credit losses	(713.61)	(364.49)
Trade receivables, credit impaired - Unsecured	-	-
Less: Allowance for credit impairment	-	-
	31,863.65	25,515.42

6.1 Movement in the provision for expected credit losses of trade receivables

	March 31, 2024	March 31, 2023
Balance at the beginning of the year	364.49	399.77
Provision made during the year, net	346.08	99.23
Bad debt written-off	-	(151.32)
Exchange differences	3.04	16.81
Balance at the end of the year	713.61	364.49

6.2 Ageing schedule - Trade receivables and unbilled receivables

As at March 31, 2024

	Unbilled receivables	Trade receivables						
		Current, not due	Outstanding for following periods from due date of payment					Total
			Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed receivables								
Considered good	7,403.55	23,739.49	8,457.22	196.26	86.77	-	97.52	32,577.26
Credit impaired	-	-	-	-	-	-	-	-
Total	7,403.55	23,739.49	8,457.22	196.26	86.77	-	97.52	32,577.26
Less: Allowance for expected credit losses								(713.61)
Balance as at year end	7,403.55							31,863.65

As at March 31, 2023

	Unbilled receivables	Current, not due	Outstanding for following periods from due date of payment					Total
			Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed receivables								
Considered good	9,490.76	20,598.81	5,119.77	44.82	12.78	44.01	59.72	25,879.91
Credit impaired	-	-	-	-	-	-	-	-
Total	9,490.76	20,598.81	5,119.77	44.82	12.78	44.01	59.72	25,879.91
Less: Allowance for expected credit losses								(364.49)
Balance as at year end	9,490.76							25,515.42

There are no disputed trade receivables in current and previous year.

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

Trade receivables are non-interest bearing and are generally with the credit term of 0 to 90 days.

Expected credit losses (ECL): The Company provides for ECL under the simplified approach from 1%-5% for trade receivables outstanding between 0-90 days and freely up to 100% for trade receivables of more than 90 days based on past trends.

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7 Cash and cash equivalents

	March 31, 2024	March 31, 2023
Balance with banks		
-On current accounts	10,366.78	4,339.62
-Remittance in transit	-	22.47
Unpaid dividend	29.60	16.50
Cash on hand	0.07	0.20
	10,396.45	4,378.79

7.1 For the purpose of statement of cash flows, cash and cash equivalents comprise of following:

	March 31, 2024	March 31, 2023
Cash and cash equivalents (refer note 7)	10,396.45	4,378.79
Less: Cash credit facility (refer note 14)	(3,493.44)	(3,043.67)
	6,903.01	1,335.12

8 Bank balances other than cash and cash equivalents

	Non-current		Current	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Other deposit accounts				
Bank deposits with original maturity of more than 12 months	224.53	1,413.50	5,650.11	6,295.70
Margin money	-	579.16	-	-
Less: Amount disclosed under other financial assets (refer note 5)	(224.53)	(1,992.66)	-	-
	-	-	5,650.11	6,295.70

Fixed deposits amounting to Rs.1,810 lakhs (March 31, 2023: Rs. 1,700 lakhs) are subject to charge to fulfil collateral requirements of cash credit facility from bank.

8.1 Change in liabilities arising from financing activities and non-cash investing activities

Financing activities

	April 1, 2023	Addition	Cashflows	Others*	March 31, 2024
Lease liabilities	2,532.90	948.43	(1,421.06)	169.76	2,230.03
Total liabilities from financing activities	2,532.90	948.43	(1,421.06)	169.76	2,230.03

	April 1, 2022	Addition	Cashflows	Others*	March 31, 2023
Short-term borrowings (excluding cash credit facility)	52.17	-	(52.17)	-	-
Lease liabilities	3,307.76	276.09	(1,166.76)	115.81	2,532.90
Total liabilities from financing activities	3,359.93	276.09	(1,218.93)	115.81	2,532.90

*Others includes the interest accrued for lease liabilities and exchange differences.

Non-cash investing activities

	March 31, 2024	March 31, 2023
Acquisition of Right-of-use assets	948.43	276.09
	948.43	276.09

9 Current tax assets (net)

	March 31, 2024	March 31, 2023
Income tax receivable (net of provision for tax)	909.36	169.62
	909.36	169.62

10 Other current assets

	March 31, 2024	March 31, 2023
Unsecured, considered good unless stated otherwise		
Advances to vendors	105.81	88.40
Staff advances	55.72	216.36
Prepaid expenses	696.75	609.19
Contract assets	557.74	173.07
Balance with government authorities	879.44	1,089.20
	2,295.46	2,176.22

No advances are due from directors or other officers of the Group or any of them either severally or jointly with any other persons or advances due to firms or private companies respectively in which any director is a partner or a director or a member.

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11 Deferred tax asset (net)

	March 31, 2024	March 31, 2023
Deferred tax asset		
Provision for employee benefits	1,151.65	829.00
Provision for doubtful debts	135.33	69.55
Right to use assets / lease liabilities	118.82	162.31
Property, plant and equipment and other intangible asset, the impact of difference between tax depreciation / amortisation charged to financial reporting	106.35	-
Gross deferred tax asset	1,512.15	1,060.86
Deferred tax liability		
Property, plant and equipment and other intangible asset, the impact of difference between tax depreciation / amortisation charged to financial reporting	-	(11.88)
Deferred taxes acquired in business combination (refer note 41)	(172.37)	(310.27)
Revaluations of current investments to fair value	(431.90)	(147.42)
Gross deferred tax liability	(604.27)	(469.57)
	907.88	591.29

March 31, 2024

	Opening balance	Recognised in the statement of profit and loss*	Exchange difference	Closing balance
Deferred tax assets/(liabilities) in relation to :				
Property, plant and equipment and other intangible asset, the impact of difference between tax depreciation / amortisation charged to financial reporting	(11.88)	(117.16)	1.07	106.35
Provision for employee benefits	829.00	(320.82)	1.83	1,151.65
Provision for doubtful debts	69.55	(64.98)	0.80	135.33
Right to use assets / lease liabilities	162.31	43.63	0.14	118.82
Revaluations of current investments to fair value	(147.42)	284.48	-	(431.90)
Deferred taxes acquired in business combination (refer note 41)	(310.27)	(137.90)	-	(172.37)
	591.29	(312.75)	3.84	907.88

* Includes deferred tax charge of Rs. 3.74 lakhs recognised on re-measurement gains on employee defined benefit plans through other comprehensive income.

March 31, 2023

	Opening balance	Recognised in the statement of profit and loss*	Exchange difference	Closing balance
Deferred tax assets/(liabilities) in relation to :				
Property, plant and equipment and other intangible asset, the impact of difference between tax depreciation / amortisation charged to financial reporting	(36.31)	(23.43)	1.00	(11.88)
Provision for employee benefits	560.77	(255.82)	12.41	829.00
Provision for doubtful debts	88.55	20.77	1.77	69.55
Right to use assets / lease liabilities	189.20	27.57	0.68	162.31
Revaluations of current investments to fair value	(221.97)	(74.55)	-	(147.42)
Deferred taxes acquired in business combination (refer note 41)	-	-	-	(310.27)
	580.24	(305.46)	15.86	591.29

* Includes deferred tax charge of Rs. 51.71 lakhs recognised on re-measurement gains on employee defined benefit plans through other comprehensive income and deferred tax charge of Rs. 103.42 on amortisation of intangible assets acquired as part of the business combination.

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12 Equity share capital

	March 31, 2024	March 31, 2023
Authorized share capital		
36,000,000 (March 31, 2023: 36,000,000) equity shares of Rs. 10/- each	3,600.00	3,600.00
Issued, subscribed and fully paid-up shares		
27,300,084 (March 31, 2023: 27,256,959) equity shares of Rs. 10/- each fully paid-up	2,730.01	2,725.70
Total issued, subscribed and fully paid-up share capital	2,730.01	2,725.70

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year
Equity shares

	March 31, 2024		March 31, 2023	
	No's	Amount	No's	Amount
At the beginning of the year	27,256,959	2,725.70	28,052,509	2,805.25
Shares issued during the year against stock options	43,125	4.31	37,500	3.75
Less: Shares bought back (Refer note : (a)(i))	-	-	(833,050)	(83.30)
Outstanding at the end of the year	27,300,084	2,730.01	27,256,959	2,725.70

(a)(i) Buyback of shares
The Board, at its meeting held on May 18, 2022, approved the buyback of the Company's fully paid-up equity shares of face value of Rs. 10 each, from the eligible equity shareholders of the Company, other than promoters, promoter group and persons who are in control of the Company at a price not exceeding Rs. 500 per equity share (maximum buyback price), for an aggregate amount not exceeding Rs.3,800 lakhs (maximum buyback size, excluding buyback tax) from the open market through the stock exchange mechanism, in accordance with the provisions of Companies Act, 2013 and SEBI (Buyback of securities) Regulations, 2018, subject to shareholders' approval in the ensuing Annual General Meeting. The shareholders approved the proposal of buyback of equity shares recommended by its Board of Directors in the Annual General meeting held on June 19, 2022. The buyback was offered to all eligible equity shareholders of the Company (other than the Promoters, the Promoter Group and Persons in Control of the Company) under the open market route through the stock exchange. The buyback of equity shares through the stock exchange was completed on June 29, 2022. During this buyback period, the Company had purchased and completely extinguished a total of 8,33,050 equity shares from the stock exchange at a volume weighted average buyback price of Rs. 456.13 per equity share comprising ~1.66% of the pre buyback paid up equity share capital of the Company. The buyback resulted in a cash outflow of Rs. 3,799.77 lakhs (excluding transaction costs and tax on buyback). The Company funded the buyback from its free reserves including Securities Premium as explained in Section 68 of the Companies Act, 2013. In accordance with Section 69 of the Companies Act, 2013, as at March 31, 2023, the Company has created 'Capital Redemption Reserve' of Rs. 83.30 lakhs equal to the nominal value of the above shares bought back as an appropriation from the retained earnings. The Company's objective when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value. In order to maintain or achieve an optimal capital structure, the Company may adjust the amount of dividend payment, return capital to shareholders, issue new shares or buy back issued shares. The Company has only one class of equity shares and has no debt. Consequent to the above capital structure, there are no externally imposed capital requirements.

(b) Terms/rights attached to equity shares
The Company has one class of equity shares having par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares in the company

	March 31, 2024		March 31, 2023	
Name of the shareholder	No's	% holding	No's	% holding
P. Sapna	35.59	13.04%	35.59	13.06%
C. V. Subramanyam	27.98	10.25%	29.35	10.77%
C. Srikanth	25.00	9.16%	25.00	9.17%
Kukunuru Madhava Lakshmi	15.50	5.68%	16.00	5.87%

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

(d) Shares reserved for issue under options
For details of shares reserved for issue under the employee stock option (ESOP) plan of the Company, refer note 32.

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(e) Details of shares held by promoters

As at March 31, 2024

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
P. Sapna	35.59	-	35.59	13.04%	-
C. V. Subramanyam	29.35	(1.37)	27.98	10.25%	-4.67%
C. Srikanth	25.00	-	25.00	9.16%	-
C. Rajeshwari	4.39	(3.52)	0.87	0.32%	-80.22%
P. Sudhakar	0.01	-	0.01	0.00%	-

As at March 31, 2023

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
P. Sapna	34.59	1.00	35.59	13.06%	2.89%
C. V. Subramanyam	32.35	(3.00)	29.35	10.77%	-9.27%
C. Srikanth	25.00	-	25.00	9.17%	-
C. Rajeshwari	3.14	1.25	4.39	1.61%	39.76%
P. Sudhakar	0.01	-	0.01	0.00%	-

(f) Dividends distribution made and proposed

	March 31, 2024	March 31, 2023
Dividends on equity shares declared and paid:		
Final dividend for the year ended on March 31, 2023: Rs. 5.50 per share (March 31, 2022: Rs. 2.50 per share)*	1,499.96	687.70
Interim dividend for the year ended on March 31, 2024: Rs. 3.00 per share (March 31, 2023: Nil)*	819.00	-
	2,318.96	687.70
Proposed dividend on equity shares:		
Proposed dividend for the year ended on March 31, 2024: Rs. Nil per share (March 31, 2023: Rs. 5.50 per share)	-	1,499.13
	-	1,499.13

*Includes unclaimed dividend amount of Rs. 29.60 lakhs (March 31, 2023: 16.50 lakhs).

Proposed dividend on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at March 31, 2023. The dividend declared / paid and proposed is in accordance with Section 123 of The Companies Act, 2013.

There are no equity shares issued as bonus and issued for consideration other than cash during the period of five years immediately preceding the reporting date.

13 Other equity

	March 31, 2024	March 31, 2023
Securities premium		
Opening balance	25,737.43	29,390.20
Add: Issue of equity shares on exercise of employee stock options	185.70	120.71
Less: Buy-back of equity shares (refer note 12(a)(i))	-	(3,773.48)
Closing balance	25,923.13	25,737.43
Capital redemption reserve		
Opening balance	83.30	-
Add: Transfer from retained earnings upon buyback (refer note 12(a)(i))	-	83.30
Closing balance	83.30	83.30
Share based payment reserve		
Opening balance	419.69	111.53
Less: Issue of equity shares on exercise of employee stock options	(151.20)	(34.46)
Add: Share-based payment expense	194.32	342.62
Closing balance	462.81	419.69
Retained earnings		
Opening balance	30,021.97	14,665.54
Less: Dividend	(2,318.96)	(687.70)
Add: Profit during the year	16,559.20	16,832.06
Less: Tax on buyback of shares (refer note 12(a)(i))	-	(865.94)
Less: Transfer to capital redemption reserve upon buyback (refer note 12(a)(i))	-	(83.30)
Items recognised directly in other comprehensive income		
Re-measurement gain on employee defined benefit plans (net of tax)	11.13	161.31
	44,273.34	30,021.97
Foreign currency translation reserve		
Opening balance	(53.32)	(988.15)
Add: Arisen during the year	387.99	934.83
Closing balance	334.67	(53.32)
	71,077.25	56,209.07

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Nature and purpose of reserves

13.1 Security premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

13.2 Share based payment reserve

The share-based payment reserve is used to recognise the grant date fair value of options issued to employees under Employee stock option plan. Refer to note 32 for further details of these plans.

13.3 Foreign currency translation reserve

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

13.4 Retained earnings

Retained earnings comprises of prior year's undistributed earnings after taxes along with current year profit.

13.5 Capital redemption reserve

Capital redemption reserve is created for the amount equal to face value of shares bought back in the previous year.

14 Borrowings

	March 31, 2024	March 31, 2023
Secured		
Cash credit from banks (refer note (a) and (b) below)	3,493.44	3,043.67
	3,493.44	3,043.67

(a) Cash credit from banks of Rs. 3,493.44 lakhs (March 31, 2023: Rs 3,043.67 lakhs) is secured by hypothecation of trade receivables of the Group and exclusive charge - cash collateral amounting to Rs. 1,810 lakhs (March 31, 2023 : Rs. 1,700 lakhs) in the name of Company . It is repayable on demand and carries floating interest rate of 8.50%p.a. (March 31, 2023: 8.50%p.a). The Company had available Rs. 106.56 lakhs (March 31, 2023: Rs. 556.33 lakhs) of undrawn committed borrowing facilities as at March 31, 2024.

(b) Cash credit from banks obtained by Cigniti Technologies Inc., USA ("CTI") of USD Nil (March 31, 2023: USD Nil) is secured by hypothecation of trade receivables of the Company. It is repayable on demand and carries floating interest rate of LIBOR+2.5% p.a. on utilised amounts and carrying fixed interest rate of 0.25% p.a (March 31, 2023: 0.25%) on un-utilised amounts. CTI had available USD 150.00 lakhs equivalent to Rs. 12,507.50 lakhs (March 31, 2023: USD 150.00 lakhs equivalent to Rs. 12,327.55 lakhs) of undrawn committed borrowing facilities as at March 31, 2024.

Loan covenants

Cash credit from banks obtained by CTI contains certain debt covenants relating to tangible effective net-worth, senior debt to EBIDTA ratio, interest coverage ratio, limitation on indebtedness, distribution of dividend and purchase of its stock.
The Group has not defaulted on any loan covenants.

Cigniti Technologies Limited has taken loans against security of current assets and monthly returns or statements of current assets filed by the Company with bank are in agreement with the books of accounts.

15 Trade payables

		March 31, 2024	March 31, 2023
Outstanding dues of micro enterprises and small enterprises (refer note 42)		63.82	103.63
	A	63.82	103.63
Outstanding dues to related parties (refer note 34)		973.41	885.01
Outstanding dues to other parties		10,351.07	10,559.96
	B	11,324.48	11,444.97
	A+B	11,388.30	11,548.60

Trade payable ageing schedule
As at March 31, 2024

	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed outstanding dues							
Micro enterprises and small enterprises	-	37.99	25.83	-	-	-	63.82
Others	3,700.62	2,534.59	5,077.52	9.55	-	2.20	11,324.48
	3,700.62	2,572.58	5,103.35	9.55	-	2.20	11,388.30

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

As at March 31, 2023

	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed outstanding dues							
Micro enterprises and small enterprises	-	82.80	20.83	-	-	-	103.63
Others	3,230.40	3,670.42	4,541.26	-	2.89	-	11,444.97
	3,230.40	3,753.22	4,562.09	-	2.89	-	11,548.60

There are no disputed trade payables in the current and previous year.

Terms and conditions of the above financial liabilities:
Trade payables are non-interest bearing and are normally settled on 30-120 day terms.
For explanations on the Group's credit risk management processes, refer to note 37.

16 Lease liabilities

	Non-current		Current	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Lease liabilities (refer note 43)	855.79	1,391.66	1,374.24	1,141.24
	855.79	1,391.66	1,374.24	1,141.24

Interest payable is normally settled monthly throughout the financial year.

17 Other financial liabilities

	Non-Current		Current	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
At amortised cost				
Interest accrued but not due on borrowings (refer note below)	-	-	7.87	20.71
Contingent consideration (refer note 41)	-	520.15	154.34	646.04
Capital creditors	-	-	299.07	121.80
Advance from customers	-	-	307.49	-
Unclaimed dividend	-	-	29.60	16.50
	-	520.15	798.37	805.05

Interest payable is normally settled monthly throughout the financial year.

18 Provisions

	Non-Current		Current	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Provisions for employee benefits				
Provision for gratuity (refer note 31)	2,410.57	1,692.82	500.00	500.00
Provision for leave benefits	-	-	1,392.45	880.47
	2,410.57	1,692.82	1,892.45	1,380.47

19 Current tax liabilities (net)

	March 31, 2024	March 31, 2023
Provision for taxation (net of advance tax)	1,578.21	1,915.12
	1,578.21	1,915.12

20 Other current liabilities

	March 31, 2024	March 31, 2023
Statutory dues	2,988.60	2,227.36
	2,988.60	2,227.36

21 Revenue from operations

	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from Digital Assurance and Engineering (Software testing) Services	181,501.33	164,758.08

21.1 Disaggregated revenue information

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

	Year ended March 31, 2024	Year ended March 31, 2023
Geographical regions		
India	8,866.80	8,311.61
US	142,474.11	130,516.48
Rest of the world	30,160.42	25,929.99
Total revenue from contracts with customers	181,501.33	164,758.08

21.2 Contract balances

	March 31, 2024	March 31, 2023	March 31, 2022
Contract assets			
Trade receivables, net (refer note 6)	31,863.65	25,515.42	22,678.05
Unbilled receivables (refer note 5)	7,403.55	9,490.76	4879.54
Contract assets (refer note 10)	557.74	173.07	59.29
Contract liabilities			
Advance from customers (refer note 17)	307.49	-	3.05

Contract assets

Unbilled receivables: Unbilled receivables are initially recognised for the revenue earned in excess of amounts billed to clients as at the balance sheet date. Upon completion of acceptance by the customer, the amounts recognised as unbilled receivables are reclassified to trade receivables. During the year ended March 31, 2024, Rs. 9,487.40 lakhs of unbilled receivables as at March 31, 2023 has been reclassified to trade receivables on completion of performance obligation. During the year ended March 31, 2023, Rs. 4,863.89 lakhs of unbilled receivables as at March 31, 2022 has been reclassified to trade receivables on completion of performance obligation.

Contract assets: During the year ended March 31, 2024, Rs. 173.07 lakhs of contract assets as at March 31, 2023 has been reclassified to trade receivables on completion of performance obligation. During the year ended March 31, 2023, Rs. 59.29 lakhs of contract assets as at March 31, 2022 has been reclassified to trade receivables on completion of performance obligation.

Advance from customers: Contract liabilities represents the obligation of the Group to perform services for which the entity has received consideration from the customer.

21.3 Performance obligation

The Group has arrangements with the customer which are "time and material" basis. The performance obligation in case of time and material contracts is satisfied over time. Revenue is recognised as and when the services are performed.

The Group also performs work under "fixed-price" arrangements. Revenue from fixed-price contracts is recognized as per the 'percentage- of-completion' method, where the performance obligations are satisfied over time and when there is no uncertainty as to measurement or collectability of consideration. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Percentage of completion is determined based on the project costs incurred to date as a percentage of total estimated project costs required to complete the project. The input method has been used to measure the progress towards completion as there is direct relationship between input and productivity. There is no unrecognised revenue out of fixed-price arrangements.
The payment is due with in 0-90 days from the time the customer accepts the work performed by the Group.

21.4 Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Revenue as per contracted price	181,647.93	165,506.17
Adjustments :		
Discounts	146.60	748.09
Revenue from contracts with customers	181,501.33	164,758.08

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22 Other income

	Year ended March 31, 2024	Year ended March 31, 2023
Exchange differences, net	(153.20)	275.10
Profit on sale of property, plant and equipment	0.08	-
Income towards claim settlement (refer note 38 (c))	838.35	-
Changes in fair value of financial liabilities	327.85	-
Liabilities no longer required written back	65.76	161.75
Reversal of provision for expected credit loss, net	-	52.09
	1,078.84	488.94

23 Finance income

	Year ended March 31, 2024	Year ended March 31, 2023
Interest income on bank deposits	420.76	374.82
Income on fair valuation of investments through profit and loss	1,807.98	601.86
Interest income on income tax refund	-	6.14
	2,228.74	982.82

24 Employee benefits expense

	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, wages and bonus*	107,445.99	92,295.86
Contribution to provident and other funds (refer note 31)	971.99	907.36
Share based payment expense	194.32	342.62
Gratuity expense (refer note 31)	1,057.61	865.11
Staff welfare expenses	2,748.11	2,034.83
	112,418.02	96,445.78

*Salaries, wages and bonus includes an amount of Rs. 2,031.00 lakhs (March 31, 2023: Rs. Nil) towards accrual of long service rewards for certain employees on completion of 25 years of the Company.

25 Hired contractors cost

	Year ended March 31, 2024	Year ended March 31, 2023
Hired contractors cost	28,611.94	30,749.57
	28,611.94	30,749.57

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26 Other expenses

	Year ended March 31, 2024	Year ended March 31, 2023
Power and fuel	586.88	472.24
Rent	165.72	198.79
Rates and taxes	479.76	299.76
Insurance	318.69	195.28
Repairs and maintenance - others	29.88	40.69
Advertising, marketing and sales promotion	6,825.60	3,345.72
Office maintenance	587.11	318.94
Travelling and conveyance	3,042.43	2,780.46
Communication costs	484.69	256.95
Legal and professional fees	2,825.64	2,796.32
Payment to auditor	171.90	155.67
Provision for expected credit loss, net	346.08	-
Changes in fair value of financial liabilities	-	212.18
Bad debts written off	-	151.32
Software licensing cost	1,846.70	1,851.84
Printing and stationery	158.10	150.04
Recruitment expenses	241.70	431.28
Corporate social responsibility expenditure	168.58	119.01
Miscellaneous expenses	16.38	15.91
	18,295.84	13,792.40

27 Depreciation and amortisation expense

	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation of property, plant and equipment (refer note 3)	1,398.18	1,338.41
Amortisation of other intangible assets (refer note 3)	547.91	410.93
Amortisation of right-to-use-assets (refer note 43)	1,087.24	889.01
	3,033.33	2,638.35

28 Finance costs

	Year ended March 31, 2024	Year ended March 31, 2023
Interest expense	149.79	125.32
Interest on lease liability (refer note 43)	162.69	177.36
Other borrowing costs	18.28	14.87
Factoring and bank charges	81.45	122.14
	412.21	439.69

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29 Taxes

(a) Income tax expense:

The major components of income tax expenses are:

	Year ended March 31, 2024	Year ended March 31, 2023
Current tax	5,794.86	5,792.58
Deferred tax	(316.49)	(460.59)
Total income tax expense recognised in statement of profit and loss relating to current year	5,478.37	5,331.99

(b) Reconciliation of effective tax rate:

	Year ended March 31, 2024	Year ended March 31, 2023
Profit before tax (A)	22,037.57	22,164.05
Enacted tax rate in India (B)	25.17%	25.17%
Expected tax expenses (C = A*B)	5,546.42	5,578.25
Reconciling items:		
On account of difference in tax rates in other subsidiaries	66.34	(19.41)
Tax effect on deductible temporary differences and set off of taxable profits for the year against the carry forward of taxable losses	(32.17)	(300.94)
Tax on expenses / incomes not tax deductible / chargeable	(102.22)	74.09
Total (D)	5,478.37	5,331.99
Effective tax rate	24.86%	24.06%

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing regulations under Sections 92-92F of the Income-Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company continuously updates its documents for the international transactions entered into with the associated enterprises during the financial year. The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense for the year and that of provision for taxation.

30 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

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

	Year ended March 31, 2024	Year ended March 31, 2023
Profit attributable to equity shareholders for basic earnings	16,559.20	16,832.06
Weighted average number of equity shares in computing basic EPS (No. in lakhs)	272.88	274.50
Add: Effect of dilution:		
Employee stock options (No. in lakhs)	1.23	0.50
Weighted Average number of equity shares adjusted for effect of dilution (No. in lakhs)	274.11	275.00
Face value of each equity share (Rs.)	10.00	10.00
Earnings per share		
- Basic (Rs.)	60.68	61.32
- Diluted (Rs.)	60.41	61.21

There have been no other transactions involving equity shares or potential equity shares between the reporting date and date of authorisation of these financial statements.

31 Retirement and other employee benefits

I Defined benefit plan

The Group has a defined benefit gratuity plan, governed by Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service is entitled to a gratuity on departure at 15 days of last drawn basic salary for each completed year of service. The scheme is funded through a policy with LIC. The following tables summarise net benefit expenses recognised in the statement of profit and loss, the status of funding and the amount recognised in the Balance sheet for the gratuity plan:

A) Net employee benefit expense (recognised in Employee benefits expense)

	Year ended March 31, 2024	Year ended March 31, 2023
Current service cost	934.98	763.11
Interest cost	216.58	146.89
Expected return on plan assets	(66.19)	(44.89)
Less: Gratuity cost reimbursed by the subsidiary company for employees transferred to the Holding Company	(27.76)	-
Net employee benefit expenses	1,057.61	865.11
Actual return on plan asset	66.19	44.89

B) Amount recognised in the Balance Sheet

	March 31, 2024	March 31, 2023
Defined benefit obligation	3,939.39	2,992.91
Fair value of plan assets	1,028.82	800.09
	2,910.57	2,192.82

C) Changes in the present value of the defined benefit obligation

	March 31, 2024	March 31, 2023
Opening defined benefit obligation	2,992.91	2,500.83
Current service cost	934.98	763.11
Interest cost	216.58	146.89
Benefits paid	(162.45)	(195.86)
Net actuarial gain on obligation for the year recognised under OCI	(14.87)	(222.06)
Gratuity liability of transferee employees	(27.76)	-
Closing defined benefit obligation	3,939.39	2,992.91

D) Change in the fair value of plan assets

	March 31, 2024	March 31, 2023
Opening fair value of plan assets	800.09	707.57
Investment income	66.19	44.89
Employer's contribution	324.99	252.54
Benefits paid	(162.45)	(195.86)
Return on plan assets, excluding amount recognised in net interest expense	-	(9.05)
Closing fair value of plan assets	1,028.82	800.09

The Company expects to contribute Rs. 500 lakhs to the gratuity fund in the next year (March 31, 2023: Rs. 500 lakhs).
The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	March 31, 2024	March 31, 2023
[illegible]	100.00%	100.00%

E) Remeasurement adjustments:

	Year ended March 31, 2024	Year ended March 31, 2023
Experience (gain) / loss on plan liabilities	(75.41)	25.14
Financial loss / (gain) on plan liabilities	60.54	(247.21)
Return on plan assets, excluding amount recognised in net interest expense	-	9.05
Remeasurement gains recognised in other comprehensive income	(14.87)	(213.02)

Remeasurement gains recognised in the current year are excluding the impact of deferred tax expense of Rs. 3.74 lakhs (March 31,2023 : Rs. 51.71 lakhs).

(i) The principal assumptions used in determining gratuity for the Group's plans are shown below:

	March 31, 2024	March 31, 2023
Discount rate	7.23%	7.51%
Expected rate of return on assets	7.24%	5.95%
Salary rise	12.00%	12.00%
Attrition rate	20.00%	20.00%

The estimates of future salary increases, considered in the actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
The overall expected rate of return on assets is determined based on the actual rate of return during the current year.

(ii) Disclosure related to indication of effect of the defined benefit plan on the entity's future cashflows:

	March 31, 2024	March 31, 2023
Expected benefit payments for the year ended:		
1 year	455.85	377.04
2-5 years	2,028.60	1,547.06
6-10 years	1,865.83	1,423.48
More than 10 years	2,105.28	1,626.72

The average duration of the defined benefit plan obligation at the end of the reporting period is 7 years (March 31, 2023: 5.21-6.43 years).

(iii) Sensitivity analysis:
A quantitative sensitivity analysis for significant assumption on defined benefit obligation is as shown below:

	March 31, 2024	March 31, 2023
(a) Effect of 1% change in assumed discount rate		
- 1% increase	(208.35)	(155.27)
- 1% decrease	231.58	172.42
(b) Effect of 1% change in assumed salary escalation rate		
- 1% increase	199.64	150.96
- 1% decrease	(191.78)	(144.34)
(c) Effect of change by 50% of attrition rate		
- increase by 50% of the attrition rate	(426.99)	(305.25)
- decrease by 50% of the attrition rate	800.09	575.02

II Defined contribution plan

	Year ended March 31, 2024	Year ended March 31, 2023
Contribution to provident and other funds	971.99	907.36

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32 Share based payments

Under the Employee Stock Option Plan, the Group, at its discretion, may grant share options to employees of the Group. The remuneration committee of the board evaluates the performance and other criteria of employees and approves the grant of options. These options vest with employees over a specified period ranging from 1 to 5 years subject to fulfilment of certain conditions. Upon vesting, employees are eligible to apply and secure allotment of Company's shares at a price equal to the face value. The fair value of share options granted is estimated at the date of grant using a Black- Scholes model, taking into account the terms and conditions upon which the share options were granted. It takes into account historical and expected dividends, and the share price fluctuation covariance of the Company and its competitors to predict the distribution of relative share performance.

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

	Year ended March 31, 2024	Year ended March 31, 2023
Expense arising from equity-settled share-based payment transactions	194.32	342.62

Movements during the year: The following table contains movements in share options during the year: (Numbers in lakhs)

Particulars	March 31, 2024		March 31, 2023	
	Scheme 2014	Scheme 2015	Scheme 2014	Scheme 2015
Total No. of options under the grant	25.00	5.00	25.00	5.00
Outstanding at April 1	0.75	2.15	0.75	2.55
Exercised during the year	0.28	0.15	-	0.38
Expired during the year	-	-	-	0.03
Outstanding at March 31	0.47	2.00	0.75	2.15
Exercisable at March 31	-	1.00	-	0.65

The weighted average share price at the date of exercise of these options was Rs 803.47 (March 31, 2023: Rs 485.10).

The following table lists the weighted average remaining contractual life for the share options as at March 31, 2024 and as at March 31, 2023

Particulars	March 31, 2024	March 31, 2023
Scheme 2014	5.33	5.58
Scheme 2015	2.33	3.15

The range of exercise prices for the options outstanding at the beginning, forfeited, exercised, expired and outstanding at the end of the year is Rs 10 - Rs 506 (March 31, 2023: Rs 240 - Rs 506).

There are no grants during the current year and previous year. The following tables list the inputs to the model used for the year ended March 31, 2022:

Particulars	March 31, 2022	
	Scheme 2014	Scheme 2015
Dividend yield	0.49%-0.54%	0.49%
Expected volatility	42.98% - 47.40%	43.33% - 49.12%
Risk-free interest rate	4.31% - 6.20%	4.77% - 6.05%
Expected life of options granted in years	2 - 5 years	2 - 5 years
Weighted average share price	494.26	505.90
Model used	Black-Scholes model	

The expected life of the stock is based on the historical data and current expectations and is not necessarily indicative of exercise pattern that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

33 Segment reporting

The Group has only one reportable business segment, which is rendering of Revenue from Digital Assurance and Engineering (Software testing) Services. Accordingly, the amounts appearing in the consolidated financial statements relate to the Group's single business segment.

Geographical information

a) Revenue	Year ended March 31, 2024	Year ended March 31, 2023
India	8,866.80	8,311.61
US	142,474.11	130,516.48
Rest of the world	30,160.42	25,929.99

b) Assets: All the significant non-current assets are located in India.

c) No single customer revenue is more than 10% of the group's revenue.

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34 Related party disclosures

Names of related parties and description of relationship

Name of the related party	Relationship
Primentor Inc.	Enterprise over which Key Management Personnel exercise significant influence.
Key Management Personnel	
Mr. C. V. Subramanyam	Director (Chairman & Managing director upto November 3, 2023)
Mr. C. Srikanth	Director & Chief Executive Officer (w.e.f January 20, 2024)
Mr. Krishnan Venkatachary	Chief Financial Officer
Ms. Naga Vasudha	Company Secretary
Mr. Phaneesh Murthy	Independent director
Mr. Ram Krishna Agarwal	Independent director
Mr. Srinath Batni	Independent director
Ms. Nooraine Fazal	Independent director
Mr. K CH Subbarao	Non-Executive Director (upto June 16, 2023)*
Mr. Sudhakar Pennam	Non-executive Director (w.e.f March 07, 2024)

Transactions/balances with the above parties

March 31, 2024

	Primentor Inc.	Mr. C. V. Subramanyam	Mr. C. Srikanth	Mr. Krishnan Venkatachary	Ms. Naga Vasudha	Mr. Ram Krishna Agarwal	Ms. Nooraine Fazal	Mr. Srinath Batni	Mr. Sudhakar Pennam
Transactions during the year									
Professional fees	273.20	-	-	-	-	-	-	-	-
Remuneration	-	200.33	656.94	923.71	35.88	43.26	43.26	43.26	-
Gratuity paid	-	20.00	-	-	-	-	-	-	-
Director sitting fees	-	6.00	-	-	-	26.00	24.00	24.00	2.00
Reimbursement of expenses	35.49	-	2.10	-	-	-	-	-	-
Balances receivable/(payable):									
Remuneration payable	-	(79.24)	(28.42)	(711.57)	(1.50)	(43.26)	(43.26)	(43.26)	-
Trade payables	(22.91)	-	-	-	-	-	-	-	-

March 31, 2023

	Primentor Inc.	Mr. C. V. Subramanyam	Mr. C. Srikanth	Mr. Krishnan Venkatachary	Ms. Naga Vasudha	Mr. Ram Krishna Agarwal	Ms. Nooraine Fazal	Mr. Srinath Batni
Transactions during the year								
Professional fees	265.10	-	-	-	-	-	-	-
Remuneration	-	725.00	582.43	174.09	28.04	48.00	48.00	48.00
Director sitting fees	-	-	-	-	-	24.00	17.00	18.00
Reimbursement of expenses	41.82	-	11.31	-	-	-	-	-
Balances receivable/(payable):								
Remuneration payable	-	(465.00)	(242.09)	(10.15)	(1.17)	(48.00)	(48.00)	(48.00)
Trade payables	(22.60)	-	-	-	-	-	-	-

As the future liability for gratuity and leave encashment is provided on an actuarial basis for the Group as a whole, the amount pertaining to the Key Management personnel and their relatives is not ascertainable and, therefore, not included above.

In the previous year, the key management personnel (Mr. C.V Subramanyam) has given personal guarantees to bankers in connection with cash credit facility whose closing balance on March 31, 2023 was Rs. 3,043.67 lakhs. There is no personal guarantee for the current year ended March 31, 2024.

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates. Outstanding balances at the year-end are unsecured, interest free and settlement occurs in cash.

*Mr. K CH Subbarao was the director of the Group until June 16, 2023. Accordingly, any transactions of the Company with Mr. K CH Subbarao and the entities (where he is a director / member) have not been disclosed as related party transactions for the period after June 16, 2023.

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35 Significant accounting judgements, estimates and assumptions

The preparation of the Group's Consolidated 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.

Other disclosures relating to the Group's exposure to risks and uncertainties includes:
• Capital management Note 39
• Financial risk management objectives and policies Note 37
• Sensitivity analyses disclosures Notes 31 and 37.

Judgements

Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

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

Undiscounted potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term:

	Within 5 Years	More than 5 Years	Total
Extension Options expected not to be exercised	3,580.98	-	3,580.98

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 Group 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 Group. Such changes are reflected in the assumptions when they occur.

(i) 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 Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill. The key assumptions used to determine the recoverable amount for the different CGUs, including a sensitivity analysis, are disclosed and further explained in note 3.1.

(ii) Taxes

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

(iii) Defined employee benefit plans (Gratuity)

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for 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.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries. Further details about gratuity obligations are given in note 31.

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(iv) Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

(v) Allowance for credit losses on receivables and unbilled revenue

The Group determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Group considered current and anticipated future economic conditions relating to industries the Group deals with and the countries where it operates. In calculating expected credit loss, the Group has also considered credit reports and other related credit information for its customers to estimate the probability of default in future.

36 Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments:

	Carrying value		Fair value	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Financial assets				
Investments	24,989.35	17,728.30	24,989.35	17,728.30
Trade receivables	31,863.65	25,515.42	31,863.65	25,515.42
Cash and cash equivalents	10,396.45	4,378.79	10,396.45	4,378.79
Bank balances other than cash and cash equivalents	5,650.11	6,295.70	5,650.11	6,295.70
Other financial assets	11,446.49	14,218.70	11,446.49	14,218.70
Financial liabilities				
Borrowings	3,493.44	3,043.67	3,493.44	3,043.67
Trade payables	11,388.30	11,548.60	11,388.30	11,548.60
Lease liabilities	2,230.03	2,532.90	2,230.03	2,532.90
Other financial liabilities	798.37	1,325.20	798.37	1,325.20

The management assessed that the fair value of cash and cash equivalents, bank balances, trade receivables, other financial assets, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Further, the management has assessed that fair value of borrowings approximate their carrying amounts largely since they are carried at floating rate of interest.

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.

Fair value hierarchy

Valuation technique and key Inputs

Level 1 - Quoted prices (unadjusted) in an active market for identical assets or liabilities.
Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

Quantitative disclosures of fair value measurement hierarchy for financial instruments as at March 31, 2024:

Particulars	As at March 31, 2024	Fair value measurement at the end of the year using		
		Level 1	Level 2	Level 3
Assets				
Investments carried at fair value through other comprehensive income (FVTOCI)				
Equity instruments of other entities (unquoted)				
Investment in Simnovus Corporation	83.38	-	-	83.38
Investment in Loquat Inc.	166.77	-	-	166.77
Investments carried at fair value through profit and loss				
Investment in other entities (Unquoted)				
Investment in compulsory convertible preference shares of Hirexai Private Limited	25.00	-	-	25.00
Investments carried at fair value through profit and loss				
Investment in bonds, quoted	10,130.75	10,130.75	-	-
Investment in debentures, quoted	8,569.89	8,569.89	-	-
Investment in mutual funds, quoted	3,884.67	3,884.67	-	-
Investment in commercial papers, quoted	2,128.89	2,128.89	-	-
Liabilities				
Contingent consideration	154.34	-	-	154.34

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Quantitative disclosures of fair value measurement hierarchy for financial instruments as at March 31, 2023:

Particulars	As at March 31, 2023	Fair value measurement at the end of the year using		
		Level 1	Level 2	Level 3
Assets				
Investments carried at fair value through other comprehensive income (FVTOCI)				
Equity instruments of other entities (unquoted)				
Investment in Lambda Testing Inc.	82.19	-	-	82.19
Investment in Simnovus Corporation	82.19	-	-	82.19
Investments carried at fair value through profit and loss				
Investment in bonds, quoted	8,155.41	8,155.41	-	-
Investment in debentures, quoted	4,122.28	4,122.28	-	-
Investment in mutual funds, quoted	5,286.23	5,286.23	-	-
Liabilities				
Contingent consideration	1,166.19	-	-	1,166.19

There have been no transfers among Level 1, Level 2 and Level 3 during the current and previous years.

Reconciliation of fair value measurement of investments classified as FVTOCI assets (level 3) :

The following table represents changes in level 3 items for the year ended March 31, 2024 and March 31, 2023:

Particulars	Investment in unquoted equity and preferred instruments
As at April 01, 2023	164.38
Purchases	191.77
Re-measurement recognised in other comprehensive income	-
Exchange difference	1.19
Sales	(82.19)
As at March 31, 2024	275.15
As at April 01, 2022	-
Purchases	164.38
Re-measurement recognised in other comprehensive income	-
Sales	-
As at March 31, 2023	164.38

37 Financial risk management objectives and policies

The Group’s principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group’s operations. The Group’s principal financial assets include loans, trade and other receivables and cash and cash equivalents that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group’s management oversees the management of these risks. The Group’s financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group’s policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

A Credit Risk

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 Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. None of the financial instruments of the Group results in material concentration of credit risk, except for trade receivables.

The Group considers a counterparty whose payment is due more than 90 days after the due date as a defaulted party. This is based on considering the market and economic forces in which the entities in the Group are operating. The Group creates provision for the amount if the credit risk of counter-party increases significantly due to its poor financial position and failure to make payment beyond a period of 90 days from the due date. In calculating expected credit loss, the Group has also considered historical pattern of credit loss, the likelihood of increased credit risk.

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Trade receivables as contract asset:
The customer credit risk is managed by the Group's established policy, procedures and controls relating to customer credit risk management. Before accepting any new customer, the Group uses an internal credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed on periodic basis. Outstanding customer receivables are regularly monitored. The Group's receivables turnover is quick and historically, there were no significant defaults. Ind AS requires an entity to recognise in profit or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised in accordance with Ind AS 109. The Group assesses at each date of statements of financial position whether a financial asset or a group of financial assets are impaired. Expected credit losses are measured at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information.

As at March 31, 2024, the Company had 24 customers (March 31, 2023: 23 customers) that owed the Company more than 1% each of total receivable and accounted for approximately 61% (March 31, 2023: 55%) of all the receivables outstanding. There are 4 customers (March 31, 2023: 1) with balance greater than 5% of total receivable and accounted for approximately 26% (March 31, 2023: 7%) of all the receivables outstanding.

The Group has adequate provision as at March 31, 2024 amounting to Rs. 713.61 lakhs (As at March 31, 2023: Rs. 364.49 lakhs) for receivables.

B Liquidity Risk
Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group manages liquidity risk by maintaining adequate reserves, by availing appropriate borrowing facilities from banks as and when required, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

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

March 31, 2024:	On demand	Up to 1 Year	1 to 5 years	> 5 years	Total
Contractual undiscounted payments					
Borrowings	3,493.44	-	-	-	3,493.44
Trade payables	-	11,388.30	-	-	11,388.30
Lease liabilities	-	1,470.44	904.47	-	2,374.91
Other financial liabilities	-	798.37	-	-	798.37
	3,493.44	13,657.11	904.47	-	18,055.02

March 31, 2023:	On demand	Up to 1 Year	1 to 5 years	> 5 years	Total
Contractual undiscounted payments					
Borrowings	3,043.67	-	-	-	3,043.67
Trade payables	-	11,548.60	-	-	11,548.60
Lease liabilities	-	1,256.09	1,451.13	-	2,707.22
Other financial liabilities	-	843.01	684.00	-	1,527.01
	3,043.67	13,647.70	2,135.13	-	18,826.50

C Market Risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other market changes. Financial instruments affected by market risk include loans and borrowings and deposits.

The sensitivity analysis in the following sections relate to the position as at March 31, 2024 and March 31, 2023.
The sensitivity analysis have been prepared on the basis that the amount of debt, the ratio of fixed to floating interest rates of the debt and the proportion of financial instruments in foreign currencies are all constant.

The following assumptions have been made in calculating the sensitivity analyses:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held as at March 31, 2024 and March 31, 2023.

C1. 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 change in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's working capital obligations with floating interest rates.

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

	Change in basis points		Effect on profit before tax	
	Increase	Decrease	Increase	Decrease
March 31, 2024				
Indian Rupees	0.50%	-0.50%	7.28	(7.28)
March 31, 2023				
Indian Rupees	0.50%	-0.50%	8.53	(8.53)

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

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C2. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency).

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or 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 respective entities.

Unhedged foreign currency exposure:

The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the volatility of the Group's net financial assets (which includes cash and cash equivalents, trade receivables, other financial assets, trade payables, other financial liabilities), which are denominated in various foreign currencies (viz. USD,EUR, AED, SGD, CAD, AUD, NZD, ZAR etc.).

For the year ended March 31, 2024 and March 31, 2023 , every 1% increase / (decrease) of the respective foreign currencies compared to functional currency of the Group would impact profit before tax and equity before tax as follows for the respective currencies:

	March 31, 2024	
Currency	Increase by 1%	Decrease by 1%
USD	61.96	(61.96)
EUR	10.51	(10.51)
ZAR	5.36	(5.36)
AED	31.63	(31.63)
SGD	3.58	(3.58)
CAD	19.31	(19.31)
AUD	1.17	(1.17)
NZD	0.06	(0.06)

	March 31, 2023	
Currency	Increase by 1%	Decrease by 1%
USD	21.78	(21.78)
EUR	6.33	(6.33)
ZAR	1.48	(1.48)
AED	12.10	(12.10)
SGD	1.83	(1.83)
CAD	0.83	(0.83)
AUD	0.06	(0.06)
NZD	0.04	(0.04)

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38 Commitments, contingencies and other litigations

a. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for is Rs. 35.00 lakhs (March 31, 2023: Nil).

b. Contingent liabilities

(i) (a) In the earlier years, the Company had received a draft Transfer Pricing (TP) assessment order for A.Y. 2017-2018 under section 92CA(3) of Income Tax Act, 1961 proposing an adjustment of Rs. 6,285.52 lakhs involving tax implication of approximately Rs. 2078.18 lakhs, excluding interest and penalty. The adjustments majorly pertains to transfer pricing margin adjustment and interest on loans and advances to subsidiaries. Subsequently, the Company had received the final order with the proposed adjustment as mentioned in the draft order. Management had filed an appeal with the tax authorities and is currently pending with Commissioner (Appeals) / Dispute Resolution Panel (DRP).

(b) In the earlier years, the Company had received an assessment order for A.Y. 2018-2019 under section 143(3) read with section 144C(13) of Income Tax Act, 1961 proposing an adjustment of Rs. 596.53 lakhs involving tax implication of approximately Rs. 268.56 lakhs, excluding interest and penalty. The adjustments majorly pertains to interest on delayed trade receivables and interest on loans and advances to subsidiaries. Management has filed an appeal with the tax authorities and is currently pending with Income Tax Appellate Tribunal (ITAT).

Management based on internal assessment and its documentation relating to the international transactions, believes that the Company has a strong basis to support its position and that the likelihood of any liability devolving on the Company on account of transfer pricing adjustment is remote. The Company has adequate provision in the books for the potential liability, if any, which may arise out of other adjustments.

(ii) In the earlier years, the Company had received a show cause notice from the Department of Foreign Trade (DGFT) dated August 25, 2020 and from the Directorate of Revenue Intelligence (DRI), Ahmedabad dated December 28, 2020, stating that the services provided by the Company are not covered under technical testing and analysis services and it appears that the Company provides services through subsidiaries in the foreign countries and accordingly the services rendered by the Company fall under the definition of service rendered through commercial presence in a foreign country which is not eligible for Service Exports from India Scheme (SEIS) benefits. The notice calls upon the Company to show cause as to why (a) The Scrips granted amounting to Rs 659.93 lakhs for the year ended March 31, 2017, should not be cancelled / recovered from the Company and (b) The penalty should not be imposed as per Customs Act, 1962.

The Company had filed responses against the aforesaid show cause notices as per the legal opinion. Based on their internal assessment and legal opinion, Management believes that the software testing services being provided by the Company are eligible under the SEIS and will be able to establish the services will not fall in the category of "Supply of services through commercial presence". In view of the above, the Management believes that the export incentive recognised for the period April 1, 2015 to March 31, 2020 amounting to Rs. 1,770.78 lakhs are fully recoverable (March 31, 2023: Rs. 1,770.78 lakhs).

(iii) (a) In the earlier years, the Company had received a letter from Office of the Joint Director, Enforcement Directorate, Hyderabad, initiating enquiry under the provisions of Foreign Exchange Management Act, 1999 (FEMA) requesting for certain documents. The Joint Director had called for an in person hearing where the Company had submitted the necessary information. Subsequently, the Company has received a show cause notice dated September 4, 2023, from ED to show cause as to why the inquiry should not be held and penalty should not be imposed against the Company for the certain contraventions relating to issue of shares to a resident entity against money received from an overseas entity and other procedural delays in filing documents. The Company has submitted responses and has made application to RBI for compounding of delays.

(b) In the earlier years, the Company had made foreign investments aggregating to USD 1,002.00 (equivalent) towards equity capital of three foreign subsidiaries without obtaining overseas direct investment (ODI) certificate from RBI. The Company is in the process of obtaining ODI approval from RBI and is in the process of compounding FEMA related non compliances.

(c) The Company has incorporated subsidiary i.e. Cigniti Technologies CR Limitada in Costa Rica, US, in the previous year and Cigniti Technologies (SG) Pte. Ltd in Singapore and Cigniti Technologies (CZ) Limited s.r.o, in Czech Republic in the earlier years. Investments with respect to share capital subscriptions of such entities is in progress as at balance sheet date as the Company is in the process of making the required filings with Reserve Bank of India.

Management is in the process of addressing the above matters and in view of the administrative / procedural nature of these non-compliances, believes that they will not have a material impact on the consolidated financial statements.

c. Other litigations

In the earlier years, Cigniti Technologies Inc., USA (Cigniti USA), subsidiary of the Company had filed a lawsuit against it's former employees and an entity related to such employees, for inter alia misappropriation of trade secrets and various breaches of contract and fiduciary duty. Subsequent to the year end, Cigniti USA has entered into a settlement agreement with its former employees and an entity related to such employees, to settle the dispute and withdraw the litigation, for an amount of USD 4.01 million equivalent to ~Rs.3,330.30 lakhs. Further, the subsidiary company has received USD 1.01 million as part of the settlement agreement and the same has been recognised under other income for the year ended March 31,2024.

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

39 Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure in consideration to the changes in economic conditions and the requirements of the financial covenants. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents. The Group's policy is to keep the gearing ratio at an optimal level to ensure that the debt related covenants are complied with.

	March 31, 2024	March 31, 2023
Borrowings	3,493.44	3,043.67
Less: Cash and cash equivalents (refer note 7)	(10,396.45)	(4,378.79)
Bank balances other than cash and cash equivalents (refer note 8)	(5,650.11)	(6,295.70)
Current investments (refer note 4(b))	(24,714.20)	(17,563.92)
Net debt*	-	-
Equity	2,730.01	2,725.70
Other equity	71,077.25	56,209.07
Total capital	73,807.26	58,934.77
Capital and net debt	73,807.26	58,934.77
Gearing ratio (Net debt / Capital and net debt)	0%	0%

* Since the Company has cash surplus, the net debt for the purpose of computation of gearing ratio is taken as zero.

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current and previous year.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2024 and March 31, 2023.

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40. Statutory group information

	March 31, 2024							
Name of the entity in the Group	Net assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount in lakhs	As a % of consolidated profit/(loss)	Amount in lakhs	As a % of consolidated other comprehensive income	Amount in lakhs	As a % of total comprehensive income	Amount in lakhs
Parent – Cigniti Technologies Limited	67.19%	51,078.67	56.04%	9,479.02	100.00%	11.13	56.06%	9,490.15
Subsidiaries – Indian								
Gallop Solutions Private Limited	0.08%	57.09	0.00%	(0.26)	-	-	0.00%	(0.26)
Aparaa Digital Private Limited	0.06%	46.46	-0.42%	(71.05)	-	-	-0.42%	(71.05)
Subsidiaries – Foreign								
Cigniti Technologies Inc., USA	30.34%	23,066.21	38.12%	6,448.06	-	-	38.10%	6,448.06
Cigniti Technologies (UK) Limited, UK	2.17%	1,649.04	3.99%	674.86	-	-	3.99%	674.86
Cigniti Technologies (Australia) Pty Ltd, Australia	-0.69%	(525.20)	1.09%	183.82	-	-	1.09%	183.82
Cigniti Technologies (Canada) Inc., Canada	1.82%	1,386.52	2.29%	388.08	-	-	2.29%	388.08
Cigniti Technologies (SG) Pte. Ltd, Singapore	-0.17%	(127.85)	-0.03%	(4.28)	-	-	-0.03%	(4.28)
Cigniti Technologies (CZ) Limited s.r.o, Czech Republic	-0.69%	(527.72)	-0.61%	(102.71)	-	-	-0.61%	(102.71)
Cigniti Technologies CR Limitada , Costa Rica	-0.11%	(82.70)	-0.47%	(79.22)	-	-	-0.47%	(79.22)
RoundSqr Pty Ltd, Australia	-	-	-	-	-	-	-	-
Gross amounts	100.00%	76,020.52	100.00%	16,916.32	100.00%	11.13	100.00%	16,927.45
Adjustments arising out of consolidation		(2,213.26)		(357.12)		387.99	-	30.87
Net amounts		73,807.26		16,559.20		399.12		16,958.32

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	March 31, 2023							
Name of the entity in the Group	Net assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount in lakhs	As a % of consolidated profit/(loss)	Amount in lakhs	As a % of consolidated other comprehensive income	Amount in lakhs	As a % of total comprehensive income	Amount in lakhs
Parent – Cigniti Technologies Limited	71.86%	43,674.35	59.35%	10,172.36	95.27%	153.68	59.69%	10,326.04
Subsidiaries – Indian								
Gallop Solutions Private Limited	0.10%	58.35	0.00%	(0.19)	-	-	0.00%	(0.19)
Aparaa Digital Private Limited	0.16%	98.74	-0.33%	(56.66)	4.73%	7.63	-0.28%	(49.03)
Subsidiaries – Foreign								
Cigniti Technologies Inc., USA	26.88%	16,334.06	35.54%	6,091.23	-	-	35.19%	6,091.23
Cigniti Technologies (UK) Limited, UK	1.53%	932.65	3.46%	592.84	-	-	3.43%	592.84
Cigniti Technologies (Australia) Pty Ltd, Australia	-1.18%	(717.91)	1.20%	206.28	-	-	1.19%	206.28
Cigniti Technologies (Canada) Inc., Canada	1.62%	982.84	2.09%	357.71	-	-	2.07%	357.71
Cigniti Technologies (SG) Pte. Ltd, Singapore	-0.20%	(123.60)	-0.17%	(28.50)	-	-	-0.16%	(28.50)
Cigniti Technologies (CZ) Limited s.r.o, Czech Republic	-0.77%	(466.35)	-1.57%	(269.71)	-	-	-1.56%	(269.71)
Cigniti Technologies CR Limitada , Costa Rica	-	-	-	-	-	-	-	-
RoundSqr Inc., USA (dissolved w.e.f January 30, 2023)	0.00%	-	0.39%	66.72	-	-	0.39%	66.72
RoundSqr Pty Ltd, Australia	0.00%	0.10	0.04%	7.47	-	-	0.04%	7.47
Gross amounts	100.00%	60,773.23	100.00%	17,139.55	100.00%	161.31	100.00%	17,300.86
Adjustments arising out of consolidation		(1,838.46)		(307.49)		934.83	-	627.34
Net amounts		58,934.77		16,832.06		1,096.14		17,928.20

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41. Business combination

Aparaa Digital Private Limited

Pursuant to the Share Purchase Agreement (SPA) dated July 1, 2022, the Company had acquired 100% of the issued capital of Aparaa Digital Private Limited ("Aparaa"), for an upfront consideration of Rs. 2,280.00 lakhs and earn out payments based of future performance over the next two years. The Company acquired Aparaa with a strategy to expand digital engineering capacity to provide a greater breadth and depth of services to its clients.

Consequent to the acquisition, Aparaa along with its subsidiaries became wholly owned subsidiaries of the Company with effect from July 1, 2022 upon satisfactory completion of closing conditions under the SPA and had been consolidated with effect from that date. The transaction was accounted in accordance with Ind AS 103 - Business Combination. The group had recognised Rs. 1,323.40 lakhs towards fair value of net assets acquired and Rs. 1,910.61 lakhs towards Goodwill.

The fair value of the purchase consideration of Rs. 3,234.01 lakhs comprise of an upfront consideration of Rs. 2,280.00 lakhs and contingent consideration of Rs. 954.01 lakhs payable subject to the satisfaction of certain conditions. The fair value of the contingent consideration, recognised on the acquisition date is determined by discounting the estimated amount payable to the previous owners on achievement of certain financial targets applying the discounted cash flow approach. The key inputs used for the estimation of fair values are discount rate of 26.16% and probabilities of achievement of financial targets. The fair value of net assets acquired on the acquisition date amounted to Rs. 1,737.09 lakhs. The excess of purchase consideration over the fair value of the net assets acquired has been attributed towards goodwill.

A reconciliation of fair value measurement of the contingent consideration liability is provided below:

Opening balance as at April 01, 2022	-
Liability arising on business combination	954.01
Changes in fair value of financial liabilities	212.18
Consideration paid in the current year	-
Closing balance as at March 31, 2023	1,166.19
Changes in fair value of financial liabilities	(327.85)
Consideration paid in the current year	(684.00)
Closing balance as at March 31, 2024	154.34

Components	Purchase price allocated
Other intangible assets	
Customer relationship	879.74
Non-compete fee	763.98
Net assets*	
Non-current assets	18.20
Current assets	489.27
Current liabilities	(414.10)
Total	1,737.09
Goodwill	1,910.61
Less: Deferred tax liability #	(413.69)
Total purchase consideration	3,234.01

*Includes cash and cash equivalents acquired of Rs. 165.72 lakhs.

The deferred tax liability has arisen on the other intangible assets identified as part of the acquisition. Deferred tax liability as at March 31, 2024 is Rs. 172.37 (March 31, 2023 Rs. 310.27) and Rs. 137.90 (March 31, 2023 Rs. 103.42) of deferred tax was reversed during the current year.

The other intangible assets are amortised over a period of three years as per management's estimate of its useful life, over which economic benefits are expected to be realised. The fair value and gross contractual amount for trade receivables acquired is Rs. 248.85 lakhs and is expected to be collectable. The goodwill amounting to Rs. 1,910.61 lakhs is attributable to the value of expected synergies arising from the acquisition, a customer list, which is not separately recognised, workforce and profitability of the acquired business. Due to the contractual terms imposed on acquisition, the customer list is not separable. Therefore, it does not meet the criteria for recognition as an intangible asset under Ind AS 38. Goodwill arising on the acquisition is not deductible for tax purposes.

During the current year, the Company has paid the first earnout of Rs. 684 lakhs upon satisfaction of the targets mentioned in the SPA.

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

	March 31, 2024	March 31, 2023
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	63.82	103.63
Interest due on above	-	-
	63.82	103.63
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.	-	-

43. Leases

Group as lessee

The Group has entered into lease of its office premises with no restrictions and are renewable at the option of either of the parties for a period of 11 months to 5 years. The escalation rates range from 0% to 10% per annum as per the terms of the lease agreement. There are no sub-leases. The Group also has certain leases spaces including guest houses with lease terms of 12 months or less and with low value. The Group applies the ‘short-term lease’ and ‘lease of low-value assets’ recognition exemptions for these leases.

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

	March 31, 2024	March 31, 2023
Opening balance	1,876.15	2,550.62
Additions	948.43	276.09
Exchange differences	7.07	(61.55)
Amortization	(1,087.24)	(889.01)
Closing balance	1,744.41	1,876.15

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	March 31, 2024	March 31, 2023
Opening balance	2,532.90	3,307.76
Additions	948.43	276.09
Accretion of interest	162.69	177.36
Exchange differences	7.07	(61.55)
Payments	(1,421.06)	(1,166.76)
Closing balance	2,230.03	2,532.90
Current	1,374.24	1,141.24
Non-current	855.79	1,391.66

The maturity analysis of lease liabilities are disclosed in Note 37.
The effective interest rate for lease liabilities is 5%-8.5% , with maturity between 2024-2028.

The following are the amounts recognised in statement of profit and loss:

	Year ended March 31, 2024	Year ended March 31, 2023
Amortization of right to use asset	1,087.24	889.01
Interest on lease liabilities	162.69	177.36
Expense relating to short term and low value leases (refer note 26)	165.72	198.79
	1,415.65	1,265.16

The Group had total cash outflows for leases of Rs. 1,421.06 lakhs in the current year (March 31,2023: Rs. 1,166.76 lakhs). The entire amount is in the nature of fixed lease payments. The Group has Rs. 948.43 lakhs (March 31, 2023: Rs. 276.09 lakhs) of non-cash additions to right-of-use assets.

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group’s business needs. Management exercises significant judgement in determining whether these extension option is reasonably certain to be exercised (refer note 35).

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44. Other statutory information

(i) No proceedings have been initiated or are pending against the Group for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
(iii) The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.
(iv) The Group have not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
(v) The Group has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
(vi) The Group does not have any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(vii) The Group does not have any transactions with companies struck off.
(viii) The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

45. The Holding Company and its subsidiaries, incorporated in India maintains its books of account on the cloud, which is managed by a global service provider based in the USA. The service provider has confirmed that they ensure that a daily backup is taken of such data as required under law, which is stored on a separate server in the USA but not in India. The Company is currently in discussions with the service provider to establish a mechanism to ensure that a copy of such backup is taken in India as well on a daily basis.

46. The Holding Company and its subsidiaries, incorporated in India has used an accounting software which is operated by a third-party software service provider, for maintaining its books of account. In the absence of controls on audit trail in Service Organization Controls report, management is unable to determine whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature being tampered with.

As per our report of even date.

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm Registration No: 101049W/E300004
Chartered Accountants

S.R. BATLIBOI & ASSOCIATES LLP CHARTERED ACCOUNTANTS HYDERABAD

per Harish Khemnani
Partner
Membership No. 218576

Place: Hyderabad
Date: May 1, 2024

For and on behalf of the Board of Directors
Cigniti Technologies Limited

C. V. Subramanyam
Director
DIN: 0071378

C. Srikanth
Director & CEO
DIN: 06441390

CIGNITI TECHNOLOGIES LIMITED Hyderabad

Krishnan Venkatachary
Chief Financial Officer

A. Naga Vasudha
Company Secretary

Place: Hyderabad
Date: May 1, 2024

S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

67, Institutional Area
Sector 44, Gurugram - 122 003
Haryana, India

Tel. +91 124 681 6000

INDEPENDENT AUDITOR'S REPORT

To the Members of Coforge Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Coforge Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31 2024, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2024, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated 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 Consolidated Financial Statements' section of our report. We are independent of the Group, in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the 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 consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

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Key audit matters	How our audit addressed the key audit matter
Impairment- Goodwill and other intangibles	
Determination of recoverable amount pertaining to Goodwill and other intangibles is complex and typically requires a high level of judgement, taking into account the different economic environments in which the Group operates. The most significant judgements arise over the forecast cash flows, discount rate and growth rate applied in the valuation models. Due to the inherent uncertainty associated with these assumptions and the consequent cash flow projections, the same is considered as a key audit matter. Refer Note 4 of the Consolidated Financial Statements	Our audit procedures included the following: 1. We evaluated the Group's internal controls over its annual impairment test, key assumptions applied such as discount rates and growth rates based on our understanding of the relevant business and the industry and economic environment in which it operates. 2. We compared forecasts to business plans and also previous forecasts to actual results to assess the performance of the business and the forecasting of the scenarios used, in the context of our wider business understanding. 3. We involved our own valuation specialists to assist us in evaluating the key assumptions and methodologies used by the Group, in particular those relating to discount rates, and growth rates, which were based on our industry knowledge and experience.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the annual report, but does not include the consolidated financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

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

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions applicable in the applicable laws and regulations.

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group 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. The respective Board of Directors of the companies

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included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective company(ies) 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of their respective company(ies).

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding 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 cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

(a) We did not audit the financial statements and other financial information, in respect of ten subsidiaries, whose financial statements include total assets of Rs 11,700 million as at March 31, 2024, and total revenues of Rs 18,791 million and net cash outflows of Rs 601 million for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, , and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the report(s) of such other auditors.

(b) The accompanying consolidated financial statements include unaudited financial statements and other unaudited financial information in respect of sixteen subsidiaries, whose financial statements and other financial information reflect total assets of Rs 912 million as at March 31, 2024, and total revenues of Rs 1,050 million and net cash inflows of Rs 100 million for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. Our opinion, in so far as it relates amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

S.R. Batliboi & Associates LLP

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

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 paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors; except for the matters stated in paragraph 2(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended)

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

(d) In our opinion, the aforesaid consolidated 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 of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, , none of the directors of the Group's companies, , incorporated in India, is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies , incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in **"Annexure 2"** to this report;

(g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, , the managerial remuneration for the year ended March 31, 2024 has been provided by the Holding Company, its subsidiaries, incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

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

S.R. Batliboi & Associates LLP

the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, , as noted in the 'Other matter' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, in its consolidated financial statements – Refer Note 32 to the consolidated financial statements;

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 13(v) to the consolidated financial statements in respect of such items as it relates to the Group,;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, incorporated in India during the year ended March 31, 2024.

iv. a) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, respectively that, to the best of 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 Holding Company or any of such subsidiaries, 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 respective Holding Company or any of such subsidiaries, ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, respectively that, to the best of its knowledge and belief , no funds have been received by the respective Holding Company or any of such subsidiaries, from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries, 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 the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. The interim dividend declared and paid during the year by the Holding Company, its subsidiaries, companies incorporated in India and until the date of the respective audit reports of such Holding Company, and its subsidiaries, is in accordance with section 123 of the Act.

vi. Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act, except for the instances discussed in note 38 to

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the financial statements, the Holding Company and the subsidiaries, have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we and respective auditors of the above referred subsidiaries, did not come across any instance of audit trail feature being tampered in respect of other accounting software.

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

S.R. Batliboi & Associates LLP

per Yogender Seth
Partner
Membership Number: 094524
UDIN: 24094524BKFOTB7271

Place of Signature: Gurugram
Date: May 02, 2024

Annexure 1 to the Independent Auditor's Report referred to in paragraph 1 of "Report on Other Legal and Regulatory Requirements" of our report of even date

Re: Coforge Limited ("the Holding Company")

3(xxi) Qualifications by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements are:

S. No.	Name	CIN	Holding Company/ subsidiary	Clause number of the CARO report which is qualified
1	Coforge Limited	L65993DL1992PLC048753	Holding Company	3(vii)(a)
2	Coforge Business Process Solutions Private Limited	U72200PN2001PTC204300	Subsidiary Company	3(vii)(a)

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

per Yogender Seth
Partner
Membership Number: 094524
UDIN: 24094524BKFOTB7271

Place of Signature: Gurugram
Date: May 02, 2024

Annexure-2 to the Independent Auditor's Report of even date on the consolidated financial statements of Coforge Limited

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

In conjunction with our audit of the consolidated financial statements of Coforge Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting 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 respective 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 Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, 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 consolidated 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 consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

S.R. Batliboi & Associates LLP

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated 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 Consolidated Financial Statements

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

Opinion

In our opinion, the Group , which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to a subsidiary, which is a company incorporated in India, is based on the corresponding reports of the auditors of such subsidiary, incorporated in India.

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

S.R. Batliboi & Associates LLP

per Yogender Seth
Partner
Membership Number: 094524
UDIN: 24094524BKFOTB7271

Place of Signature: Gurugram
Date: May 02, 2024

Coforge Limited
Consolidated Balance Sheet

(All amounts in Rs Mn unless otherwise stated)

Particulars	Notes	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	4,470	4,455
Right-of-use assets	34	2,927	2,365
Capital work-in-progress	3	232	46
Goodwill	4	11,738	11,665
Other intangible assets	4	4,395	4,634
Financial assets			
Investments #	5(i)	0	0
Trade receivables	5(ii)	1,464	1,772
Other financial assets	5(iii)	590	479
Income tax assets (net)	7	285	233
Deferred tax assets (net)	6	5,583	3,757
Other non-current assets	9	3,368	1,364
Total non-current assets		35,052	30,770
Current assets			
Contract assets	8	1,791	1,512
Financial assets			
Trade receivables	5(ii)	18,039	16,131
Cash and cash equivalents	5(iv)	3,213	5,699
Other bank balances	5(v)	139	88
Other financial assets	5(iii)	178	187
Other current assets	9	2,665	2,447
Total current assets		26,025	26,064
TOTAL ASSETS		61,077	56,834
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10	618	611
Other equity	11	35,648	30,214
Equity attributable to owners of Coforge Limited		36,266	30,825
Non-controlling interests ("NCI")	12	1,003	874
TOTAL EQUITY		37,269	31,699
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	13(i)	3,399	3,382
Lease liabilities	13(iii)	2,317	1,786
Trade payables	13(iv)	627	332
Other financial liabilities	13(v)	253	324
Employee benefit obligations	14	1,304	1,276
Deferred tax liabilities	6	466	583
Other non-current liabilities	15	127	59
Total non- current liabilities		8,493	7,742
Current liabilities			
Financial liabilities			
Borrowings	13(ii)	967	-
Lease liabilities	13(iii)	577	454
Trade payables	13(iv)	8,062	6,481
Other financial liabilities	13(v)	2,375	7,377
Employee benefit obligations	14	417	360
Other current liabilities	15	2,917	2,721
Total current liabilities		15,315	17,393
TOTAL LIABILITIES		23,808	25,135
TOTAL EQUITY AND LIABILITIES		61,077	56,834

0 represents amount is below the round off norm adopted by the Group

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For and on behalf of Board of Directors of Coforge Limited

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

Yogender Seth
Partner
Membership No.094524
Place : Gurugram
Date : 2 May 2024

Sudhir Singh
CEO & Executive Director
DIN: 07080613
Place : Gurugram
Date : 2 May 2024

Gautam Samanta
Executive Director
DIN:09157177
Place : Gurugram
Date : 2 May 2024

Saurabh Goel
Chief Financial Officer
Place : Gurugram
Date : 2 May 2024

Barkha Sharma
Company Secretary
Place : Gurugram
Date : 2 May 2024

S.R. Batliboi & Associates LLP

Coforge Limited
Consolidated Statement of Profit and Loss

(All amounts in Rs Mn unless otherwise stated)

Particulars	Note	Year ended 31 March 2024	Year ended 31 March 2023
Revenue from operations	16	91,790	80,146
Other income	17	614	619
Total income		**92,404**	**80,765**
Expenses			
Purchases of stock-in-trade		94	551
Employee benefits expense	18	55,069	48,280
Finance costs	19	1,256	806
Depreciation and amortisation expense	20	3,186	2,585
Other expenses	21	22,350	18,508
Total expenses		**81,955**	**70,730**
Profit before exceptional items and tax		**10,449**	**10,035**
Exceptional items	22	-	523
Profit before tax		**10,449**	**9,512**
Income tax expense:	23		
Current tax		2,493	2,492
Deferred tax		(400)	(431)
Total tax expense		**2,093**	**2,061**
Profit for the year		**8,356**	**7,451**
Other comprehensive income			
Items that may be reclassified to profit or loss			
Fair value changes on derivatives designated as cash flow hedge, net		279	(393)
Exchange differences on translation of foreign operations		125	556
Income tax relating to items that will be reclassified to profit or loss		(68)	95
		336	258
Items that will not be reclassified to profit or loss			
Remeasurement of post - employment benefit obligations (expenses) / income		147	69
Income tax relating to items that will not be reclassified to profit or loss		(37)	(11)
		110	58
Other comprehensive income for the year, net of tax		**446**	**316**
Total comprehensive income for the year		**8,802**	**7,767**
Profit is attributable to:			
Owners of Coforge Limited		8,080	6,938
Non-controlling interests		276	513
		8,356	7,451
Other comprehensive income is attributable to:			
Owners of Coforge Limited		436	303
Non-controlling interests		10	13
		446	316
Total comprehensive income is attributable to:			
Owners of Coforge Limited		8,516	7,241
Non-controlling interests		286	526
		8,802	7,767
Earnings per equity share (of Rs 10 each) attributable to owners of Coforge Limited			
Basic earnings per share	37	131.56	113.77
Diluted earnings per share	37	129.50	111.53

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

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

Yogender Seth
Partner
Membership No.094524
Place : Gurugram
Date : 2 May 2024

S. R. Batliboi & Associates LLP

For and on behalf of Board of Directors of Coforge Limited

Sudhir Singh
CEO & Executive Director
DIN: 07080613
Place : Gurugram
Date : 2 May 2024

Gautam Samanta
Executive Director
DIN.09157177
Place : Gurugram
Date : 2 May 2024

Saurabh Goel
Chief Financial Officer

Place : Gurugram
Date : 2 May 2024

Barkha Sharma
Company Secretary

Place : Gurugram
Date : 2 May 2024

Coforge Limited
Consolidated Statement of Changes in Equity

All amounts in ₹ in Mn unless otherwise stated

a. Equity Share Capital

Particulars	Number	Amount
As at 1 April 2022	60,913,152	609
Issue of Shares	173,928	2
As at 31 March 2023	61,087,080	611
As at 1 April 2023	61,087,080	611
Issue of Shares	733,912	7
As at 31 March 2024	61,820,992	618

b. Other Equity

Description	Other Equity									Non controlling interest	Total
	Reserves and Surplus						Other comprehensive income		Total other equity		
	Capital Reserve	Capital Redemption Reserve	Securities Premium	Employee stock option	General Reserves	Retained Earnings	Cash Flow Hedging Reserve	Foreign Currency Translation Reserve			
Balance at 1 April 2022	11	36	384	372	2,057	22,461	93	1,063	26,722	663	[illegible]
Profit for the year						[illegible]			[illegible]	[illegible]	[illegible]
Other comprehensive income					-	31	(187)	340	184	13	197
Total comprehensive income for the year	-	-	-	-	-	6,989	(187)	340	7,242	526	7,768
Transferred from Employee Stock Option Reserve on exercise of stock options (ESOP)			735	(735)						-	
Tax benefit on share based payment # (Refer note 33)						30			30	-	30
Shares issued on exercise of employee stock options			16						16	-	16
Shares based payments expense	-			344	-				344		344
Dividend paid	-					(3,877)			(3,877)		(3,877)
Change in fair value of NCI	-			-	-	(803)			(803)	-	(803)
Derecognition of NCI to financial liability	-			-	-	-	-	-	-	110	110
Dividend from subsidiary										(731)	(731)
Balance as at 31 March 2023	11	36	935	884	2,057	25,080	(192)	1,703	30,214	874	31,088

Description	Other Equity									Non-controlling interest	Total
	Reserves and Surplus						Other comprehensive income		Total other equity		
	Capital Reserve	Capital Redemption Reserve	Securities Premium	Employee stock option	General Reserves	Retained Earnings	Cash Flow Hedging Reserve	Foreign Currency Translation Reserve			
Balance at 1 April 2023	11	39	935	884	2,057	25,080	(192)	1,703	30,214	874	31,088
Profit for the year					-	8,080	-		8,080	279	8,359
Other comprehensive income						105	201	130	436	10	446
Total comprehensive income for the year	-	-	-	-	-	8,185	200	130	8,516	286	8,802
Transferred from Employee Stock Option Reserve on exercise of stock options (ESOP)			1,274	(1,274)	-	-	-	-	-		-
Tax benefit on share based payment # (Refer note 33)		-		-	-	547			547		547
Shares based payments expense				810	-	-	-	-	810		810
Dividend paid	-		-	-	-	(4,666)	-		(4,666)		(4,666)
Change in fair value of NCI		-	-			127	-	-	127		127
Derecognition of NCI to financial liability	-	-	-			-	-		-	(40)	(40)
Dividend from subsidiary									-	(117)	(117)
Balance as at 31 March 2024	11	39	1,009	420	2,057	29,175	8	1,833	35,648	1,003	36,651

In certain jurisdictions, the Group is entitled to tax benefit on share based payment, over and above the share based payment expense recorded. Such tax benefit is included in equity under the head "Tax benefit on share based payment".

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

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

Yogender Seth
Partner
Membership No.094524
Place: Gurugram
Date: 2 May 2024

For and on behalf of the Board of Directors of Coforge Limited

Sudhir Singh
CEO & Executive Director
DIN: [illegible]
Place: Gurugram
Date: 2 May 2024

Gautam Samanta
Executive Director
DIN: [illegible]
Place: Gurugram
Date: 2 May 2024

Saurabh Goel
Chief Financial Officer
Place: Gurugram
Date: 2 May 2024

Barkha Sharma
Company Secretary
Place: Gurugram
Date: 2 May 2024

S.R. Batliboi & Associates LLP

Coforge Limited
Consolidated Statement of Cash Flows

(All amounts in Rs Mn unless otherwise stated)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Cash flow from operating activities		
Profit before tax after exceptional items	10,449	9,512
Adjustments for		
Depreciation and amortisation expense	3,186	2,585
Loss on disposal of property, plant and equipment (net)	-	13
Interest and finance charges	1,205	768
Employee share-based payment expense	810	544
Impairment for trade receivables & contract assets (net)	104	72
Dividend and interest income	(124)	(46)
Unwinding of discount - finance income	(135)	(116)
	5,046	3,820
Changes in operating assets and liabilities		
(Increase)/Decrease in trade receivables	(1,668)	(2,126)
(Increase)/Decrease in other financial assets	(108)	282
(Increase)/Decrease in other assets	(2,024)	(769)
Increase/(Decrease) in employee benefit obligations	232	307
Increase/(Decrease) in trade payables	1,725	175
Increase/(Decrease) in other liabilities	(957)	1,104
Cash used from operations	(2,800)	(1,027)
Income taxes paid	(3,661)	(2,800)
Net cash inflow from operating activities	9,034	9,505
Cash flow from investing activities		
Purchase of property, plant and equipment	(2,655)	(1,582)
Proceeds from sale of property, plant and equipment	57	45
Acquisition of a subsidiary / operations, net of cash acquired (Refer note 31)	-	(1,222)
Interest received on bank deposits	120	43
Net cash (outflow) from investing activities	(2,478)	(2,716)
Cash flow from financing activities		
Proceeds from issue of shares	7	18
Purchase of additional stake in subsidiaries (Refer note 31)	(3,523)	-
Proceeds from borrowings	967	-
Repayment of borrowings	-	(180)
Payment of principal portion of lease liabilities	(480)	(421)
Interest paid	(1,060)	(714)
Dividends paid to the NCI	(117)	(751)
Dividends paid to the Company's shareholders	(4,664)	(3,534)
Net cash (outflow) from financing activities	(8,870)	(5,582)
Net increase / (decrease) in cash and cash equivalents	(2,314)	1,207
Cash and cash equivalents at the beginning of the financial year	5,699	4,468
Effects of exchange rate changes on cash and cash equivalents	(172)	24
Cash and cash equivalents at the end of the financial year	3,213	5,699
Cash and Cash Equivalents comprise of:		
Cheques, drafts on hand	21	119
Balances with banks	2,962	5,389
Fixed deposit accounts (less than 3 months original maturity)	230	191
Total [Refer note 5(iv)]	3,213	5,699

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

For and on behalf of Board of Directors of Coforge Limited

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

S. R. Batliboi & Associates LLP

Yogender Seth
Partner
Membership No.094524
Place : Gurugram
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Sudhir Singh
CEO & Executive Director
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DIN:09157177
Place : Gurugram
Date : 2 May 2024

Saurabh Goel
Chief Financial Officer

Place : Gurugram
Date : 2 May 2024

Barkha Sharma
Company Secretary

Place : Gurugram
Date : 2 May 2024

A. Background

Coforge Limited ("the Company") having its registered office at 8, Balaji Estate, Third Floor,Guru Ravi Das Marg, New Delhi 110019, is a Company limited by shares, incorporated and domiciled in India. The Company delivers services around the world directly and through its network of subsidiaries and overseas branches (collectively known as "the Group"). The Group is rendering Information Technology/ Information Technology Enabled Services ("IT / ITES") across various geographies viz Americas, Europe, Middle East and Africa, India and Asia Pacific; and is engaged in Application Development & Maintenance, Managed Services, Cloud Computing and Business Process Outsourcing to organizations in a number of sectors viz. Financial Services, Insurance, Travel, Transportation & Logistics, Manufacturing & Distribution and Government. The Company is a public listed company and is listed on Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). These Consolidated financial statements were authorised for issue in accordance with a resolution of the Board of Directors on 02 May 2024.

B. Basis of preparation of Consolidated financial statements

(i) Compliance with Ind AS

The Consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the Consolidated financial statements.

(ii) Historical cost convention

The Consolidated financial statements have been prepared on a historical cost, accrual and going concern basis, except for the following:
- certain financial assets and liabilities (including derivative instruments) and put option liability that are measured at fair value;
- defined benefit plans - plan assets measured at fair value [Refer note 1 (p)]; and
- share-based payments [refer note 1(p)]

C. Use of Estimates and judgements

The preparation of Consolidated financial statements in conformity with Ind AS requires the management to make estimates, assumptions and judgements that affect the reported amounts of assets, liabilities, revenue, costs, expenses and other comprehensive income that are reported and disclosed in the consolidated financial statements. These estimates are based on the management's best knowledge of current events, historical experience, actions that the Group may undertake in the future and on various other assumptions that are believed to be reasonable under the circumstances. Significant estimates and assumptions are used, but not limited to allowance for uncollectible trade and contract assets, impairment of goodwill and business combination. Actual results could differ from those estimates. Changes in estimates are reflected in the financial statements in the period in which the changes are made and represent management's best estimate.

Other areas involving critical estimates and judgements are:

The preparation of Consolidated financial statements requires the use of accounting estimates which, by definition, may not equal the actual results. Management also needs to exercise judgment in applying the Group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the Consolidated financial statements.

Areas involving critical estimates and judgments are:

• Estimated goodwill impairment

Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit (CGUs) is less than its carrying amount. For the impairment testing, goodwill is allocated to the CGU or groups of CGUs which benefit from the synergies of the acquisition and which represent the lowest level at which goodwill is monitored for internal management purposes. However, such cannot be larger than an operating segment as defined in Ind AS 108 Operating Segments before aggregation.

The recoverable amount of CGUs is determined based on higher of value-in use and fair value less cost to sell. Key assumptions in the cash flow projections are prepared based on current economic conditions and comprises estimated long term revenue growth rates, weighted average cost of capital and estimated operating margins.

• Impairment of trade receivables

The impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Group uses judgment in making these assumptions and selecting the inputs to the expected credit loss calculation based on the Group's history of collections, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance).

• Business combination:

In accounting for business combinations, judgment is required in identifying whether an identifiable intangible asset is to be recorded separately from goodwill. Additionally, estimating the acquisition date fair value of the identifiable assets acquired (including useful life estimates), liabilities assumed, and contingent consideration assumed involves management judgment. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by management. Changes in these judgments, estimates, and assumptions can materially affect the results of operations. [Refer note 1(s)].

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

D Basis of consolidation

(i) *Subsidiaries*

Subsidiaries are all entities (including structured entities) over which the group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

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

Goodwill arising on acquisition of control is determined as per the business combination accounting policy [Refer note 1(s)]. The Group combines the Consolidated financial statements of the parent and its subsidiaries line by line by adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies / different accounting period end of subsidiaries have been changed where necessary to ensure consistency with the policies / accounting period adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of financial position respectively.

(ii) *Changes in ownership interests*

The Group treats transactions with non - controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and fair value of any consideration paid or received is recognized within equity.

When the Group ceases to consolidate a subsidiary because of a loss of control, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognized in profit or loss. This fair value becomes the initial carrying amount for the purpose of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income are reclassified to profit or loss. Any investment retained is recognised at fair value.

1 Material accounting policies

a Foreign currency translation

(i) Functional and presentation currency

Items included in the Consolidated financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). For each entity, the Group determines the functional currency and items included in the Consolidated financial statements of each entity are measured using that functional currency. Consolidated financial statements of the Group are presented in Indian Rupee (INR/Rs.), which is the parent Company's functional and the Group's presentation currency.

(ii) Transactions & 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 daily rate which approximately equals to exchange rate at the transaction date.

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 at month-end closing rate. Exchange difference on restatement as well as settlement of monetary items are recognized in the Statement of Profit and Loss.

(iii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of the balance sheet
- income and expenses are translated at the monthly average rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and

- all resulting exchange differences are recognized in other comprehensive income.

When a foreign operation is sold/wound up, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale/winding up.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rates.

(b) Revenue from operations

The Group derives revenues primarily from business Information Technology services comprising of software development and related services, consulting and package implementation and from the licensing of software products offerings ("together called as software related services"). The Group's arrangements with customers for software related services are time-and-material, fixed-price, fixed capacity / fixed monthly, transaction based or multiple element contracts involving supply of hardware or software with other services. The Group classifies revenue from sale of it's own licenses and revenue from contracts where sale of hardware is a distinct performance obligation as Sale of products and the remaining software related services as Sale of services.

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services. The Group presents revenues net of indirect taxes in its statement of Profit and loss.

In case of arrangement involving resale of third-party products or services, the Group evaluates whether the Group is the principal (i.e. report revenues on a gross basis) or agent (i.e. report revenues on a net basis). In doing so, the Group first evaluates whether the Group controls the good or service before it is transferred to the customer. If Group controls the good or service before it is transferred to the customer, the Group is the principal; if not, the Group is the agent.

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In case of multiple element contracts, at contract inception, the Group assesses its promise to transfer products or services to a customer to identify separate performance obligations. The Group applies judgement to determine whether each product or service promised to a customer is capable of being distinct, and are distinct in the context of the contract. If not, the promised products or services are combined and accounted as a single performance obligation. The Group allocates the arrangement consideration to separately identifiable performance obligation based on their relative stand-alone selling price or residual method. Stand-alone selling prices are determined based on sale prices for the components when it is regularly sold separately, in cases where the Group is unable to determine the stand-alone selling price the Group uses third-party prices for similar deliverables or the Group uses expected cost-plus margin approach in estimating the stand-alone selling price.

Method of revenue recognition

Revenue on time-and material contracts are recognized over time as the related services are performed.

Revenue from fixed-price, fixed-capacity and fixed monthly contracts, where the performance obligations are satisfied over time, is recognized as per the percentage-of completion method. The performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses.

Percentage of completion is determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. The cost expended (or input) method has been used to measure progress towards completion as there is a direct relationship between input and productivity. If the Group is not able to reasonably measure the progress of completion, revenue is recognized only to the extent of costs incurred, for which recoverability is probable. When total cost estimates exceed revenues in an arrangement, the estimated losses are recognized in the consolidated statement of income in the period in which such losses become probable based on the current contract estimates as an onerous contract provision.

Revenue from transaction based contracts is recognised at the amount determined by multiplying transaction rate to actual transactions taking place during a period.

Revenue from licenses where the customer obtains a "right to use" the licenses is recognized at the time the license is made available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognized over the access period.

Contract balances

Revenues in excess of invoicing are treated as contract assets while invoicing in excess of revenues are treated as contract liabilities. The Group classifies amounts due from customer as receivable or contract assets 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 contract assets.

Contract costs

Incremental costs of obtaining a contract and costs incurred in fulfilling a contract with customer are recognised as contract costs assets and amortized over the term of the contract on a systematic basis.

Others

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch-up basis. Services that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

The Group accounts for variable considerations like, volume discounts, rebates and pricing incentives to customers and penalties as reduction of revenue on a systematic and rational basis over the period of the contract. The Group estimates an amount of such variable consideration using expected value method or the single most likely amount in a range of possible consideration depending on which method better predicts the amount of consideration to which the Group may be entitled and when it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is resolved.

The Group assesses the timing of the transfer of goods or services to the customer as compared to the timing of payments to determine whether a significant financing component exists. As practical expedient, the Group does not adjust the consideration for the effects of a significant financing component if the period between the transfer of the promised good or service and the payment is one year or less. If the difference in timing arises for reasons other than the provision of finance to either the customer or us, no financing component is deemed to exist.

(e) Income Taxes

Tax expense comprises current tax expense and deferred tax.

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 and to unused tax losses.

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 subsidiaries (including 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 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 Consolidated financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also 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.

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 entity 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.

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Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries and branches where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries and branches where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Current tax and deferred tax are recognized in statement of profit or loss, except to the extent that it relates to items recognized in Other Comprehensive Income or directly in equity. In this case, the tax is also recognized in Other Comprehensive Income or directly in equity, respectively.

Minimum Alternate Tax (MAT) paid as per Indian Income Tax Act, 1961 is in the nature of unused tax credit which can be carried forward and utilised when the Group will pay normal income tax during the specified year. Deferred tax assets on such tax credit are recognised to the extent that it is probable that the unused tax credit can be utilised in the specified future year based on the internal projections of the Management. The net amount of tax recoverable from the taxation authority is included as part of the deferred tax assets in the Consolidated financial statements.

(d) Leases

The Group as a lessee

The Group's lease asset classes primarily consist of leases for land, buildings and vehicles. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contact involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.
The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. 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 lease liability is initially measured at amortized cost at the present value of the future lease payments.

Lease liability and ROU asset have been separately presented in the consolidated statement of financial position and lease payments have been classified as financing cash flows.

(e) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash in hand, deposits held at call with financial institutions, other short-term highly liquid investments 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 and bank overdraft.
Bank overdrafts are shown within borrowings in current liabilities in the consolidated statement of financial position.

(f) Investments and other financial assets

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

(i) 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, except Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115

(ii) Subsequent measurement

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

- ► Debt instruments at amortised cost
- ► Debt instruments at fair value through other comprehensive income (FVTOCI)
- ► Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- ► Equity instruments measured at fair value through other comprehensive income (FVTOCI)

(i) Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group 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:
a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) 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 entity. 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 other income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Fair value through other comprehensive income (FVOCI): A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:
a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.
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 Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. 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 Group 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, however no such designation has been made. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

(ii) Equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the entity may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The entity makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.
If the entity decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the entity may transfer the cumulative gain or loss within equity.
Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

(iii) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a entity of similar financial assets) is primarily derecognised (i.e. removed from the entity's consolidated balance sheet) when:
► The rights to receive cash flows from the asset have expired, or
► The entity 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 entity has transferred substantially all the risks and rewards of the asset, or (b) the entity has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.
When the entity 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 entity continues to recognise the transferred asset to the extent of the entity's continuing involvement. In that case, the entity 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 entity 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 entity could be required to repay.

(iv) Impairment of financial assets

In accordance with Ind AS 109, the entity applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:
a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
b) Trade receivables, unbilled revenue/ contract assets or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.
c) Financial assets that are debt instruments and measured as at FVTOCI
The entity follows 'simplified approach' for recognition of impairment loss allowance on:
► Trade receivables or contract revenue receivables; and
The application of simplified approach does not require the entity 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.

ECL is the difference between all contractual cash flows that are due to the entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:
► All contractual terms of the financial instrument (including prepayment, extension, call and similar options) 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 entity is required to use the remaining contractual term of the financial instrument

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As a practical expedient, the entity uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables and contract assets. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for contractual revenue receivables (ECL) is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the entity does not reduce impairment allowance from the gross carrying amount.

(g) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at amortized cost or financial liabilities at fair value through profit or loss, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings and derivative financial instruments.

(ii) 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/ loss are not subsequently transferred to P&L. However, the Group 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 or loss. The Group has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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 as finance costs in the statement of profit and loss.

This category generally applies to borrowings.

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 or loss.

(h) 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 Group or the counterparty.

(i) *Other Income*

Interest income

Interest income is recognized using effective interest rate method taking into account the amount outstanding and the rate of Interest applicable (refer policy to investment and other financial assets).

Dividends

Dividends are recognized in profit or 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 Group, and the amount of the dividend can be measured reliably.

Government incentives □

Government incentives are recognized where there is reasonable assurance that the incentive will be received and all attached conditions have been complied with. The incentives received under the schemes are recorded as other income.

(j) Derivatives and hedging activities

The Group uses derivative financial instruments viz. forward currency contracts to hedge its exposure to foreign currency risk in forecast transactions and firm commitments. Such derivative financial instruments are 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.

Cash flow hedges

For the purpose of hedge accounting, cash flow hedges are designated 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 Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group'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 entity 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. 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.

The Group uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments.

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

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the forecast sale occurs.

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Government incentives

Government incentives are recognized where there is reasonable assurance that the incentive will be received and all attached conditions have been complied with. The incentives received under the schemes are recorded as other income.

(j) Derivatives and hedging activities

The Group uses derivative financial instruments viz. forward currency contracts to hedge its exposure to foreign currency risk in forecast transactions and firm commitments. Such derivative financial instruments are 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.

Cash flow hedges

For the purpose of hedge accounting, cash flow hedges are designated 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 Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group'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 entity 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. 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.

The Group uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments.
The effective portion of the gain or loss on the hedging instrument is recognised in OCI and accumulated in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the forecast sale occurs.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to statement of profit and loss.

(k) Property, plant and equipment

Freehold land is carried at historical cost less impairment losses, if any. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation less impairment losses, if any. 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 group and the cost of the item can be measured reliably. Such cost also includes the cost of replacing part of the plant and equipment if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

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.

The cost of assets not ready for used before balance sheet date are disclosed under capital work in progress. Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

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
Buildings	60 years
Plant and Machinery:	
Computers and peripherals	2-5 years
Office Equipment	5 years
Other assets	3-15 years
Furniture and Fixtures	4-10 years
Leasehold improvements	3 years or lease period whichever is lower
Vehicles	8 years

The useful lives as given above best represent the period over which the management expects to use these assets, based on technical assessment. The estimated useful lives for these assets may differ from the useful lives prescribed under Part C of Schedule II of the Companies Act 2013.
The asset's residual values and useful life are reviewed, and adjusted if appropriate, at the end of each reporting period.

(l) Intangible assets

(i) *Goodwill*

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortized but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity / operations include the carrying amount of goodwill relating to the entity / operations sold.

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(v) *Amortization methods and periods*

The Group amortizes intangible assets with a finite useful life using the straight-line method over the following periods:

Internally developed software	3-5 years
Computer software - external	3 years
Non - compete fees	3-6 years
Brand	10 years
Customer Contract/ Relationships	5-10 years
Patents	3-21 years

Contract specific software are amortized over the duration of contract agreed with customer. The asset's residual values and useful life are reviewed, and adjusted if appropriate, at the end of each reporting period.

(vi) Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. For other non-financial assets, including property, plant and equipment, ROU assets and intangible assets having finite useful lives, the Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal or value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on most recent budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment losses are recognised in the statement of profit or loss under the head depreciation and amortisation expense.

For assets excluding goodwill, 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 Group estimates the asset's or CGU's recoverable amount.

(m) Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time, that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. The Group has not capitalised any material borrowing costs.

Other borrowing costs are expensed in the period in which they are incurred.

(n) Provisions and contingent liabilities

Provisions for legal claims and service warranties are recognized when the Group 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. Provisions are not recognized for future operating losses. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement (recognised only if realisation is virtually certain). 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.

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

Contingent liability is a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognised; however, their existence is disclosed in the Consolidated financial statements.

(o) Employee benefit obligations

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields on government bonds at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements comprising of as a result of experience adjustments and changes in actuarial assumptions are recognised immediately in the statement of profit and loss in the period in which they occur.

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(iii) Post - employment obligations

Defined benefit plans:

Provident Fund

Employees Provident Fund contributions are made to a Trust administered by the Group. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of the year. The contributions made to the trust are recognised as plan assets. The defined benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as reduced by the fair value of plan assets. If the interest earnings and cumulative surplus of Trust are less than the present value of the defined benefit obligation the interest shortfall is provided for as additional liability of employer and charged to the statement of profit and loss.

Gratuity

Gratuity is a post employment defined benefit plan. The liability recognized in the Balance Sheet in respect of gratuity is the present value of the defined benefit obligation at the Balance Sheet date less fair value of plan assets. The Group's liability is actuarially determined (using the projected unit credit method) at the end of each year.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

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

▶ The date of the plan amendment or curtailment, and

▶ The date that the Group recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

▶ Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and

▶ Net interest expense or income.

Defined contribution plan:

Superannuation

The Group makes defined contribution to a Trust established for this purpose. The Group has no further obligation beyond its monthly contributions. The Group's contribution towards Superannuation Fund is charged to Statement of Profit and Loss on accrual basis.

Overseas Employees

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

(iv) Share-based payments

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

Equity settled employee stock options

The fair value of options granted under Employee Stock Option Plan is recognized as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time)

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. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

(p) Dividends

Dividend to shareholders is recognised as a liability and deducted from equity, in the year / period in which the dividends are approved by the shareholders.

(q) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the Group
- By weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

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) Business combinations

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

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed.

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

Liability for non-controlling interests

Liability for put option issued to non-controlling interests which do not grant present access to ownership interest to the Group is recognised at present value of the redemption amount and is reclassified from equity. At the end of each reporting period, the non-controlling interests subject to put option is derecognised and the difference between the amount derecognised and present value of the redemption amount, which is recorded as a financial liability, is accounted for as an equity transaction.

(s) Fair value measurements

The Group measures financial instruments, such as investment in mutual funds and derivatives, at fair value at each balance sheet date. The Group also measures assets and liabilities acquired in business combination at fair value. 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 Consolidated 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 Group'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.

(t) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

-Expected to be realised or intended to be sold or consumed in normal operating cycle

-Held primarily for the purpose of trading

-Expected to be realised within twelve months after the reporting period, or

-Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

-It is expected to be settled in normal operating cycle

-It is held primarily for the purpose of trading

-It is due to be settled within twelve months after the reporting period, or

There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

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

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

(u) Rounding of amounts

All amounts disclosed in the Consolidated financial statements and notes have been rounded off to the nearest millions, unless otherwise stated.

2 Recent Accounting Pronouncements

New and amended standards adopted by the Group

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 1 April 2023. The Group applied for the first-time these amendments.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Group's consolidated financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Group's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Group's financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The Group previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the Group has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12,there is no impact in the balance sheet. There was also no impact on the opening retained earnings as at 1 April 2022.

Apart from these, consequential amendments and editorials have been made to other Ind AS like Ind AS 101, Ind AS 102, Ind AS 103, Ind AS 107, Ind AS 109, Ind AS 115 and Ind AS 34.

Standards notified but not yet effective

There are no standards that are notified and not yet effective as on the date.

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3 Property, plant and equipment

(All amounts in Rs Mn unless otherwise stated)

Particulars	Freehold Land	Buildings	Plant and Machinery - Computers and Peripherals	Plant and Machinery - Office Equipment	Plant and Machinery - Others	Furniture and Fixtures	Lease Hold Improvements	Vehicles	Total	Capital work in progress
Gross carrying amount										
As at 1 April 2022	96	2,668	2,916	204	1,354	667	127	423	8,455	86
Additions	15	44	355	4	54	31	138	258	899	133
Disposals	-	-	(456)	(1)	(469)	(16)	(7)	(90)	(1,039)	-
Translation Adjustment	-	-	42	4	(4)	6	7		55	
Transfers/Adjustment	-	-	-	-	7	(7)	-	-	-	(173)
As at 31 March 2023	**111**	**2,712**	**2,857**	**211**	**942**	**681**	**265**	**591**	**8,370**	**46**
Accumulated depreciation										
As at 1 April 2022	-	281	1,950	150	939	477	63	143	4,003	-
Depreciation charge for the year	-	46	535	24	80	46	52	60	843	-
Disposals	-	-	(452)	(1)	(468)	(10)	(7)	(43)	(981)	-
Translation Adjustment	-	-	44	3	(5)	5	3		50	-
As at 31 March 2023	**-**	**327**	**2,077**	**176**	**546**	**518**	**111**	**160**	**3,915**	**-**
Net carrying amount as at 31 March 2023	**111**	**2,385**	**780**	**35**	**396**	**163**	**154**	**431**	**4,455**	**46**

Particulars	Freehold Land	Buildings	Plant and Machinery - Computers and Peripherals	Plant and Machinery - Office Equipment	Plant and Machinery - Others	Furniture and Fixtures	Lease Hold Improvements	Vehicles	Total	Capital work in progress
Gross carrying amount										
As at 1 April 2023	111	2,712	2,857	211	942	681	265	591	8,370	46
Additions	-	-	379	37	36	41	73	433	999	229
Disposals	-	1	(197)	(9)	(17)	(12)	(8)	(87)	(329)	-
Translation Adjustment	-	-	(66)	(3)	(15)	-	(41)		(125)	-
Transfers/Adjustment	-	-	-	-	-	-	-	-	-	(43)
As at 31 March 2024	**111**	**2,713**	**2,973**	**236**	**946**	**710**	**289**	**937**	**8,915**	**232**
Accumulated depreciation										
As at 1 April 2023	-	327	2,077	176	546	518	111	160	3,915	-
Depreciation charge for the year	-	47	558	17	82	44	84	92	924	-
Disposals	-	-	(195)	(9)	(13)	(12)	(8)	(36)	(273)	-
Translation Adjustment	-	-	(63)	(3)	(17)	-	(38)		(121)	-
As at 31 March 2024	**-**	**374**	**2,377**	**181**	**598**	**550**	**149**	**216**	**4,445**	**-**
Net carrying amount as at 31 March 2024	**111**	**2,339**	**596**	**55**	**348**	**160**	**140**	**721**	**4,470**	**232**

Capital work in progress aging

Projects in progress	Amounts in Capital work in progress for a period of				
	Less than 1 year	1 - 2 years	2-3 years	More than 3 years	Total
31 March 2024	229	3	-	-	232
31 March 2023	46	-	-	-	46

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4 **Intangible assets and goodwill**

Following are the changes in the carrying value of goodwill and intangible assets for the year ended 31 March 2023:

Particulars	Other Intangible assets								
	Acquired software	Internally developed software	Patents	Brand	Customer relationships*	Non-compete fee*	Total	Intangible assets under development	Goodwill
Gross carrying amount									
As at 1 April 2022	695	442	9	519	5,058	507	7,230	82	10,770
Additions	527	604			555	114	1,800	516	787
Disposals	(630)	-	-	-	-	-	(630)	(598)	-
Translation Adjustment	16	21	1	9	69	4	120	-	170
As at 31 March 2023	**608**	**1,067**	**10**	**528**	**5,682**	**625**	**8,520**	**-**	**11,727**
Accumulated amortization and impairment									
As at 1 April 2022	602	442	5	209	1,512	429	3,199	-	62
Amortization charge for the year	518	41		46	611	55	1,271	-	-
Disposals	(630)	-	-	-	-	-	(630)	-	-
Translation Adjustment	13	9	2	3	17	2	46	-	-
As at 31 March 2023	**503**	**492**	**7**	**258**	**2,140**	**486**	**3,886**	**-**	**62**
Net carrying amount as at 31 March 2023	105	575	3	270	3,542	139	4,634	-	11,665

Following are the changes in the carrying value of goodwill and intangible assets for the year ended 31 March 2024:

Particulars	Other Intangible assets								
	Acquired software	Internally developed software	Patents	Brand	Customer relationships*	Non-compete fee*	Total	Intangible assets under development	Goodwill
Gross carrying amount									
As at 1 April 2023	608	1,067	10	528	5,682	625	8,520	-	11,727
Additions	808	533			-	-	1,341	533	-
Disposals	(31)	-	-	-	-	(316)	(347)	(533)	-
Translation Adjustment	(127)	2	-	6	21	3	(95)	-	73
As at 31 March 2024	**1,258**	**1,602**	**10**	**534**	**5,703**	**312**	**9,419**	**-**	**11,800**
Accumulated amortization and impairment									
As at 1 April 2023	503	492	7	258	2,140	486	3,886	-	62
Amortization charge for the year	635	211	1	54	632	75	1,608	-	-
Disposals	(30)	-	-	-	-	(316)	(346)	-	-
Translation Adjustment	(128)	(17)	(1)	3	17	2	(124)	-	-
As at 31 March 2024	**980**	**686**	**7**	**315**	**2,789**	**247**	**5,024**	**-**	**62**
Net carrying amount as at 31 March 2024	278	916	3	219	2,914	65	4,395	-	11,738

*Refer Note 31

The disposal in acquired software represents write offs of certain software having gross carrying amount of Rs. 31 Mn (31 March 2023: Rs. 630 Mn), accumulated amortisation of Rs. 30 Mn (31 March 2023: Rs. 630 Mn) and net carrying amount of Rs. 1 Mn (31 March 2023 Rs. Nil).

Intangible assets under development ageing

Projects in progress	Amounts in Intangible assets under development for a period of				
	Less than 1 year	1 -2 years	2-3 years	More than 3 years	Total
31 March 2024	-	-	-	-	-
31 March 2023	-	-	-	-	-

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(All amounts in Rs Mn unless otherwise stated)

Impairment tests for goodwill

a) Significant estimate: Key assumptions used for fair value less cost of disposal/ value-in-use calculations

The Group monitors the performance of each acquired business including related goodwill as a separate unit. In certain cases, these businesses fall into more than one Operating Segments. For impairment testing, considering the requirements of Ind AS 36 paragraph 80(b), the goodwill as well as other assets of the acquired businesses, viz. SF (erstwhile Whishworks), DPA, AdvantageGo, BPS, BPM, ODA and Coforge Heathcare have been allocated such that unit for goodwill impairment testing does not exceed an operating segment. Particularly, the operations of DPA and SF are spread across multiple operating segments and thus for impairment testing, goodwill and all other assets are further allocated to ensure that goodwill impairment testing does not cross limits of an operating segments.

SF provides digital integration business solutions, DPA and BPM are global business process management specialist. AdvantageGo is in the business of commercial insurance software and solution provider. BPS is in the business of providing business process transformation offering digital solutions for the financial services industry.

Basis the above methodology, given below is an allocation of carrying amount of goodwill to the units (group of units) having significant goodwill in comparison with the Group's total carrying amount of goodwill:

Basis the above methodology, given below is an allocation of carrying amount of goodwill to the units (group of units) having significant goodwill in comparison with the Group's total carrying amount of goodwill:

CGU	Segment	As at 31 March 2024	As at 31 March 2023
SF	EMEA	1,310	1,289
DPA	APAC	351	353
AdvantageGo#	EMEA	965	930
BPM	Americas	1,018	1,003
BPS	Americas	6,129	6,137
Others*		1,965	1,953
		11,738	**11,665**

There are no intangible assets with indefinite useful life allocated to CGU

*Others include units namely Coforge Spain, Coforge Airline Technologies Gmbh, DPA UK, SF USA, Provision tree, ODA and SF India to which allocated goodwill is individually insignificant.

The Group performed its annual impairment test for each of the above units separately at each reporting date. The recoverable amount of a CGU is determined by assessing fair value less cost of disposal (FVLCOD) for AdvantageGo CGU and value-in-use calculations for remaining units.

The FVLCOD was categorised as Level 3 calculations due to un-observable inputs in calculations. The FVLCOD calculations are determined by considering lower quartile of revenue multiple to market capitalisation of comparable companies and thereafter applying discount (approx. 12.5%) to reflect the risk relating to the AdvantageGo business. The resultant multiple was applied to the revenues for the year ended March 31, 2024 of AdvantageGo CGU to determine the FVLCOD. [refer note c]

The value in use calculations are based on cash flow projections based on financial budgets approved by management covering a five-year period. Key assumptions used in value in use calculations:

Assumption	**Approach used to determining values [refer note c]**
Revenue	Average annual growth rate over the five-year forecast period; based on past performance and management's expectations of market development. These growth rates are further corroborated by annual budgets of the Company.
Budgeted operating margin	Based on past performance and management's expectations for the future.
Pre-tax discount rates	Reflect specific risks relating to the relevant segments and the geographies in which they operate.

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Basis above, the following table sets out the key assumptions (approximate) for those CGUs that have significant goodwill allocated to them:

31 March 2024

CGU	Segment	Revenue (% annual growth rate)	Budgeted operating margin (%)	Pre-tax discount rate (%)
SF	EMEA	10.0%	28.0%	15.0%
DPA	APAC	10.0%	20.0%	12.0%
BPM	Americas	10.0%	32.0%	13.0%
BPS	Americas	12.0%	25.0%	13.0%

31 March 2023

CGU	Segment	Revenue (% annual growth rate)	Budgeted operating margin (%)	Pre-tax discount rate (%)
SF	EMEA	10.0%	28.0%	12.0%
DPA	APAC	10.0%	20.0%	12.0%
BPM	Americas	10.0%	32.0%	13.0%
BPS	Americas	12.0%	25.0%	13.0%

Assumptions for goodwill, for segments classified as others are based on revenue growth rates, operating margins and discount rates as applicable for respective CGUs considering the respective services/ geographies.

For AdvantageGo reasonable possible changes of key assumptions in the VIU calculations could cause the carrying amount of the CGU to exceed its recoverable amount. Accordingly, the Group has determined FVLCOD to conclude on impairment testing for AdvantageGo CGU as at March 31, 2024 and March 31, 2023 and concluded on there being no impairment.

b) Significant estimate: impairment charge

The Group has performed impairment testing for the above CGUs and no impairment charge has been identified as at 31 March 2024 and as at 31 March 2023.

c) Significant estimate: Impact of possible changes in key assumptions

The Group has considered and assessed reasonably possible change for other key assumptions and have not identified any reasonable possible change that could cause the carrying amount of any CGU to exceed its recoverable amount. If there is significant deterioration in the operations of this CGU and its expected future cash flows, this may lead to an impairment loss being recognised. Basis the methodology as discussed above, no impairment loss was recognised for the year ended March 31, 2024 and year ended March 31, 2023.

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(All amounts in Rs Mn unless otherwise stated)

		As at 31 March 2024	As at 31 March 2023
5	**Financial Assets**		
5(i)	**Non-current investments**		
	Investments in equity instruments (fully paid) at Fair Value through OCI		
	Unquoted		
	199,145 (Previous Year 199,145) Common shares in Relativity Technologies	0	0
	953,265 (Previous Year 953,265) Common Shares in Computer Logic Inc.,	0	0
	Total equity instruments	0	0
	Total Non- Current Investments	0	0
	Aggregate amount of unquoted investments	0	0
	Aggregate amount of impairment in the value of investments	-	-

\# 0 represents amount is below the rounding off norm adopted by the Group

		As at 31 March 2024		As at 31 March 2023	
		Current	Non- Current	Current	Non- Current
5(ii)	**Trade Receivables**				
	Trade receivables	19,072	1,464	17,018	1,772
	Receivables from related parties [Refer note 29]	-	-	-	-
	Less: Impairment for trade receivables	(1,033)	-	(887)	-
	Total receivables	**18,039**	**1,464**	**16,131**	**1,772**
	Break-up of security details				
	Trade receivables considered good - secured	-	-	-	-
	Trade receivables considered good - unsecured	18,039	1,464	16,131	1,772
	Trade receivables - credit impaired	1,033	-	887	-
	Total	**19,072**	**1,464**	**17,018**	**1,772**
	Impairment for trade receivables	(1,033)	-	(887)	-
	Total trade receivables	**18,039**	**1,464**	**16,131**	**1,772**
	Trade receivables includes amounts yet to be billed to customers and dependent only on passage of time (unbilled considered good - unsecured)	3,760	1,464	2,752	1,772

Trade Receivables ageing schedule

Particulars	Outstanding for following periods from due date of payment						As at 31 March 2024
	Not yet due	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	15,711	3,272	140	73	170	-	**19,366**
(ii) Undisputed Trade Receivables – credit impaired	35	64	28	44	122	603	**896**
(iii) Disputed Trade Receivables - considered good	-	-	-	-	-	137	**137**
(iv) Disputed Trade Receivables – credit impaired		-	-		-	137	**137**

Particulars	Outstanding for following periods from due date of payment						31 March 2023
	Not yet due	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	14,713	2,685	128	82	158	-	**17,766**
(ii) Undisputed Trade Receivables – credit impaired	33	68	26	17	346	260	**750**
(iii) Disputed Trade Receivables considered good		-	-	-	76	61	**137**
(iv) Disputed Trade Receivables – credit impaired		-	-	-	76	61	**137**

As at 31 March 2024, the Company has outstanding trade receivables of Rs 1,357 Mn (31 March 2023 Rs. 1131 Mn) relating to Government customers in India [net of provision of Rs 535 Mn (Previous year Rs. 527 Mn)]. Allowance for expected credit loss on receivables is subjective due to the high degree of significant judgment applied by management in determining the impairment provision. Above trade receivables pertain to contract with customers as defined under Ind AS 115 on Revenue from contract with customers and considered recoverable.

No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member. Refer note 29

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(All amounts in Rs Mn unless otherwise stated)

		As at 31 March 2024		As at 31 March 2023	
		Current	Non- Current	Current	Non- Current
5(iii)	**Other Financial Assets**				
	(i) Financial assets at fair value through OCI				
	Derivatives				
	Foreign exchange forward contracts	79	-	39	-
	(ii) Others				
	Security deposits				
	-Considered Good	83	386	124	223
	-Considered doubtful	-	3	-	3
		83	389	124	226
	Less -Impairment for doubtful security deposits	-	3	-	3
		83	386	124	223
	Interest accrued on deposits with banks	-	8	-	4
	Long term deposits with bank with remaining maturity period more than 12 months [Refer Note (a) below]	-	196	-	238
	Finance lease recoverable	16	-	24	14
	Total other financial assets	**178**	**590**	**187**	**479**

(a) Includes Rs. 196 Mn (Previous year Rs. 236 Mn) Held as margin money by bank against bank guarantees.

		As at 31 March 2024	As at 31 March 2023
5(iv)	**Cash and cash equivalents**		
	Balances with banks		
	- in Current accounts	2,521	4,165
	- in EEFC account	441	1,224
	Deposits with original maturity less than three months	230	191
	Cash on hand	-	-
	Cheques, drafts on hand	21	119
	Total Cash and cash equivalents	**3,213**	**5,699**

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the current year and previous year.

Reconciliation of liabilities whose cash flow movements are disclosed as part of financing activities in the statement of cash flows:

Particulars	**As at 1 April 2023**	**Cash Flow during the year**			**Finance Charges Accrued**	**Others**	**As at 31 March 2024**
		Proceeds (net)	**Payment**	**Net Cash Flows**			
Borrowings	3,382	967	-	967	17	-	4,366
Dividend Payable (Refer Note 1 below)	23	-	(4,781)	(4,781)	-	4,783	25
Interest on borrowings	296	-	(1,060)	(1,060)	909	175	320
Lease liability (Refer Note 34)	2,240	-	(684)	(684)	204	1,134	2,894
Financial liability for future acquisition (Refer note 24 iv)	3,865	-	(3,523)	(3,523)	-	(97)	245
	9,806	**967**	**(10,048)**	**(9,081)**	**1,130**	**5,995**	**7,850**

Particulars	**As at 1 April 2022**	**Cash Flow during the year**			**Finance Charges Accrued**	**Others**	**As at 31 March 2023**
		Proceeds (net)	**Payment**	**Net Cash Flows**			
Borrowings	3,545	-	(180)	(180)	17	-	3,382
Dividend Payable (Refer Note 1 below)	20	-	(4,285)	(4,285)	-	4,288	23
Interest on borrowings	289	-	(714)	(714)	581	140	296
Lease liability (Refer Note 34)	1,351	-	(562)	(562)	141	1,310	2,240
Financial liability for future acquisition (Refer note 24 iv)	2,908	-	0	0	-	957	3,865
	8,113	-	**(5,741)**	**(5,741)**	**739**	**6,695**	**9,806**

Note 1: Others include interim dividend accrued during the year.

		As at 31 March 2024	As at 31 March 2023
5(v)	**Other bank balances**		
	Deposits with original maturity more than 3 months but less than 12 months	114	65
	Unpaid dividend account [Refer Note (a) below]	25	23
		139	88

(a) Can be used only to settle unpaid dividend liability.

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(All amounts in Rs Mn unless otherwise stated)

		As at 31 March 2024	As at 31 March 2023
6	**Deferred tax assets**	5,581	3,757
	The balance comprises temporary differences attributable to:		
	Provisions allowed on payment basis	243	315
	Defined benefit obligations	465	610
	Other items	1,081	391
	Lease liabilities	509	471
	Minimum alternate tax credit entitlement	3,760	2,496
	Gross deferred tax assets (A)	**6,058**	**4,283**
	Tax impact of difference between carrying amount of property, plant and equipment in the financial statements and as per the income tax calculation	(17)	(139)
	Right of use assets	(454)	(445)
	Deferred tax asset related to fair value loss on derivative instruments not charged in the consolidated statement of Profit and Loss but taken to Balance Sheet	(4)	58
	Gross deferred tax liabilities (B)	**(475)**	**(526)**
	Net Deferred tax assets (A-B)	**5,581**	**3,757**

Movement in deferred tax assets

	Deferred tax assets									Deferred tax liability	Total
	Property, plant and equipment	Derivatives	Employee benefits	Provisions	Minimum Alternate Tax	Lease Liabilities	ROU	Other items	Total	Intangible assets*	
At 31 March 2022	(89)	(36)	530	445	1,792	228	(202)	68	2,736	(766)	1,970
Created on acquisition of subsidiary	-	-	-	-	-	-	-	-	-	-	-
Unexercised ESOPs	-	-	(18)	-	-	-	-	-	(18)	-	(18)
(charged)/credited:											
- to profit or loss- deferred tax	(50)	-	109	(130)	-	243	(243)	323	252	179	431
- MAT asset created from current tax expenses	-	-	-	-	704	-	-	-	704	-	704
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-
- cash flow hedges	-	95	-	-	-	-	-	-	95	-	95
- Remeasurement of post - employment benefit obligations (expenses) / income	-	-	(11)	-	-	-	-	-	(11)	-	(11)
Translation adjustment	-	(1)	-	-	-	-	-	-	(1)	4	3
At 31 March 2023	(139)	58	610	315	2,496	471	(445)	391	3,757	(583)	3,174
Created on acquisition of subsidiary	-	-	-	-	-	-	-	-	-	-	-
Unexercised ESOPs			(115)			-	-	492	377	-	377
(charged)/credited:											
- to profit or loss- deferred tax	122	-	[illegible]	(72)	-	38	(9)	198	284	116	400
- MAT asset created from current tax expenses	-	-	-	-	1,264	-	-	-	1,264	-	1,264
Other comprehensive income											
- cash flow hedges	-	(68)	-	-	-	-	-	-	(68)	-	(68)
- Remeasurement of post - employment benefit obligations (expenses) / income	-	-	(27)	-	-	-	-	-	(27)	-	(27)
Translation adjustment	-	6	-	-	-	-	-	-	6	1	-
At 31 March 2024	(17)	(4)	465	243	3,760	509	(454)	1,081	5,581	(466)	5,115

Notes :

Deferred tax assets and liabilities above have been determined by applying the income tax rates of respective countries. Deferred tax assets and liabilities in relation to taxes payable under different tax jurisdictions have not been offset in financial statements. Accordingly deferred tax assets of Rs. 5,581 Mn (Previous year Rs. 3,757 Mn) and deferred tax liability of Rs. 466 Mn (Previous year Rs. 583 Mn) have been separately disclosed.

* Deferred tax liability on intangible assets pertains to business combination.

(All amounts in Rs Mn unless otherwise stated)

		As at 31 March 2024	As at 31 March 2023
7	**Income tax assets (net)**		
	Advance Income Tax	17,759	14,345
	Less: Provision for income tax	17,474	14,112
	Total current tax assets	285	233
8	**Contract Assets**		
	Contract assets	1,894	1,613
	Less: Impairment for contract assets	103	101
	Net contract assets	1,791	1,512

9 **Other assets**

	As at 31 March 2024		As at 31 March 2023	
	Current	Non-Current	Current	Non- Current
Capital advances	-	8	-	4
Advances other than capital advances	526	9	524	20
Prepayments	1,217	239	1,189	162
Contract cost (Refer Note (a) below)	922	3,112	734	1,178
	2,665	3,368	2,447	1,364

(a) Contract costs include Rs. 2,148 Mn (Previous year Rs. 963 Mn) as incremental cost of obtaining a contract and Rs 1,886 Mn (Previous year Rs. 949 Mn) as cost incurred for fulfilling a contract with customers.

Other production expense, under other expenses include amortisation of contract costs amounting to Rs. 172 Mn (Previous year Rs. 150 Mn). There is no impairment loss recognised during the current or previous year.

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(All amounts in Rs Mn unless otherwise stated)

10 Equity share capital

Authorized equity share capital

	Number of shares	Amount
As at 01 April 2022	77,000,000	770
Increase during the year	-	-
As at 31 March 2023	77,000,000	770
Increase during the period	-	-
As at 31 March 2024	77,000,000	770

(i) Equity shares issued, subscribed and fully paid up

	Number of shares	Amount
As at 01 April 2022	60,913,152	609
Issue of Shares	173,928	2
As at 31 March,2023	61,087,080	611
Issue of Shares	733,912	7
As at 31 March 2024	61,820,992	618

Terms and rights attached to equity shares

The Company has one class of equity shares having a par value of Rs. 10 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 reserved for issue under options

Information relating to Employee Stock Option Plan, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in note 35.

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

Name of Shareholder	Equity Shares of Rs. 10 each fully paid			
	As at 31 March 2024		As at 31 March 2023	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Hulst B.V., Netherlands	-	-	18,421,260	30.16%
Life Insurance Corporation of India	3,845,045	6.22%	3,580,675	5.87%
HDFC Mutual Fund	3,825,266	6.19%	2,010,448	3.29%

Details of shares held by Promoters*

As at 31 March 2024

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% change during the year
Hulst B.V., Netherlands	18,421,260	(18,421,260)	-	(100%)

As at 31 March 2023

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% change during the year
Hulst B.V., Netherlands	24,421,260	(6,000,000)	18,421,260	(24.57%)

*As defined under Companies Act 2013

	As at 31 March 2024	As at 31 March 2023
11 Reserves and Surplus		
Capital reserves	11	11
Capital redemption reserve	36	36
Securities premium	1,909	635
Employee stock option	420	884
General reserve	2,057	2,057
Retained earnings	29,373	25,080
Cash flow hedging reserve	9	(192)
Foreign currency translation reserve	1,833	1,703
Total reserves and surplus	35,648	30,214
(i) Capital Reserves		
Opening Balance	11	11
Increase/ decrease during the year	-	-
Closing Balance	11	11
(ii) Capital redemption reserve		
Opening Balance	36	36
Increase/ decrease during the year	-	-
Closing Balance	36	36
(iii) Securities premium		
Opening Balance	635	384
Add: Transferred from employee stock option	1,274	16
Add: Premium on shares issued for exercised options	-	235
Closing Balance	1,909	635

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	As at 31 March 2024	As at 31 March 2023
(iv) Employee stock option		
Options granted till date	884	884
Less: Transferred to securities premium	(1,274)	(235)
Add: Impact of fair valuation on employee stock options	810	235
Closing Balance	**420**	**884**
(v) General Reserve		
Opening Balance	2,057	2,057
Increase/ decrease during the year	-	-
Closing Balance	**2,057**	**2,057**
(vi) Retained Earnings		
Opening Balance	25,080	22,401
Net profit for the period	8,080	6,938
Add: Remeasurement gains on defined benefit plans	105	51
Add: Tax benefit on share based payment	647	30
Less: Fair valuation impact on future acquisition liability	127	(803)
Less: Appropriations		
Dividend paid	(4,666)	(3,537)
Closing Balance	**29,373**	**25,080**
(vii) Cash Flow Hedging Reserve		
Opening Balance	(192)	95
Increase/ decrease during the year	201	(287)
Closing Balance	**9**	**(192)**
(viii) Foreign Currency Translation Reserve		
Opening Balance	1,703	1,163
Increase/ decrease during the year	130	540
Closing Balance	**1,833**	**1,703**

Nature and purpose of reserves

Capital Reserve

Capital Reserve is not freely available for distribution.

Capital redemption reserve

In accordance with section 69 of the Indian Companies Act, 2013, the Company creates capital redemption reserve equal to the nominal value of the shares bought back as an appropriation from general reserve /retained earnings

Securities premium

Securities premium is used to record the premium on issue of shares. The premium is utilized in accordance with the provisions of the Companies Act 2013.

Employee stock option

The share options outstanding is used to recognize the grant date fair value of options issued to employees under Coforge Employee Stock Option Plan 2005

General reserve

The General Reserve is as per the requirements of Companies Act, 2013 in respect of companies incorporated in India. General reserve, if any, of overseas subsidiaries are included as part of the retained earnings.

Retained earnings

Retained earnings represent the amount of accumulated earnings of the Group.

Cash flow hedging reserve

The Group 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 25. For hedging foreign currency risk, the Group 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 effects profit and loss, under Revenue.

Foreign currency translation reserve

Exchange differences arising on translation of foreign operations are recognized in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

12 **Non-controlling interests**

Particulars	Amount
At 1 April 2022	**983**
Add : Non-controlling share in the results for the period	526
Less : Derecognition of NCI to Financial liability	116
Less: Dividend paid	(751)
At 31 March 2023	**874**
Add : Non-controlling share in the results for the period	286
Less: Derecognition of NCI to Financial liability	(40)
Less: Dividend paid	(117)
At 31 March 2024	**1,003**

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(All amounts in Rs Mn unless otherwise stated)

		As at 31 March 2024	As at 31 March 2023
13	**Financial liabilities**		
13(i)	**Non - Current Borrowings**		
	Secured Loans		
	Term loans		
	From Financial Institutions [Refer note (b & c) below]	-	-
	Unsecured Loans		
	Bonds		
	Listed, Rated, Redeemable, Non-Convertible Bonds [Refer note (a) below]	3,399	3,382
	Total non current borrowings	**3,399**	**3,382**
13(ii)	**Current Borrowings**		
	Secured Loans		
	Loan repayable on demand		
	From Bank [Refer note (b) below]	967	-
	Total current borrowings	**967**	-

(a) Listed, Rated, Redeemable, Non-Convertible Bonds are unsecured and have maturity of five years from the deemed date of allotment i.e April 26, 2021. Interest reset will occur on the dates falling three years and four years from the deemed date of allotment. The Company may redeem the whole or any part of the Bonds on the first Interest Reset Date i.e. April 26, 2024. (a) The Group had option for repayment of NCBs till the end of consultation period i.e. April 19, 2024.
Subsequent to year end, the Group has filed extension letter on April 16, 2024 to extend consultation period to June 23, 2024. The effective interest rate of NCB for first three years is as follows:
If the security trigger occurs on a date falling on or prior to the date falling three years from the deemed date of allotment- 7.49% - 8.39%. In other case, if the security trigger does not occur- 8.39% - 9.34%.

(b) Loan repayable on demand from bank includes working capital in the form of working capital demand loan payable on demand. Interest on Working Capital lines is in the range of 6.50% to 7.00%. Security: charge by way of hypothecation on the Company's entire stock of finished goods and such other movables including book debts, bills whether documentary or clean, outstanding monies, receivable both present and future, in a form and manner satisfactory to the bank.

		As at 31 March 2024		As at 31 March 2023	
		Current	Non Current	Current	Non Current
13(iii)	**Lease liabilities**	577	2,317	454	1,786
		577	**2,317**	**454**	**1,786**

		As at 31 March 2024		As at 31 March 2023	
		Current	Non Current	Current	Non Current
13(iv)	**Trade payable**				
	Trade Payable	8,062	627	6,481	332
	Total trade payable	**8,062**	**627**	**6,481**	**332**

There are no overdue amount payable to micro enterprises and small enterprises as at March 31, 2024 and March 31, 2023 . This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Group.

Trade Payables aging schedule -Outstanding for following periods from due date of payment
31 March 2024

Particulars	Not yet due	Less than 1 year	1 -2 years	2-3 years	More than 3 years	Total
(i) MSME	1,291	1	-	-	-	1,292
(ii) Others	2,790	891	11	8	16	3,715
(iii) Unbilled and accruals						3,682
Total						**8,689**

31 March 2023

Particulars	Not yet due	Less than 1 year	1 -2 years	2-3 years	More than 3 years	Total
(i) MSME	289	7	-	-	-	296
(ii) Others	1,371	1,925	20	16	27	3,359
(iii) Unbilled and accruals						3,158
Total						**6,813**

		As at 31 March 2024		As at 31 March 2023	
13(v)	**Other Financial liabilities**	**Current**	**Non Current**	**Current**	**Non Current**
	Capital creditors	301	-	426	-
	Unclaimed dividend	25	-	23	-
	Financial liability for future acquisition (Refer note 32)	176	69	3,653	212
	Other employee benefits payable	1,053	-	2,658	-
	Interest accrued but not Due	320	-	296	-
	Others	433	184	17	112
	Financial liabilities at fair value through OCI				
	Derivatives				
	Foreign exchange forward contracts	67	-	304	-
	Total other financial liabilities	**2,375**	**253**	**7,377**	**324**

(a) There are no amounts due for payment to the Investor Education and Protection Fund under Section 125(2)(c) of the Companies Act, 2013 as at the year end.

14	**Employee benefit obligations**				
	Leave Obligations (i)	294	492	279	500
	Gratuity (iii)	123	812	81	776
	Total employee benefit obligations	**417**	**1,304**	**360**	**1,276**

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(All amounts in Rs Mn unless otherwise stated)

Employee benefit obligations

	31 March 2024			31 March 2023		
	Current	Non Current	Total	Current	Non Current	Total
Leave Obligations (i)	294	492	786	279	500	779
Gratuity (iii)	123	812	935	81	776	857
Total	**417**	**1,304**	**1,721**	**360**	**1,276**	**1,636**

(i) Leave Obligations

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as undiscounted liability at the balance sheet date.

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date.

The following amounts reflect leave that is expected to be taken or paid within next 12 months

	As at 31 March 2024	As at 31 March 2023
Current leave obligations expected to be settled within next 12 months	294	279

(ii) Defined contribution plans

The Group makes contribution towards Superannuation Fund, Pension Fund, Employee State Insurance Fund and Overseas Plans (related to the Branches in the United States of America, Ireland, Belgium and Switzerland), being defined contribution plans for eligible employees. The Group has charged the following amount in the Statement of Profit and Loss:

Amount recognized in the Statement of Profit and Loss	**Year ended 31 March 2024**	**Year ended 31 March 2023**
Superannuation fund paid to the Trust	17	19
Contribution plans (outside India)	1,532	1,288
Employees state insurance fund paid to the authorities	19	24
Pension fund paid to the authorities	339	305
Provident Fund paid the authorities	164	158
Total	**2,071**	**1,793**

Defined benefit plans

Employees Provident Fund contributions are made to a Trust administered by the Group. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of the year. Actuarial losses/ gains are recognized in the Statement of Profit and Loss in the year in which they arise. The contributions made to the trust are recognized as plan assets. The defined benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation as reduced by the fair value of plan assets.

The expense recognized during the period towards defined benefit plan is as follows:

The Group contributed Rs 691 Mn (Previous year Rs.615 Mn) during the year to the Trust, which has been charged to Statement of Profit and Loss.

(a) Amount of obligation as at the year end is determined as under :	**As at 31 March 2024**	**As at 31 March 2023**
Description		
Present value of obligation as at the beginning of the year	6,177	4,742
Interest cost	568	435
Current service cost	690	582
Benefits paid	(737)	(707)
Plan Participant's Contributions	928	791
Transfer In	694	593
Actuarial gain on obligation	114	(259)
Present value of obligation as at the end of the year	**8,434**	**6,177**

(b) Change in Plan Assets :

Description		
Plan assets at beginning at fair value	6,177	4,742
Return on plan assets	568	435
Employer contributions	690	582
Benefits paid	(737)	(707)
Plan Participant's Contributions	928	791
Transfers In	694	593
Actuarial loss on plan assets	114	(259)
Plan assets at year end at fair value	**8,434**	**6,177**

(c) Amount of the obligation recognised in Balance Sheet :

Description		
Present value of the defined benefit obligation as at the end of the year	8,434	4,742
Fair value of plan assets at the end of the year	8,434	4,742
Liability/(Assets) recognized in the Balance Sheet	-	-

The fair value of the plan assets is in surplus, assets are set equal to the liabilities to ensure consistency with the PF trust act.

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(All amounts in Rs Mn unless otherwise stated)

(d) Principal actuarial assumptions at the Balance Sheet date		
Discount Rate	7.20%	7.40%
Attrition rate	11.69%	11.61%
Return on Assets for Exempt PF Fund	7.18%	7.32%
Long term EPFO Rate	8.25%	8.15%
Description		
Experience Gain/(Loss) adjustments on plan liabilities	114	(259)
Experience Gain/(Loss) adjustments on plan assets	114	(259)
Expected Contribution to the fund in the next year	772	652

(iii) Gratuity

The Group 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 Group makes contributions to recognized funds in India.

Changes in the defined benefit obligation and fair value of plan assets as at 31 March 2023

	Present Value of Obligation	Fair Value of Plan Assets	Net Amount
1 April 2022	**827**	**(131)**	**697**
Gratuity from acquired entity	-	-	-
Current Service Cost	263	-	263
Interest expense/ (income)	52	(9)	43
Total amount recognized in statement of profit or loss	**315**	**(9)**	**306**
Remeasurements			
Actuarial changes arising from changes in demographic assumptions	8	-	8
Actuarial changes arising from changes in financial assumptions	(155)	-	(155)
Experience adjustments	75	2	77
Exchange differences	9	-	9
Total amount recognized in other comprehensive income	**(63)**	2	**(61)**
Employer's Contributions	-	(32)	(32)
Benefits paid	(152)	100	(52)
31 March 2023	**927**	**(70)**	**857**

Changes in the defined benefit obligation and fair value of plan assets as at 31 March 2024

	Present Value of Obligation	Fair Value of Plan Assets	Net Amount
1 April 2023	927	(70)	857
Gratuity from acquired entity	-	-	-
Current Service Cost	278	-	278
Interest expense/ (income)	62	(11)	51
Total amount recognized in statement of profit or loss	**340**	**(11)**	**329**
Remeasurements			
Actuarial changes arising from changes in demographic assumptions	(7)	2	(6)
Actuarial changes arising from changes in financial assumptions	(140)	-	(140)
Experience adjustments	(2)	1	(1)
Exchange differences	-	(2)	(2)
Total amount recognized in other comprehensive income	**(149)**	**0**	**(149)**
Employer's Contributions	-	**(52)**	**(52)**
Benefits paid	(124)	76	(49)
31 March 2024	**994**	**(58)**	**935**

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(All amounts in Rs Mn unless otherwise stated)

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

	As at 31 March 2024			As at 31 March 2023		
	India	Outside India	Total	India	Outside India	Total
Present value of defined benefit obligation	905	-	905	836	-	836
Fair value of plan assets	(58)	-	(58)	(70)	-	(70)
Net defined benefit obligation	**847**	-	**847**	**766**	-	**766**
Unfunded plans	-	88	88	-	92	92
Total defined benefit obligation	**847**	**88**	**935**	**766**	**92**	**857**

Post employment benefits

The significant actuarial assumptions were as follows:

	As at 31 March 2024		As at 31 March 2023	
	India	Others	India	Others
Discount rate	7.17% to 7.21%	2.21% to 6.17%	7.3% to 7.44%	2.26% to 6.43%
Future salary increase	0% to 11.80%	2% to 5%	0% to 10%	2% to 5%
Life expectancy (In years)	4.49 to 9.58	3.93 to 12.82	4.91 to 10.23	1.55 to 12.88
Rate of return on plan assets	7.17% to 7.21%	-	7.3% to 7.44%	-

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Change in assumptions		Impact on defined benefit obligation			
			Increase in assumption		Decrease in assumption	
	31 March 24	31 March 23	31 March 24	31 March 23	31 March 24	31 March 23
Discount rate	50 Basis Points	50 Basis Points	(32)	(41)	34	49
Salary growth rate	50 Basis Points	50 Basis Points	37	49	(26)	(42)

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

The major categories of plan assets are as follows:

	As at 31 March 2024			As at 31 March 2023		
	Quoted	Total	%	Quoted	Total	%
Insurance Companies product	58	58	100%	70	70	100%

The following payments are expected contributions to the defined benefit plan in future years:

	Less than a year	Between 1 - 2 years	Between 2 - 5 years	Over 5 years	Total
31 March 2024	124	137	576	1,346	2,183
31 March 2023	96	90	464	1,562	2,212

(iv) 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 Group 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.

	As at 31 March 2024		As at 31 March 2023	
	Current	Non Current	Current	Non Current
15 Other liabilities				
Statutory dues including provident fund and tax deducted at source	2,259	-	2,125	-
Contract liabilities*	658	127	596	59
Total other liabilities	**2,917**	**127**	**2,721**	**59**

* includes advance from customers amounting to Rs. 2 Mn (Previous Year : Rs. 35 Mn)

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(All amounts in Rs Mn unless otherwise stated)

		Year ended 31 March 2024	Year ended 31 March 2023
16	**Revenue from operations**		
	Sales of products	545	753
	Sale of services	91,245	79,393
	Revenue from operations	**91,790**	**80,146**
	Timing of revenue recognition		
	Goods transferred at a point in time	545	753
	Services transferred over time	91,245	79,393
	Revenue from operations	**91,790**	**80,146**

Reconciling the amount of revenue recognised in the consolidated statement of profit and loss with the contracted price

Revenue as per contracted price	92,634	80,999
Hedge (loss) / gain	(271)	(239)
Discount (including volume discount) and others	(573)	(614)
Revenue from operations	**91,790**	**80,146**

Note : The group deals in number of software and hardware items whose selling price vary from item to item. In view of voluminous data information relating to major items of sales have not been disclosed in the consolidated financial statements.

Payment terms

Majority of the Group's revenue involve payment terms less than one year from the date of satisfaction of performance obligation. However, in case of contracts for grant of right of use for license, payments are due over license period. In these cases, the Group has identified that the contract contains significant financing component.

Disclosures related to revenue from operations

a. **Disaggregate revenue information**

Refer note 30 for geographical revenue disaggregation. In addition the group maintain revenue by verticals, service line and Project type:

The tables below presents disaggregated revenues from operations by:

Revenue by Vertical		
Banking and financial services	29,557	24,619
Insurance	20,377	18,152
Travel, transportation and hospitality	16,522	15,326
All Others	25,334	22,049
Revenue from operations	91,790	80,146

Revenue by Service line		
Software Engineering	24,508	20,998
Cloud and Infrastructure Management	17,532	14,667
Business Process Management	8,628	7,934
Product Engineering	7,802	8,095
Data and Integration	22,764	18,834
Intelligent Automation	10,556	9,618
Revenue from operations	91,790	80,146

Revenue by Project type		
Time-and-material*	45,528	38,470
Fixed-price**	46,262	41,676
Revenue from operations	91,790	80,146

*Includes fixed capacity.

**Comprises fixed monthly, transaction based and licensed related contract.

Particulars pertaining to contract assets [Refer note 8]		
Balance at the beginning	1,512	1,184
Contract assets classified to trade receivable upon billing to customer out of opening contract assets	1,512	1,176

Also refer note 5(ii) for trade receivables and note 15 for contract liability

Particulars pertaining to contract liability (Refer note 15)		
Balance at the beginning	620	589
Revenue recognized during the year from opening contract liability	436	203

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(All amounts in Rs Mn unless otherwise stated)

Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Group expects to recognize these amounts in revenue. Applying the practical expedient as given in IndAS 115, the Group has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis, fixed monthly / fixed capacity basis and transaction basis. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, and adjustment for revenue that has not materialized and adjustments for currency.

The aggregate value of performance obligations that are completely or partially unsatisfied as of March 31, 2024, other than those meeting the exclusion criteria mentioned above, is Rs 7,033 Mn (31 March 2023 Rs. 5,591 Mn). Out of this, the Group expects to recognize revenue of around Rs 3,710 Mn (31 March 2023 Rs. 3,283 Mn) within the next one year and the remaining thereafter. This includes contracts that can be terminated for convenience without a substantive penalty since, based on curret assessment, the occurence of the same is expeected to be remote.

17 **Other Income**

Interest Income from financial assets at amortised cost	259	157
Income on Financial Investments at fair value through profit and loss	-	5
Finance income	259	162
Government incentives	145	121
Gain on exchange fluctuations (net)	59	259
Liabilities no longer required written back#	116	-
Miscellaneous income	35	77
Total other income	**614**	**619**

#Represents amounts recorded on Group's re-assessment of certain provisions.

(All amounts in Rs Mn unless otherwise stated)

		Year ended 31 March 2024	Year ended 31 March 2023
18	**Employee benefits expense**		
	Salaries, wages and bonus	50,710	43,895
	Contribution to provident (and other) funds	2,762	2,408
	Employee share-based payment expense (Refer note 35)	943	574
	Gratuity	322	306
	Staff welfare expenses (Refer Note below)	332	1,097
	Total employee benefit expense	**55,069**	**48,280**

Previous year's employee benefit expenses includes Rs.803 Mn towards special non monetary incentive awarded to the employees of the Group on achievement of certain milestone of revenue by Group. The corresponding liability was included in the other financial liability.

		Year ended 31 March 2024	Year ended 31 March 2023
19	**Finance costs**		
	Interest on borrowings	926	598
	Bank and financial charges	51	38
	Unwinding of discounts	279	170
	Total finance costs	**1,256**	**806**
20	**Depreciation and amortization expense**		
	Depreciation of property, plant and equipment (Refer note 3)	924	845
	Depreciation of right of use assets (Refer note 34)	653	469
	Amortisation of intangible assets (Refer note 4)	1,608	1,271
	Total depreciation and amortization expense	**3,186**	**2,585**
21	**Other expenses**		
	Rent	199	222
	Rates and taxes	16	5
	Electricity and water	192	158
	Communication expenses	386	321
	Legal and professional	1,183	861
	Travelling and conveyance	1,202	828
	Recruitment expenses	353	516
	Insurance premium	127	117
	Repairs and maintenance		
	- Plant and machinery	467	447
	- Buildings	34	46
	- Others	257	184
	Allowance for doubtful debts - trade receivables and unbilled revenue	104	72
	Loss on sales of assets (net)	-	13
	Expenditure towards corporate social responsibilities activities	129	128
	Advertisement and publicity expenses	77	93
	Business promotion expenses	470	164
	Professional charges	9,463	9,267
	Equipment hiring	14	11
	Other production expenses (incl. third party license cost)	7,412	4,751
	Miscellaneous expenses	265	304
	Total other expenses	**22,350**	**18,508**

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(All amounts in Rs Mn unless otherwise stated)

22 Exceptional Item

Total	-	523

The shareholders in the Annual General Meeting held on July 30, 2021, approved raising of funds by the issuance of equity shares and/or depository receipts and/or other eligible securities in the US markets ("Offering"). The Group had incurred Rs 523 mn towards the offering, which was to be recovered from selling shareholders. The Group during the previous year, had recorded provision of Rs. 523 Mn and disclosed as exceptional item as the market conditions were not supportive. Due to consideration of prevailing market conditions and other relevant factors, the Board of Directors of the Company, at their meeting held on March 02, 2024, has decided to not proceed with the proposed offering of American Depository Receipts. The Company has filed the applications with Securities Exchange Commission ('SEC') to withdraw the Form F – 1 registration statement filed with the SEC.

23 Income tax expense

This note provides an analysis of the group's income tax expense, shows amounts that are recognized directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the group's tax positions.

(a) Income tax expense

Current tax		
Current tax on operating profits of the period	3,757	3,130
Adjustments for current tax of prior periods	-	65
Decrease (increase) in MAT	(1,264)	(703)
Total current tax expense	**2,493**	**2,492**
Deferred tax		
(Increase) / decrease in deferred tax assets (Employee benefits, provisions and others)	(162)	(302)
(Decrease) / increase in deferred tax liabilities (PPE)	(122)	50
(Decrease) / increase in deferred tax liabilities (intangible assets)	(116)	(179)
Total deferred tax benefit	**(400)**	**(431)**
Income tax expense	**2,093**	**2,061**
(b) Amount recognised in other coprehensive income		
Deferred tax asset	**(105)**	**84**
(c) Amount recognised directly in equity outside profit or loss		
Current/Deferred tax asset	647	30
(d) Tax Losses		
Unused tax losses for which no deferred tax asset has been recognised due to no reasonable certainty of realisation	244	167
Potential tax benefit	71	50

(e) Unrecognised temporary differences

As per the provisions of Section 80M of Income Tax Act, 1961, it allows the removal of cascading effect of taxes on inter-corporate dividends. Accordingly, certain subsidiaries of the Group have undistributed earnings, which are expected to be distributed as dividends, subject to tax in the hands of the Company. In accordance with the Group's policy of further distributing dividends to its shareholders on receipt from the subsidiaries and basis prevalent tax laws i.e., section 80M, which permits offsetting of dividend received from subsidiaries with its dividend paid while computing the taxable dividend income, no liability has been recorded on such undistributed earnings.

	Year ended 31 March 2024	Year ended 31 March 2023
(f) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
Profit from continuing operations before income tax expense	10,449	9,512
Tax at the Indian tax rate of 34.944% (for FY 2022-23: 34.944%)	**3,651**	**3,324**
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Impact of deductions		
Effect of tax holiday benefits and exemptions	(1,145)	(846)
Taxes paid by branches - net of credits	309	160
Others	-	-
Impact of permanent differences		
Expenses to the extent disallowable	67	219
Tax provision for current tax of prior periods	(53)	65
DTA/(DTL) not created on provisions for Exempted Units	57	54
Others	(73)	(81)
Others		
Effect of differential tax rates	(720)	(834)
Income tax expense	**2,093**	**2,061**

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(All amounts in Rs Mn unless otherwise stated)

24 Fair value measurements

The carrying value and fair value of financial instruments by categories as of 31 March 2024 and 31 March 2023 were as follows:

	As at 31 March 2024				
	FVPL	FVTOCI	Amortized Cost	Carrying amount	Fair value
Financial assets					
Trade receivables	-	-	1,464	1,464	1,464
Derivative instruments	-	79	-	79	79
Other long-term financial assets	-	-	590	590	590
Total Financial assets	-	**79**	**2,054**	**2,133**	**2,133**
Financial liabilities					
Non current borrowings	-	-	3,399	3,399	3,399
Non controlling interest *	-	-	-	245	245
Trade payable	-	-	627	627	627
Derivative instruments	-	67	-	-	-
Total Financial liabilities	-	67	4,026	4,271	4,271

	As at 31 March 2023				
	FVPL	FVTOCI	Amortized Cost	Carrying amount	Fair value
Financial assets					
Trade receivables	-	-	1,772	1,772	1,772
Derivative instruments	-	39	-	39	39
Other long-term financial assets	-	-	479	479	479
Total Financial assets	-	**39**	**2,251**	**2,290**	**2,290**
Financial liabilities					
Non current borrowings	-	-	3,382	3,382	3,382
Non controlling interest *	-	-	-	3,865	3,865
Trade payable	-	-	332	332	332
Derivative instruments	-	304	-	-	-
Total Financial liabilities	-	304	3,714	7,579	7,579

*Financial liability for future acquisition amounting to Rs 245 Mn (31 March 2023: Rs. 3,865 Mn) has been measured through fair valuation by other equity. Also refer note 32.

The carrying amounts of current portion of trade receivables, trade payables, capital creditors, security deposits, unpaid dividend account, deposits with bank, cash and cash equivalents, short term borrowings, trade and other payables, capital creditors, unclaimed dividend are considered to be the same as their fair values, due to their short term nature.

(All amounts in Rs Mn unless otherwise stated)

(i) 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 group has classified its financial instruments into the three levels prescribed under the accounting standard.

An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements at 31 March 2024	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets				
Derivatives designated as hedges				
Derivative Financial Assets	-	79	-	79
Financial assets at amortised costs	-			
Trade receivables	-	-	-	-
Other long-term financial assets	-	-	-	-
Total financial assets	-	79	-	79
Financial Liability				
Derivatives designated as hedges				
Derivative Financial Liability	-	67	-	67
Other financial liabilities				
Future acquisition liability	-	-	245	245
Financial liabilities at amortised costs				
Non current borrowings	-	-	-	-
Trade payable	-	-	-	-
Total financial Liability	-	67	245	312

Financial assets and liabilities measured at fair value -	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets				
Derivatives designated as hedges				-
Derivative Financial Assets	-	39	-	39
Financial assets at amortised costs				
Trade receivables	-	-	-	-
Other long-term financial assets	-	-	-	-
Total financial assets	-	39	-	39
Financial Liability				
Derivatives designated as hedges				-
Derivative Financial Liability	-	304	-	304
Other financial liabilities				
Future acquisition liability	-	-	3,865	3,865
Financial liabilities at amortised costs				
Non current borrowings	-	-	-	-
Trade payable	-	-	-	-
Total financial Liability	-	304	3,865	4,169

All other assets and liabilities are measured at amortised cost

There is also a financial liability for future acquisition measured at fair value using level 3 inputs.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

The Group's policy is to recognize transfers into and transfers out of fair value hierarchy levels at the end of reporting period. There has been no transfer during the period.

(All amounts in Rs Mn unless otherwise stated)

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:
- The use of quoted market prices for similar instruments.
-Derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

Inputs used in the valuation models

Quantitative details of input used in valuation of financial liability for future acquisition

	Year ended 31 March 2024	Year ended 31 March 2023
Revenue (% annual growth rate)	2%	10%
Budgeted operating margin (%)	25.00%	28.00%
Pre-tax discount rate (%)	23.0%	13.5%

If the revenue/ budgeted operating margin unobservable inputs used in the valuation of Level 3 financial liability for future acquisition had been 1% change than management's estimates at 31 March 2024, does not have significant impact in its value and other equity.

(iii) NCI Put Option liability

Liability for call and put options issued to non-controlling interests which do not grant present access to ownership interest to us is recognized at the present value of the redemption amount and is reclassified from equity. At the end of each reporting period, the non-controlling interests subject to the put option is derecognized and the difference between the amount derecognized and present value of the redemption amount, which is recorded as a financial liability, is accounted for as an equity transaction. Considering the call and put option granted, the carrying amount of financial liability recognised at 31 March 2024 is Rs. 245 Mn (31 March 2023: Rs. 3,865 Mn).

(iv) Movement of Financial liability for future acquisition

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Opening future acquisition liability	3,865	2,908
Additional stake acquisition payout	(3,523)	-
Derecognition of NCI/addition to financial liability	(127)	151
Fair value through P&L	(10)	(5)
Fair value through other equity	40	811
Closing future acquisition liability	**245**	**3,865**

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(All amounts in Rs Mn unless otherwise stated)

25 **(i) Hedging activities and derivatives**

The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency) and the Group's net investments in foreign subsidiaries.

The Group 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 into for the purpose of being a hedge, the Group 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 2024, the Group hedged 75% (31 March 2023: 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 Group is holding the following foreign exchange forward contracts (highly probable forecasted sales)

As at 31 March 2024

Particulars	Less than 1 month	1 to 3 months	3 to 6 months	6 to 9 months	9 to 12 month	Total
USD /INR						
Notional amount (INR)	1,278	2,707	3,727	2,887	2,338	12,937
Average forward rate	83.60	83.66	83.06	84.18	84.40	84.06
GBP /INR						
Notional amount (INR)	598	1,571	2,162	1,901	1,554	7,787
Average forward rate	104.64	105.36	105.53	105.69	107.10	105.78
EUR /INR						
Notional amount (INR)	58	114	167	152	109	600
Average forward rate	92.39	92.34	92.74	92.41	92.89	92.57
AUD /INR						
Notional amount (INR)	20	110	110	90	97	426
Average forward rate	55.51	55.87	55.39	55.96	55.28	55.61

As at 31 March 2023

Particulars	Less than 1 month	1 to 3 months	3 to 6 months	6 to 9 months	9 to 12 month	Total
USD /INR						
Notional amount (INR)	1,209	2,712	3,677	3,198	2,560	13,356
Average forward rate	80.38	81.18	82.37	83.84	83.89	82.57
GBP /INR						
Notional amount (INR)	441	1,245	1,526	1,608	1,407	6,226
Average forward rate	99.92	100.21	98.31	100.56	102.86	100.39
EUR /INR						
Notional amount (INR)	33	66	145	130	116	490
Average forward rate	86.86	86.97	86.36	88.48	91.91	88.30
AUD /INR						
Notional amount (INR)	46	86	117	123	93	465
Average forward rate	56.56	56.15	56.05	57.05	57.45	56.66

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

Foreign exchange forward contracts	Notional amount	Carrying amount	Line item in the statement of financial position	Change in fair value used for measuring ineffectiveness for the period
At 31 March 2024	21,750	12	Derivative instruments under current financial assets / liabilities	-
At 31 March 2023	20,537	-265	Derivative instruments under current financial assets / liabilities	-

Impact of hedging activities

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

Type of hedge and risks	As at 31 March 2024			As at 31 March 2023		
	Carrying amount of hedging instrument		Maturity period	Carrying amount of hedging instrument		Maturity period
	Assets	Liabilities		Assets	Liabilities	
Cash flow hedge Foreign exchange risk Foreign exchange forward contracts	79	67	April 2023 to March 2024	39	304	April 2022 to March 2023

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

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 the reclassification	
	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2024	Year ended 31 March 2023
Cash flow hedge Foreign exchange risk	211	(268)	(271)	(230)	Revenue	Revenue

*The resultant impact on the cash flow hedge reserve for the year ended March 31, 2024 and March 31, 2023 on account of changes in the fair value has been reconciled in Note No. 11.

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.

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(All amounts in Rs Mn unless otherwise stated)

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.

Financial risk management

The Group's principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables. The borrowing of the Group constitute mainly Non Convertible Bonds (NCB). All the repayments are made out of internal accruals. The Group's principal financial assets include trade and other receivables, cash and short-term deposits that derive directly from its operations. The Group also enters into derivative transactions.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Group. The financial risk committee provides assurance to the Group's senior management that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken and derivatives are used exclusively for hedging purposes. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

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 loans and borrowings, deposits, fair value through profit and loss investments and derivative financial instruments.

-Interest rate risk

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

The group has issued non-convertible bonds during the previous year with fixed interest rate for the next 2 years and accordingly there is no significant concentration of interest rate risk (Refer note 19).

- 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.

Unhedged foreign currency exposure

Non-derivative foreign currency exposure as of 31 March, 2024 and 31 March 2023 in major currencies is as below:

Currencies	Net financial Assets		Net financial Liabilities	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
USD/INR	3,725	3,244	679	233
GBP/INR	2,762	2,240	5	1
EURO/INR	142	109	0	0
AUD/INR	314	173	3	4

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and the impact on other components of equity arises from foreign forward exchange contracts designated as cash flow hedges.

Currencies	Impact on Profit before Tax		Impact on other components of equity	
	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2024	Year ended 31 March 2023
USD Sensitivity				
INR/USD - Increase by 1% (31 March 2023 - 1%)*	31	23	0	1
INR/USD - Decrease by 1% (31 March 2023 - 1%)*	(31)	(23)	(0)	(1)
EUR Sensitivity				
INR/EUR - Increase by 1% (31 March 2023 - 1%)*	2	2	0	0
INR/EUR - Decrease by 1% (31 March 2023 - 1%)*	(2)	(2)	(0)	(0)
GBP Sensitivity				
INR/GBP - Increase by 1% (31 March 2023 - 1%)*	28	22	0	2
INR/GBP - Decrease by 1% (31 March 2023 - 1%)*	(28)	(22)	(0)	(2)
AUD Sensitivity				
INR/AUD - Increase by 1% (31 March 2023 - 1%)*	3	2	0	(0)
INR/AUD - Decrease by 1% (31 March 2023 - 1%)*	(3)	(2)	(0)	0

*Holding all other variables constant

Credit Risk

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 Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

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(All amounts in Rs Mn unless otherwise stated)

Trade Receivables

The customers of the Group are primarily corporations based in the United States of America and Europe and accordingly, trade receivables are concentrated in the respective countries. The Group periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivables. The Group 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. The Group in the normal course of business sells certain trade receivables to banks. Under the terms of arrangements, the Group surrenders control over these assets and transfer is on a non-recourse basis.

The following table gives the movement in allowance for expected credit loss for the year ended March 31, 2024:

	Year ended 31 March 2024	Year ended 31 March 2023
Balance at the beginning	988	1,058
Impairment loss recognized (net)	104	72
Expenses Recognised in Exceptional Item	-	-
Transfer to provision for customer contract/ other expense	44	31
Amounts written off	-	(173)
Balance at the end*	**1,136**	**988**

* Closing balance includes allowance for doubtful - trade receivable Rs 1033 Mn (31 March 2023 Rs. 887 Mn) and contract assets Rs 103 Mn (31 March 2023 Rs. 101 Mn).

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Group's Finance Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Liquidity Risk

The Group's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Group's corporate treasury department is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Group's net liquidity position through rolling forecasts based on the expected cash flows.

Maturities of financial liabilities

The table below provides details regarding the contractual maturities of significant financial liabilities as of 31 March 2024:-

Particulars	Less than 1 Year	1-2 Years	2-4 Years	More than 4 years	Total
Borrowings	967	-	3,399	-	4,366
Trade Payables	8,062	457	137	33	8,689
Lease Liability	577	512	897	908	2,894
Other Financial Liabilities (excluding Borrowings)	2,375	97	103	53	2,628
	11,981	**1,066**	**4,536**	**994**	**18,577**

The table below provides details regarding the contractual maturities of significant financial liabilities as of 31 March 2023:-

Particulars	Less than 1 Year	1-2 Years	2-4 Years	More than 4 years	Total
Borrowings	-	-	3,382	-	3,382
Trade Payables	6,481	244	67	21	6,813
Lease Liability	454	372	628	786	2,240
Other Financial Liabilities (excluding Borrowings)	7,377	228	63	33	7,701
	14,312	**844**	**4,140**	**840**	**20,136**

Capital Management

Risk management

For the Group's capital management, capital includes issued equity share capital, securities premium and all other equity reserves attributable to the shareholders. The primary objectives of the Group's capital management are to maximise the shareholder value and safeguard their ability to continue as a going concern. The Group has outstanding Non Convertible Bonds (NCB) (refer note 13). The Group has complied with the financial covenants attached with above stated borrowings throughout the reporting period. The funding requirements are generally met through operating cash flows generated. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2024 and 31 March 2023.

Dividends

	31 March 2024	31 March 2023
Equity Shares		
During the year the directors have recommended the payment of Interim dividend.	3,505	2,745
Dividends not recognised at the end of reporting period		
In addition to the above dividends, the directors have recommended the payment of Interim dividend of Rs. 19 per fully paid up equity share each on 02 May 2024 (31 March 2023 Rs. 19 per share)	1,175	1,161

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(All amounts: In Rs Mn unless otherwise stated)

28 **Related parties where control exists**

Interest in Subsidiaries

The Company's subsidiaries at 31 March 2024 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.

Sr. No.	Name	Place of business/ country of incorporation	Ownership interest held by the Company		Ownership interest held by the Non controlling interest		Principal Activities
			As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023	
	Direct subsidiaries						
1	Coforge U.K. Limited	United Kingdom	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
2	Coforge Pte Limited	Singapore	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
3	Coforge DPA Private Ltd.	India	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
4	Coforge GmbH	Germany	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
5	Coforge Inc.	USA	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
6	Coforge Airline Technologies GmbH	Germany	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
7	Coforge FZ LLC	Dubai	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
8	NIIT Technologies Philippines Inc (under liquidation)	Philippines	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
9	Coforge Business Process Solutions Private Limited (Erstwhile SLK Global Solutions Pvt Limited) w.e.f. April 28, 2021	India	80	60	20	40	Information Technology/ Information Technology Enabled Services ("IT / ITES")
	Stepdown subsidiaries						
10	Coforge BV (Wholly owned by Coforge U.K. Ltd.)	Netherlands	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
11	Coforge Limited (Wholly owned by Coforge Pte Ltd., Singapore)	Thailand	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
12	Coforge SmartServe Limited	India	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
13	Coforge Services Limited	India	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
14	Coforge Technologies (Australia) Pty Ltd. (Wholly owned by Coforge Pte Ltd., Singapore)	Australia	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
15	Coforge Advantage Go (Wholly owned by Coforge U.K. Ltd., UK)	United Kingdom	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
16	Coforge S.A. (Wholly owned by Coforge U.K. Ltd.)	Spain	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
17	Coforge SF Private Limited (erstwhile Whishworks IT Consulting Private Limited)	India	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")

(All amounts in Rs Mn unless otherwise stated)

Sr. No.	Name	Place of business/ country of incorporation	Ownership interest held by the Company		Ownership interest held by the Non controlling interest		Principal Activities
			As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023	
18	Coforge BPM Inc. (erstwhile RuleTek LLC) (80% owned Coforge DPA Private Limited, India and 20% by Coforge DPA NA Inc. USA)	USA	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
19	Coforge DPA UK Ltd. (Wholly owned by Coforge DPA Private Ltd.)	United Kingdom	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
20	Coforge DPA Ireland Limited (Wholly owned by Coforge DPA Private Ltd.)	Ireland	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
21	Coforge DPA Australia Pty Ltd. (Wholly owned by Coforge DPA Private Ltd.)	Australia	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
22	Coforge DPA NA Inc. USA (Wholly owned by Coforge DPA Private Ltd.)	USA	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
23	Coforge SF Limited, UK (Wholly owned by Coforge SF Private Limited India)	United Kingdom	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
24	COFORGE (Coforge Spółka Z Ograniczona Odpowiedzialnoscia)(Wholly owned by Coforge U.K. Ltd.,)	Poland	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
25	Coforge S.R.L., Romania (Wholly owned by Coforge U.K. Limited)	Romania	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
26	Coforge A.B. Sweden (Wholly owned by Coforge U.K. Limited)	Sweden	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
27	Coforge SDN. BHD. Malaysia , (Wholly owned by Coforge Pte Ltd.)	Malaysia	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
28	Coforge SpA, Chile (Wholly owned by Coforge U.K. Ltd., UK)	Chile	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
29	Coforge BPS Philippines Inc (Erstwhile SLK Global Philippines Inc. Philippines) (wholly owned subsidiary of Coforge Business Process Solutions Private Limited w.e.f. April 28, 2021)	Philippines	80	60	20	40	Information Technology/ Information Technology Enabled Services ("IT / ITES")
30	Coforge BPS America Inc (Erstwhile SLK Global Solutions America Inc., USA) (wholly owned subsidiary of Coforge Business Process Solutions Private Limited w.e.f. April 28, 2021)	USA	80	60	20	40	Information Technology/ Information Technology Enabled Services ("IT / ITES")
31	Coforge BPS North Carolina LLC Erstwhile SLK Global North Carolina LLC, USA) (wholly owned subsidiary of Coforge Business Process Solutions Private Limited w.e.f. April 28, 2021)	USA	80	60	20	40	Information Technology/ Information Technology Enabled Services ("IT / ITES")

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(All amounts in Rs Mn unless otherwise stated)

Sr. No.	Name	Place of business/ country of incorporation	Ownership interest held by the Company		Ownership interest held by the Non controlling interest		Principal Activities
			As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023	
32	Coforge Healthcare Digital Automation LLC (Subsidiary of Coforge BPM Inc. w.e.f. January 21, 2022)	USA	55	55	45	45	Information Technology/ Information Technology Enabled Services ("IT / ITES")
33	Coforge Japan GK (Wholly owned by Coforge U.K. Ltd., UK) w.e.f. 7th March 2023	Japan	100	-	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
34	Coforge Solutions Private Limited (Wholly owned by Coforge DPA Private Ltd.)w.e.f. 29th June 2022	India	100	-	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
35	COFORGE, S.A. de C.V. (Wholly owned by Coforge DPA Private Ltd.)w.e.f. 2nd November 2023	Mexico	100	-	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
36	Coforge Limited – Company One Person (Wholly owned by Coforge DPA Private Ltd.)w.e.f. 5th November 2023	Saudi Arabia	100	-	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")

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(All amounts in Rs Mn unless otherwise stated)

29 Related party transactions

Coforge Limited's principal related parties consist of Investor with significant influence i.e Hulst B.V (till 24th August 2023), Netherlands, its own subsidiaries and key managerial personnel. The Company's material related party transactions and outstanding balances are with related parties with whom the Company routinely enter into transactions in the ordinary course of business. During the year (till 24th August 2023) the Group has paid dividend to Hulst B.V, Rs. 556 Mn (Previous year : Rs. 1,416 Mn).

Transactions and balances with its own subsidiaries are eliminated on consolidation.

Interest in Subsidiaries
Refer note 28

A List of related parties with whom the Group has transacted:

1) **Key Managerial personnel**
Sudhir Singh, Chief Executive Officer & Executive Director
Ajay Kalra, Chief Financial Officer (till Jan 4, 2024)
Saurabh Goel, Chief Financial Officer (w.e.f. Jan 5, 2024)
Barkha Sharma, Company Secretary

2) **Non Executive Director**
Patrick John Cordes
Kenneth Tuck Kuen Cheong (till Oct 19, 2023)
Hari Gopalakrishnan
Ashwani Puri (till Mar 31, 2024)
Basab Pradhan
Mary Beth Boucher
Kirti Ram Hariharan (till Oct 19, 2023)
Anil Kumar Chanana (w.e.f. Jan 20, 2024)
Durgesh Kumar Singh (w.e.f. Feb 12, 2024)

3) **List of other related parties**

Particulars	Country	Nature of relationship
Coforge Limited Employees Provident Fund Trust	India	Post-employment benefit plan
Coforge Limited Employees Group Gratuity Scheme	India	Post-employment benefit plan
Coforge Limited Employees Superannuation Scheme	India	Post-employment benefit plan

Refer to Note 14 for information and transactions with post-employment benefit plans mentioned above

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(All amounts in Rs Mn unless otherwise stated)

B. **Key management personnel compensation**

Commission & sitting fees	Year ended 31 March 2024	Year ended 31 March 2023
Short term employee benefits**	137	245
Commission & sitting fees	43	32
Post employment benefits*	14	15
Remuneration paid	**195**	**292**
Share based payment transactions	545	444
Total of compensation	**740**	**736**

*As gratuity and compensated absences are computed for all the employees in aggregate, the amounts relating to the key managerial personnel can not be individually identified.

** At each reporting period, the Group accrues employee bonuses for all the employees in aggregate, which are individually identified in the subsequent financial year. Accordingly, the current year figures includes bonus pertaining to March 2023 paid during the current year.

Key Managerial Personnel interests in the Senior Executive Plan

Share options held by Key Managerial Personnel of the Company's Stock Option Plan 2005 to purchase Equity shares have the following expiry dates and exercise prices:

			Closing option as at	
Grant date	**Expiry date**	**Exercise price**	**31 March 2024**	**31 March 2023**
FY 19-20	31 Dec 24 to 30 Sep 30	10	69,720	467,116
FY 21-22	30 Sep 29 to 30 Sep 30	10	2,867	
FY 22-23	31 Dec 23 to 31 Dec 26	10	-	178,963
FY 23-24	30 Jan 30 to 30 Sep 30	10	142,000	
Total			**214,587**	**646,079**

No share options have been granted to the non-executive members of the Board of Directors under this scheme. Refer to note 35 for further details on the scheme.

C. **Terms and Conditions**

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. For the year ended 31 March 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2023: INR Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

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30 Segment Reporting

(a) Description of segments and principal activities

The Group delivers services around the world directly and through its network of subsidiaries and overseas branches. The group is rendering Information Technology solutions and is engaged in Application Development and Maintenance, Managed Services, Cloud Computing and Business Process Outsourcing to organizations in a number of sectors viz. Financial Services, Insurance, Travel, Transportation and Logistics, Manufacturing and Distribution and Government.

The Chief Executive Officer of the Group being identified the Chief Operating Decision Maker (CODM), reviews the group's performance both from a products/ services and geographic perspective. However, CODM takes its decision for allocating resources of the entity and assessing its performance on the basis of the geographical presence of the Group across the globe and has identified four reportable segments of its business:

1. Americas
2. Europe, Middle East and Africa (EMEA)
3. Asia Pacific (APAC)
4. India

The Chief Operating Decision Maker i.e., the Chief Executive Officer (CEO), primarily uses a measure of revenue and adjusted Earnings before Interest, Tax, Depreciation and Amortisation (Adjusted EBITDA) to assess the performance of the operating segments. For this purposes, the Group calculated EBITDA by adding depreciation/ amortisation, finance costs and foreign exchange loss and reducing other income (including foreign exchange gain) from profit before income taxes. Earnings before Interest, Tax, Depreciation and Amortisation is further adjusted for event based impairments/recoveries to arrive at Adjusted EBITDA. The Group's expenses/ income, viz., depreciation/ amortisation, finance costs, foreign exchange gain/loss, event-based impairment/ recoveries, finance income and other income and income taxes are managed on a Group basis and are not allocated to operating segments. Assets and liabilities used in the group's business are not identified to any of the reportable segments, as these are used interchangeably between segments. Accordingly, the CEO does not review assets and liabilities at reportable segments level. Management believes that it is currently not practicable to provide segment disclosures relating to total assets and liabilities since a meaningful segregation of the available data is onerous.

As per Ind As 108, 'Operating Segments', the Group has disclosed the segment information only as part of the consolidated financial statements.

(b) Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA)

Interest income and finance cost are not allocated to segments, as this type of activity is driven by the central treasury function, which manages the cash position of the group.

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Revenue from Operations		
Americas	44,350	40,020
Europe, Middle East and Africa	36,160	31,175
Asia Pacific	6,360	5,817
India	4,920	3,134
Total	**91,790**	**80,146**
Earning before Interest, Tax, Depreciation and Amortization (EBITDA)		
Americas	8,085	6,176
Europe, Middle East and Africa	7,053	6,611
Asia Pacific	481	749
India	-828	-286
Total	**14,791**	**13,250**
Depreciation and amortization	3,186	2,585
Other income (net)	-1,156	-630
Profit before exceptional items and tax	**10,449**	**10,035**
Exceptional items	-	523
Profit before tax	**10,449**	**9,512**
Provision for tax	2,093	2,061
Profit after tax	**8,356**	**7,451**

(c) There is no customer from which the company derived more than 10% of the revenue.

(d) Information about major customers

Information regarding revenues from external customers for each product and service is disclosed in note 16.

31 Business combinations

(A) Acquisition of business from On Demand Agility Solution group

During the previous year, the Group made a strategic investment by acquiring business from On Demand Agility Solution group ("ODA"). The group had entered into master framework agreement, business transfer agreements and Share Subscription and shareholders agreement to acquire the business. The Group paid a consideration of Rs. 1,217 Mn and issued non-convertible compulsory redeemable preference shares through its one of the subsidiary in lieu of acquisition of customer contracts along with employees. The above arrangement has been recorded as business combination in accordance with Ind AS 103. Accordingly, the Group recorded a goodwill of Rs. 768 Mn, customer relationship of Rs. 582 Mn and non-compete fees of Rs. 114 Mn. As per the terms of the agreement, the Group will redeem the non-convertible compulsory redeemable preference shares equally over a period of two years. The non-convertible compulsory redeemable preference shares have been fair valued at Rs. 103 Mn as at 31 March 2024.

(B) Coforge Healthcare Digital Automation LLC

On 21 January 2022 the Group entered into Limited Liability Company agreement and incorporated M/s Coforge Healthcare Digital Automation LLC ('Healthcare'). The group infused Rs. 113 Mn in a newly incorporated Healthcare.

The Group paid a consideration of Rs. 113 Mn and 45% stake to sellers in lieu of customer contracts as well as certain employees. The above arrangement has been recorded as business combination in accordance with Ind AS 103. Accordingly, the Group recorded a goodwill of Rs. 173 Mn and customer relationship of Rs. 45 Mn and non compete fees of Rs. 2 Mn. As per the terms of the agreement, the Group will acquire the remaining stake of 45% over a period of three years. The put option to acquire remaining 45% has been fair valued at Rs 142 mn as at 31 March 2024.

(C) Coforge Business Process Solutions Private Limited

During the year, on June 21, 2023, the Group acquired additional 20% stake in Coforge Business Process Solutions Private Limited by paying Rs. 3,369 Mn against the put liability for future acquisition as per the agreement terms. Accordingly, the Group now owns 80% stake in Coforge Business Process Solutions Private Limited.

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32 Contingent liabilities and contingent assets

(a) Contingent liabilities

The Group had contingent liabilities in respect of:

	As at 31 March 2024	As at 31 March 2023
i) Claims against the Group not acknowledged as debts		
Income tax matters pending disposal by the tax authorities	1,087	706
Others	301	301
Total	**1,388**	**1,007**

ii) **Notes**

(A) It is not practicable for the Group to estimate the timing of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.
(B) The Group does not expect any reimbursements in respect of the above contingent liabilities.

Income tax

Claims against the Group not acknowledged as debts as on 31 March 2024 include demand from the Indian Income tax authorities on certain matters relating to availment of tax holiday and transfer pricing.

The Group is contesting these demands and the management including its tax and legal advisors believe that its position will more likely be upheld in the appellate process. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Group's financial position and results of operations.

(b) Contingent assets

The Group does not have any contingent assets as at 31 March 2023 and 31 March 2022.

33 Commitments

(a) Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Property, plant and equipment	253	116
Total	**253**	**116**

34 Leases

Following are the notes related to Leases

Particulars	Year ended 31 March 2024			Year ended 31 March 2023		
	Category of ROU asset			Category of ROU asset		
	Buildings	Leasehold Land	Total	Buildings	Leasehold Land	Total
Balance at beginning	2,069	296	2,365	1,176	300	1,476
Additions	1,208	-	1,208	1,466	-	1,466
Additions through business combination	-	-	-	-	-	-
Deletions	-14	-	(14)	-140	-	(140)
Depreciation	-647	-6	(653)	-465	-4	(469)
Translation difference	21	-	21	32		32
Balance at the end	**2,637**	**290**	**2,927**	**2,069**	**296**	**2,365**

The following is the movement in lease liabilities

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Balance at the beginning	2,240	1,351
Additions	1,131	1,418
Additions through business combination	-	-
Deletions	-14	(140)
Finance cost accrued during the period	204	141
Payment of lease liabilities	-684	(562)
Translation difference	17	32
Balance at the end	**2,894**	**2,240**

The following is the break-up of current and non-current lease liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Current lease liabilities	577	454
Non-current lease liabilities	2,317	1,786
Total	**2,894**	**2,240**

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(All amounts in Rs Mn unless otherwise stated)

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at 31 March 2024	As at 31 March 2023
Less than one year	749	600
One to five years	2,205	1,567
More than five years	844	774
	3,798	2,941

The following are the amounts recognised in consolidated statement of profit and loss:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Depreciation expense of right-of-use assets	653	469
Interest expense on lease liabilities	204	141
Expense relating to short-term leases and leases of low-value assets (included in other expenses)	199	222
	1,056	832

The group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.
Rental expense recorded for short-term leases and leases of low-value assets was Rs. 199 Mn (Previous period Rs. 222 Mn) for the year ended 31 March 2024.
The Group had total cash outflows for principal portion of leases of Rs. 480 Mn in (Previous year Rs. 421 Mn).

The aggregate depreciation on ROU assets has been included under depreciation and amortisation expense in the consolidated statement of profit and loss.

35 Share-based stock payments
(a) Employee stock option plan

The establishment of the Coforge Employee Stock Option Plan 2005 (formerly NIIT Technologies Employee Stock Option Plan 2005) (ESOP 2005) was approved by the shareholders in the annual general meeting held on 18 May, 2005. The ESOP 2005 is designed to offer and grant share-based payments for the benefit of employees of the Company and its subsidiaries, who are eligible under Securities Exchange Board of India (SEBI) Guidelines (excluding promoters). The ESOP 2005 allowed grant of options of the Company in aggregate up to 3,850,000 in one or more tranches.

This limit was increased by 1,690,175 pursuant to bonus issue in the year 2007 and further by 900,000 & 1,852,574 additional options pursuant to amendment in the ESOP Plan duly approved by the shareholders on March 27, 2020 and March 29, 2024, respectively.

Under the plan, participants are granted options which vest upon completion of such terms and conditions as may be fixed or determined by the Board in accordance with the provisions of law or guidelines issued by the relevant authorities in this regard.Participation in the plan is at the board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits. As per the plan each option is exercisable for one equity share of face value of Rs 10 each fully paid up on payment to the Company for such shares at a price to be determined in accordance with ESOP 2005. Hence, the plan is equity settled for the Company.

Set out below is a summary of options granted under the plan:

	Year ended 31 March 2024		Year ended 31 March 2023	
	Average exercise price per share	Number of options	Average exercise price per share	Number of options
Opening balance	10.00	1,338,421	21.65	1,340,822
Granted during the year	10.00	326,347	10.00	276,480
Exercised during the year *	10.00	733,912	99.78	173,928
Forfeited/ lapsed during the year	10.00	353,172	10.00	104,953
Closing balance	**10.00**	**577,684**	**10.00**	**1,338,421**
Vested and exercisable		46,381		150,703

* The weighted average share price at the date of exercise of these options during the year ended 31 March 2024 was Rs.5650.52 (31 March 2023 - Rs. 3,798.21)

The weighted average remaining contractual life for the share options outstanding as at 31 March 2024 was 1.04 years (31 March 2023: 1.3 years).

The weighted average fair value of options granted during the year was Rs.3,987(31 March 2023: Rs. 3,340).
The range of exercise prices for options outstanding at the end of the year was Rs.10 (31 March 2023: Rs. 10).

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(All amounts in Rs Mn unless otherwise stated)

(i) Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant Year	Vesting conditions	Vesting Date	Expiry date	Exercise price	Fair Value at the grant date	Share options outstanding as at	
						31 March 2024	31 March 2023
2019-20	Service/Performance	31-Mar-21 to 30-Sep-25	31-Dec-24 to 29-Mar-32	10	879.3 to 1101.7	182,218	861,636
2020-21	Service	30-Sept-24	31-Dec-24	10	915.67	8,637	22,934
2021-22	Performance	30 Sep 22 to 30-Sep-25	31st Dec 24 to 30-Sep-30	10	4,039.9 to 5,357	61,336	177,837
2022-23	Service/Performance	30 Sep 23 to 30 Sep 25	31 Dec 24 to 30 Sep 30	10	3170.5 to 3836.15	43,188	276,014
2023-24	Service/Performance	30 Sep 24 to 30 Sep 28	31 dec 24 to 30 Sep 33	10	3846.28 to 5913.22	282,305	
Total						577,684	1,338,421

(ii) Fair value determination of options granted

The fair value at grant date is determined using the Black Scholes Model as per an independent valuer's report, having taken into consideration the market price being the latest available closing price prior to the date of the grant, exercise price being the price payable by the employees for exercising the option and other assumptions as annexed below:

Grant Year	Market Price at the grant date	Fair Value at grant date	Exercise Price	Volatility*	Average Life of the Options (in Years)	Risk Less Interest Rate	Dividend yield rate
FY 2022-23	3235.95 to 3884.45	3165.96 to 3836.15	10	42.94% to 46.93%	1.03 to 3.53	5.86% to 7.16%	0.39 to 0.53
FY 2023-24	3929.95 to 5954.05	3846.3 to 5913.2	10	43.29% to 43.96%	1.08 to 4.75	6.79% to 7.11%	0.35% to 0.40%

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

(b) Stock appreciation rights

In financial year 2018-19, the Group issued the stock appreciation rights, liability for which is measured initially and at the end of each reporting period until settled, at the fair value of the SARs by applying a black Scholes model, taking into account the terms and conditions on which the SARs were granted and the extent to which the employees have rendered services to date. The carrying amount of the liability relating to the SARs at 31 March 2024 was Rs Nil Mn (31 March 2023: Rs 26 Mn) and expense recognised during the year Rs 4 Mn (31 March 2023: Rs 3 Mn). During the year 8,560 (31 March 2023 : 8,560) stock appreciation rights have been vested.

(c) Expense arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised in consolidated statement of profit and loss as part of employee benefit expense were as follows:

	Year ended 31 March 2024	Year ended 31 March 2023
Expense arising from equity-settled share-based payment transactions*	943	574

* This includes impact of modification (Change of Vesting Date) amounting to 235 Mn (Previous Year 3.5 Mn).

36 Additional information required by Schedule III

Name of the entity in the group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent								
Coforge Limited								
31 March 2024	36.75	13,697	13	1,117	60	266	15.71	1,383
31 March 2023	17.58	5,387	34	2,565	(92)	(291)	12.27	953
Subsidiaries						-		
Indian						-		
Coforge SmartServe Limited						-		
31 March 2024	0.35	130	7	577	0	0	6.56	577
31 March 2023	2.00	633	3	244	(1)	(2)	4.58	356
Coforge Services Limited						-		
31 March 2024	0.09	35	0	1	-	-	0.01	1
31 March 2023	0.11	34	0	1	-	-	0.01	1
Coforge DPA Private Limited						-		
31 March 2024	2.07	772	17	1,452	4	18	16.70	1,470
31 March 2023	2.75	872	9	685	-		24.57	1,908
Coforge SF Private Limited						-		
31 March 2024	0.81	302	10	870	1	5	9.94	875
31 March 2023	1.38	437	4	268	-	-	7.36	372
Coforge Business Process Solutions Private Limited (Erstwhile SLK Global Solutions Pvt Limited)						-		
31 March 2024	6.98	2,602	7	611	11	47	7.48	658
31 March 2023	8.00	2,536	4	302	-	-	17.68	1,373
Coforge Solutions Pvt Ltd						-		
31 March 2024	2.81	1,047	2	157	(3)	(14)	1.62	143
31 March 2023	2.51	796	(0)	-3	(1)	(2)	(0.06)	-5
Foreign						-		
Coforge Inc.						-		
31 March 2024	14.06	5,240	13	1,060	4	18	12.25	1,078
31 March 2023	15.26	4,837	14	1,033	45	141	15.13	1,175
Coforge U.K. Limited (erstwhile NIIT Technologies Limited)						-		
31 March 2024	8.35	3,113	18	1,531	2	11	17.52	1,542
31 March 2023	11.77	3,732	12	891	8	27	14.36	1,115
Coforge Pte Limited (erstwhile NIIT Technologies Pacific Pte Limited)						-		
31 March 2024	1.71	635	(3)	(213)	(1)	(3)	(2.43)	-216
31 March 2023	3.27	1,036	1	87	16	51	0.02	1
Coforge BV (erstwhile NIIT Technologies BV)						-		
31 March 2024	0.12	44	0	12	0	0	0.14	12
31 March 2023	0.13	40	0	2	(0)	(0)	1.77	137
Coforge Limited, Thailand (erstwhile NIIT Technologies Ltd)						-		
31 March 2024	1.19	445	0	30	(8)	(34)	(0.05)	-4
31 March 2023	1.44	457	0	11	11	36	0.03	2
Coforge Technologies (Australia) Pty Limited (erstwhile NIIT Technologies Pty Ltd)						-		
31 March 2024	1.31	490	1	68	(2)	(11)	0.65	57
31 March 2023	1.18	373	1	103	(5)	(15)	0.61	47
Coforge GmbH(erstwhile NIIT Technologies GmbH)						-		
31 March 2024	0.21	80	(0)	(37)	-	-	(0.42)	-37
31 March 2023	0.26	82	0	7	1	3	1.13	88
Coforge Advantage Go (erstwhile NIIT Insurance Technologies Limited)						-		
31 March 2024	7.10	2,647	(4)	(330)	19	84	(2.79)	-246
31 March 2023	7.52	2,383	(8)	-624	7	21	0.12	10
Coforge Airline Technologies GmbH (erstwhile NIIT Airline Technologies GmbH)						-		
31 March 2024	0.45	169	1	42	1	4	0.52	45
31 March 2023	0.37	118	1	44	4	14	(7.76)	-602
Coforge FZ LLC(erstwhile NIIT Technologies FZ LLC)						-		
31 March 2024	5.63	2,099	7	570	0	0	6.48	570
31 March 2023	4.23	1,342	3	209	8	24	0.75	58
Coforge S.A. (erstwhile NIIT Technologies S.A.)						-		
31 March 2024	0.57	213	1	51	1	4	0.62	55
31 March 2023	0.51	163	1	45	12	37	3.00	233
NIIT Technologies Philippines Inc						-		
31 March 2024	0.10	38	0	0	(0)	(1)	(0.01)	-1
31 March 2023	0.12	39	0	0	1	2	1.03	82
Coforge DPA Australia Pty Ltd.						-		
31 March 2024	1.34	498	(1)	(49)	(1)	(5)	(0.61)	-54
31 March 2023	1.77	560	1	88	-	-	-	
Coforge DPA UK Ltd.						-		
31 March 2024	0.11	43	(0)	(30)	4	16	(0.16)	-14
31 March 2023	1.64	520	7	527	-	-	-	

Name of the entity in the group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Coforge DPA NA Inc.						-		
31 March 2024	0.57	213	(0)	(22)	(1)	(6)	(0.43)	-38
31 March 2023	0.96	303	(0)	-10	-	-	-	
Coforge DPA Ireland Limited						-		
31 March 2024	(0.00)	(0)	-	-	-	-	-	-
31 March 2023	-	-	-	-	7	21	-	
Coforge BPM Inc. (erstwhile RuleTek LLC)						-		
31 March 2024	1.98	740	(0)	(20)	7	30	0.11	10
31 March 2023	8.19	2,598	1	86	47	148	0.03	3
Coforge SF Ltd. UK						-		
31 March 2024	0.15	55	(0)	(17)	7	30	0.15	13
31 March 2023	1.91	605	2	114	-	-	-	
Coforge SF Pty Ltd. Australia								
31 March 2024	-	-	-	-	-	-	-	-
31 March 2023	-	-	(0)	-0	15	47	-	
Coforge SPÓLKA Z OGRANICZONA ODPOWIEDZIALNOSCIA (erstwhile NIIT Technologies Spólk						-		
31 March 2024	0.00	1	1	46	2	10	0.64	56
31 March 2023	0.01	2	1	40	1	2	3.01	234
Coforge SDN. BHD. Malaysia (Erstwhile NIIT Technologies SDN. BHD)						-		
31 March 2024	0.20	74	(0)	(2)	-	-	(0.02)	-2
31 March 2023	0.17	53	(0)	-1	0	0	0.56	43
Coforge A.B. Sweden (Erstwhile NIIT Technologies A.B.)						-		
31 March 2024	(0.00)	(0)	0	0	(0)	(0)	0.00	0
31 March 2023	0.00	0	0	0	0	0	(0.01)	-1
Coforge S.R.L., Romania (Erstwhile NIIT Technologies S.R.L.)						-		
31 March 2024	0.00	0	(0)	(0)	(0)	(0)	(0.00)	-0
31 March 2023	0.00	0	(0)	-0	(0)	(0)	0.00	0
Coforge SpA, Chile						-		
31 March 2024	0.02	7	0	2	(1)	(3)	(0.01)	-1
31 March 2023	0.03	8	(0)	-0	0	1	0.01	1
Coforge BPS America Inc.								
31 March 2024	3.87	1,444	1	90	1	5	1.08	95
31 March 2023	3.28	1,040	1	41	-	-	-	
Coforge BPS Philippines INC								
31 March 2024	0.73	272	6	524	(6)	(25)	5.67	499
31 March 2023	1.29	408	3	198	-	-	-	
Coforge BPS North Carolina LLC								
31 March 2024	0.00	1	-	-	-	-	-	-
31 March 2023	0.00	1	(0)	-0	13	42	-	
Coforge Healthcare Digital Automation LLC						-		
31 March 2024	0.29	107	(0)	(15)	0	1	(0.16)	-14
31 March 2023	0.38	121	(0)	-14	3	8	(0.21)	-16
Coforge Japan GK						-		
31 March 2024	0.04	16	0	1	(0)	(1)	(0.00)	-0
31 March 2023	-	-	-	-	-	-	-	-
Non controlling interest in all subsidiaries						-		
Coforge Business Process Solutions Private Limited (Erstwhile SLK Global Solutions Pvt Limited)						-		
31 March 2024	1.40	520	4	393	(1)	-5	2.99	263
31 March 2023	13.20	4,175	7.15	533	3.48	11	7.07	549
Coforge Healthcare Digital Automation LLC						-		
31 March 2024	0.13	48	(0)	-13	0	0	(0.07)	-6
31 March 2023	0.22	66	(0.02)	-11	-	-	(0.01)	-1
Total								
31 March 2024	100.00	37,259	100	8,356	100	446	100	8,802
31 March 2023	100	31,699	100	7,451	100	316	100	7,767

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(All amounts in Rs Mn unless otherwise stated)

37 Earnings per Share

	Year ended March 31, 2024	Year ended March 31, 2023
(a) Basic earnings per equity share of Rs 10 each		
Attributable to the equity holders of the Company (Rs. Per share)	131.56	113.77
(b) Diluted earnings per equity share of Rs 10 each		
Attributable to the equity holders of the Company (Rs. Per share)	129.59	111.53
(c) Reconciliations of earnings used in calculating earnings per share		
Basic earnings per share		
Profit attributable to the equity holders of the Company used in calculating basic earnings per share	8,080	6,938
Diluted earnings per share		
Profit attributable to the equity holders of the Company used in calculating diluted earnings per share	8,080	6,938
(d) Weighted average number of shares used as the denominator		
Weighted average number of equity shares used as the denominator in calculating basic earnings per share (numbers)	61,415,628	60,981,411
Adjustments for calculation of diluted earnings per share:		
Stock Options outstanding (numbers)*	934,690	1,225,284
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share (numbers)	62,350,318	62,206,695

*Stock Options outstanding
Options granted to employees under the Employee stock option plan 2005 are considered to be potential equity shares. They have been included in the determination of diluted earnings per share to the extent to which they are dilutive. The options have not been included in the determination of basic earnings per share. Details relating to the options are set out in note 35.

38 The Group has been using accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that audit trail feature can not be enabled at the database level insofar as it relates to accounting software. Further no instance of audit trail feature being tampered with was noted in respect of accounting software.

39 The Board of Directors have appointed Mr. Anil Kumar Chanana and Mr. Durgesh Kumar Singh, as an Additional Director and Non-Executive Independent Director vide its circular resolution dated January 20, 2024 and February 12, 2024 respectively and approved by the Shareholders of the Company on March 29, 2024.

40 **Subsequent events**

(a) The shareholders in the Extra-Ordinary General Meeting held on April 12, 2024 have approved raising of funds by way of issuance of equity shares having face value of Rs. 10 each of the Company ("Equity Shares") and / or other eligible securities or any combination thereof for an aggregate amount not exceeding Rs. 32,000 Mn by way of Qualified Institutional Placement ("QIP") or other permissible modes in accordance with the applicable laws.

(b) The Company has agreed to enter into a share purchase agreement with the promoters and select public shareholders of Cigniti Technologies Limited to acquire up to 54% of the share capital of Cigniti Technologies Limited (collectively, the "Share Purchase Agreements") subject to execution of definitive agreements and completion of certain identified conditions precedent. Upon execution of Share Purchase Agreements, the Company will also trigger a mandatory open offer in terms of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.

(c) The Board of Directors have appointed Mr. Om Prakash Bhatt, as an Additional Director and Non-Executive Independent Director w.e.f. May 1, 2024 vide its circular resolution dated April 22, 2024, subject to approval of the Shareholders of the Company.

(d) The Board of Directors of the Company have approved the appointment of Mr. Gautam Samantha as Executive Director with effect from May 02, 2024, subject to all necessary approvals under the provisions of the Companies Act, 2013 and other applicable provisions.

41 **Other Statutory Information**

The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

S.R. Batliboi & Associates LLP

Previous year figures have been reclassified to conform to current year's classification.

As per our report of even date

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

Yogender Seth
Partner
Membership No.094524
Place : Gurugram
Date : 2 May 2024

For and on behalf of Board of Directors of Coforge Limited

Sudhir Singh
CEO & Executive Director
DIN: 07080613
Place : Gurugram
Date : 2 May 2024

Saurabh Goel
Chief Financial Officer

Place : Gurugram
Date : 2 May 2024

Gautam Samanta
Executive Director
DIN:09157177
Place : Gurugram
Date : 2 May 2024

Barkha Sharma
Company Secretary

Place : Gurugram
Date : 2 May 2024

INDEPENDENT AUDITOR'S REPORT

To the Members of Coforge Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Coforge Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31, 2023, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated 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 Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the 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 consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
Recoverability of trade receivables and unbilled revenue related to Government Customer	
As at March 31, 2023, the Group has outstanding trade receivables and unbilled revenue relating to Government customer in India. The appropriateness of the allowance for doubtful trade receivables pertaining to Government customers in India is subjective due to the high degree of significant judgement applied by management in determining the impairment provision. Refer Note 5(ii) of the Consolidated Financial Statements	Our audit procedures included the following: 1. We evaluated the Group's processes and controls relating to the monitoring of trade receivables & unbilled from Government customer. 2. We performed procedures relating to obtaining evidence of receipts from the trade receivables after the period end on test check basis. 3. We inquired management about the recoverability status and reviewed communication received from the customer. 4. We evaluated management's assumptions used to determine the impairment amount, through analysis of ageing of trade receivables, assessment of material overdue individual trade receivables and risks specific to the Government customer.

<table>
<tr><th colspan="2">Impairment- Goodwill and other intangibles</th></tr>
<tr><td>Determination of recoverable amount pertaining to Goodwill and other intangibles is complex and typically requires a high level of judgement, taking into account the different economic environments in which the Group operates. The most significant judgements arise over the forecast cash flows, discount rate and growth rate applied in the valuation models. Due to the inherent uncertainty associated with these assumptions and the consequent cash flow projections, the same is considered as a key audit matter.

Refer Note 4 of the Consolidated Financial Statements</td><td>Our audit procedures included the following:

1. We evaluated the Group's internal controls over its annual impairment test, key assumptions applied such as discount rates and growth rates based on our understanding of the relevant business and the industry and economic environment in which it operates.

2. We compared forecasts to business plans and also previous forecasts to actual results to assess the performance of the business and the forecasting of the scenarios used, in the context of our wider business understanding

3. We involved our own valuation specialists to assist us in evaluating the key assumptions and methodologies used by the Group, in particular those relating to discount rates, and growth rates, which were based on our industry knowledge and experience.</td></tr>
</table>

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the Board Report, Management Discussion and Analysis, Business Responsibility and Sustainability Report, but does not include the consolidated financial statements and our auditor's report thereon.

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

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

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group 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. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective company(ies) 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of their respective company(ies).

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding 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 cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

(a) We did not audit the financial statements and other financial information, in respect of thirteen subsidiaries, whose financial statements include total assets of Rs. 14,834 million as at March 31, 2023, and total revenues of Rs. 23,564 million and net cash outflows of Rs. 411 million for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the report(s) of such other auditors.

(b) The accompanying consolidated financial statements include unaudited financial statements and other unaudited financial information in respect of thirteen subsidiaries, whose financial statements and other financial information reflect total assets of Rs. 819 million as at March 31, 2023, and total revenues of Rs. 827 million and net cash outflows of Rs. 3 million for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. Our opinion, in so far as it relates amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

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

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, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

   (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

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

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

   (d) In our opinion, the aforesaid consolidated 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 of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;

   With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(f) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, the managerial remuneration for the year ended March 31, 2023 has been provided by the Holding Company and its subsidiaries, incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, in its consolidated financial statements – Refer Note 32 to the consolidated financial statements;

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long- term contracts including derivative contracts – Refer (a) Note 13(iv) to the consolidated financial statements in respect of such items as it relates to the Group,

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiaries, incorporated in India during the year ended March 31, 2023.

iv. a) The respective managements of the Holding Company and its subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, respectively that, to the best of 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 Holding Company or any of such subsidiaries, 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 respective Holding Company or any of such subsidiaries, associate ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, respectively that, to the best of its knowledge and belief, no funds have been received by the respective Holding Company or any of such subsidiaries, from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries, 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 the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v) The interim dividend declared and paid during the year by the Holding Company and its subsidiaries, companies incorporated in India and until the date of the respective audit reports of such Holding Company and its subsidiaries, is in accordance with section 123 of the Act.

vi) As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable only w.e.f. April 1, 2023 for the Holding Company and its subsidiaries companies incorporated in India, hence reporting under this clause is not applicable.

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

per Yogender Seth
Partner
Membership Number: 094524
UDIN: 23094524BGYIBX8102
Place of Signature: Gurugram
Date: April 27, 2023

Annexure 1 to the Independent Auditor's Report referred to in paragraph 1 of "Report on Other Legal and Regulatory Requirements" of our report of even date

Re: Coforge Limited ("the Holding Company")

3(xxi) Qualifications by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements are:

S.No	Name	CIN	Holding company/ subsidiary	Clause number of the CARO report which is qualified
1	Coforge Business Process Solutions Private Limited (Formerly SLK Global Solutions Private Limited)	U72200PN2001PTC204300	Subsidiary Company	3(vii)(a)

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

per Yogender Seth
Partner
Membership Number: 094524
UDIN: 23094524BGYIBX8102
Place of Signature: Gurugram
Date: April 27, 2023

Annexure 2 to the independent auditor's report of even date on the consolidated financial statements of Coforge Limited

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

In conjunction with our audit of the consolidated financial statements of Coforge Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting 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 respective 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 Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, 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 consolidated 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 consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated 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 Consolidated Financial Statements

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

Opinion

In our opinion, the Group , which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

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

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

per Yogender Seth
Partner
Membership Number: 094524
UDIN: 23094524BGYIBX8102
Place of Signature: Gurugram
Date: April 27, 2023

COFORGE LIMITED
CONSOLIDATED BALANCE SHEET

(All amounts in Rs Mn unless otherwise stated)

Particulars	Notes	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	4,455	4,452
Right-of-use assets	34	2,365	1,476
Capital work-in-progress	3	46	86
Goodwill	4	11,665	10,708
Other intangible assets	4	4,634	4,031
Intangible assets under development	4	-	82
Financial assets			
Investments#	5(i)	0	0
Trade receivables	5(ii)	1,772	1,691
Other financial assets	5(iii)	479	421
Income tax assets (net of provisions)	7	233	607
Deferred tax assets (net)	6	3,757	2,736
Other non-current assets	9	1,364	1,045
Total non-current assets		**30,770**	**27,335**
Current assets			
Contract assets	8	1,512	1,184
Financial assets			
Trade receivables	5(ii)	16,131	13,894
Cash and cash equivalents	5(iv)	5,699	4,468
Other bank balances	5(v)	88	67
Other financial assets	5(iii)	187	662
Other current assets	9	2,447	1,934
Total current assets		**26,064**	**22,209**
TOTAL ASSETS		**56,834**	**49,544**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10	611	609
Other equity	11	30,214	26,722
Equity attributable to owners of Coforge Limited		**30,825**	**27,331**
Non-controlling interests (''NCI")	12	874	983
TOTAL EQUITY		**31,699**	**28,314**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	13(i)	3,382	3,365
Lease liability	34	1,786	937
Trade payables	13(iii)	332	364
Other financial liabilities	13(iv)	324	2,908
Employee benefit obligations	14	1,276	1,047
Deferred tax liabilities	6	583	766
Other non-current liabilities	15	59	51
Total non- current liabilities		**7,742**	**9,438**
Current liabilities			
Financial liabilities			
Borrowings	13(ii)	-	180
Lease liability	34	454	414
Trade payables	13(iii)	6,481	6,160
Other financial liabilities	13(iv)	7,377	2,398
Employee benefit obligations	14	360	316
Other current liabilities	15	2,721	2,324
Total current liabilities		**17,393**	**11,792**
TOTAL LIABILITIES		**25,135**	**21,230**
TOTAL EQUITY AND LIABILITIES		**56,834**	**49,544**

0 represents amount is below the round off norm adopted by the Group

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For and on Behalf of Board of Directors of Coforge Limited

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

Sudhir Singh
CEO & Executive Director
DIN : 07080613
Place : Gurugram
Date : 27 April 2023

Hari Gopalakrishnan
Director
DIN : 03289463
Place : Mumbai
Date : 27 April 2023

Yogender Seth
Partner
Membership No.094524
Place : Gurugram
Date : 27 April 2023

Ajay Kalra
Chief Financial Officer
Place : Gurugram
Date : 27 April 2023

Barkha Sharma
Company Secretary
Place : Gurugram
Date : 27 April 2023

COFORGE LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(All amounts in Rs Mn unless otherwise stated)

Particulars	Note	Year ended 31 March 2023	Year ended 31 March 2022
Revenue from operations	16	80,146	64,320
Other income	17	619	518
Total income		**80,765**	**64,838**
Expenses			
Purchases of stock-in-trade / contract cost		551	1,724
Employee benefits expense	18	48,280	38,346
Depreciation and amortisation expense	19	2,585	2,272
Other expenses	20	18,508	13,231
Finance costs	21	806	650
Total expenses		**70,730**	**56,223**
Profit before exceptional items and tax		**10,035**	**8,615**
Exceptional items	22	523	-
Profit before tax		**9,512**	**8,615**
Income tax expense:	23		
Current tax		2,492	1,774
Deferred tax		(431)	(306)
Total tax expense		**2,061**	**1,468**
Profit for the year		**7,451**	**7,147**
Other comprehensive income/(loss)			
Items that may be reclassified to profit or loss			
Fair value changes on derivatives designated as cash flow hedge, net		(393)	21
Exchange differences on translation of foreign operations		556	231
Income tax relating to items that will be reclassified to profit or loss		95	(3)
		258	**249**
Items that will not be reclassified to profit or loss			
Remeasurement of post - employment benefit obligations (expenses) / income		69	13
Income tax relating to items that will not be reclassified to profit or loss		(11)	3
		58	**16**
Other comprehensive income for the year, net of tax		**316**	**265**
Total comprehensive income for the year		**7,767**	**7,412**
Profit is attributable to:			
Owners of Coforge Limited		6,938	6,617
Non-controlling interests		513	530
		7,451	**7,147**
Other comprehensive income is attributable to:			
Owners of Coforge Limited		303	248
Non-controlling interests		13	17
		316	**265**
Total comprehensive income is attributable to:			
Owners of Coforge Limited		7,241	6,865
Non-controlling interests		526	547
		7,767	**7,412**
Earnings per equity share (of Rs 10 each) attributable to owners of Coforge Limited			
Basic earnings per share	37	113.77	109.02
Diluted earnings per share	37	111.53	106.52

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

For and on Behalf of Board of Directors of Coforge Limited

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

Sudhir Singh
CEO & Executive Director
DIN : 07080613
Place : Gurugram
Date : 27 April 2023

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Membership No.094524
Place : Gurugram
Date : 27 April 2023

Ajay Kalra
Chief Financial Officer
Place : Gurugram
Date : 27 April 2023

Barkha Sharma
Company Secretary
Place : Gurugram
Date : 27 April 2023

COFORGE LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS

(All amounts in Rs Mn unless otherwise stated)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Cash flow from operating activities		
Profit before tax after exceptional items	9,512	8,615
Adjustments for:		
Depreciation and amortisation expense	2,585	2,272
Loss on disposal of property, plant and equipment (net)	13	-
Interest and finance charges	768	609
Employee share-based payment expense	544	355
Allowance for doubtful debts & contract assets (net)	72	16
Dividend and interest income	(46)	(31)
Realised and unrealised loss/ (gain) on investments	-	(3)
Unwinding of discount - finance income	(116)	(98)
	3,820	**3,120**
Changes in operating assets and liabilities		
(Increase)/Decrease in trade receivables	(2,126)	(3,152)
(Increase)/Decrease in other financial assets	282	600
(Increase)/Decrease in other assets	(769)	(1,276)
Increase/(Decrease) in employee benefit obligations	307	223
Increase/(Decrease) in trade payables	175	2,153
Increase/(Decrease) in other liabilities	1,104	19
Cash used from operations	**(1,027)**	**(1,433)**
Income taxes paid	(2,800)	(2,646)
Net cash inflow from operating activities	**9,505**	**7,656**
Cash flow from investing activities		
Purchase of property, plant and equipment	(1,582)	(1,541)
Proceeds from sale of property, plant and equipment	45	66
Acquisition of a subsidiary / operations, net of cash acquired (Refer Note 31)	(1,222)	(8,557)
Proceeds from sale of current investments	-	450
Interest received on bank deposits	43	18
Net cash (outflow) from investing activities	**(2,716)**	**(9,564)**
Cash flow from financing activities		
Proceeds from issue of shares (including securities premium and taxes)	18	51
Purchase of additional stake in subsidiaries	-	(729)
Proceeds from term loan	-	3,578
Repayment of term loan	(180)	(59)
Payment of principal portion of lease liabilities	(421)	(386)
Interest paid	(714)	(265)
Dividends paid to the NCI	(751)	(596)
Dividends paid to the Company's shareholders	(3,534)	(3,152)
Net cash (outflow) from financing activities	**(5,582)**	**(1,558)**

COFORGE LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS

(All amounts in Rs Mn unless otherwise stated)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Net increase / (decrease) in cash and cash equivalents	1,207	(3,466)
Cash and cash equivalents at the beginning of the financial year	4,468	7,999
Effects of exchange rate changes on cash and cash equivalents	24	(65)
Cash and cash equivalents at the end of the financial year	**5,699**	**4,468**
Cash and Cash Equivalents comprise of:		
Cheques, drafts on hand	119	2
Balances with banks	5,389	4,466
Fixed deposit accounts (less than 3 months maturity)	191	-
Total [Refer note 5(iv)]	**5,699**	**4,468**

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

For and on Behalf of Board of Directors of Coforge Limited

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

Sudhir Singh
CEO & Executive Director
DIN : 07080613
Place : Gurugram
Date : 27 April 2023

Hari Gopalakrishnan
Director
DIN : 03289463
Place : Mumbai
Date : 27 April 2023

Yogender Seth
Partner
Membership No.094524
Place : Gurugram
Date : 27 April 2023

Ajay Kalra
Chief Financial Officer
Place : Gurugram
Date : 27 April 2023

Barkha Sharma
Company Secretary
Place : Gurugram
Date : 27 April 2023

COFORGE LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(All amounts in Rs Mn unless otherwise stated)

a. Equity Share Capital

Particulars	Number	Amount
As at 1 April 2021	**60,592,349**	**606**
Issue of Shares	320,803	3
As at 31 March 2022	**60,913,152**	**609**

As at 1 April 2022	**60,913,152**	**609**
Issue of Shares	173,928	2
As at 31 March 2023	**61,087,080**	**611**

b. Other Equity

Description	Other Equity									Non-Controlling Interest	Total
	Reserves and Surplus						Other Comprehensive Income		Total Other Equity		
	Capital Reserve	Capital Redemption Reserve	Securities Premium	Employee Stock Option	General Reserves	Retained Earnings	Cash Flow Hedging Reserve	Foreign Currency Translation Reserve			
Balance at 1 April 2021	**11**	**36**	**39**	**523**	**2,057**	**20,375**	**77**	**937**	**24,055**	**-**	**24,055**
Profit for the year	-	-	-	-	-	6,617	-	-	6,617	530	7,147
Other comprehensive income	-	-	-	-	-	4	18	226	248	17	265
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**6,621**	**18**	**226**	**6,865**	**547**	**7,412**
Transferred from Employee Stock Option Reserve on exercise of stock options (ESOP)	-	-	297	(297)	-	-	-	-	-	-	-
Tax benefit on share based payment # (Refer note 35)	-	-	-	-	-	382	-	-	382	-	382
Shares issued on exercise of employee stock options	-	-	48	-	-	-	-	-	48	-	48
Shares based payments expense	-	-	-	349	-	-	-	-	349	-	349
Dividend paid	-	-	-	-	-	(3,155)	-	-	(3,155)	-	(3,155)
Change in fair value of NCI	-	-	-	-	-	(1,822)	-	-	(1,822)	-	(1,822)
Derecognition of NCI to financial liability	-	-	-	-	-	-	-	-	-	(1,110)	(1,110)
NCI arising from acquisition of subsidiary (Refer note 31)	-	-	-	-	-	-	-	-	-	2,142	2,142
Dividend from subsidiary	-	-	-	-	-	-	-	-	-	(596)	(596)
Balance as at 31 March 2022	**11**	**36**	**384**	**575**	**2,057**	**22,401**	**95**	**1,163**	**26,722**	**983**	**27,705**

COFORGE LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(All amounts in Rs Mn unless otherwise stated)

Description	Other Equity									Non-Controlling Interest	Total
	Reserves and Surplus						Other Comprehensive Income		Total Other Equity		
	Capital Reserve	Capital Redemption Reserve	Securities Premium	Employee Stock Option	General Reserves	Retained Earnings	Cash Flow Hedging Reserve	Foreign Currency Translation Reserve			
Balance at 1 April 2022	**11**	**36**	**384**	**575**	**2,057**	**22,401**	**95**	**1,163**	**26,722**	**983**	**27,705**
Profit for the year	-	-	-	-	-	6,938	-	-	6,938	513	7,451
Other comprehensive income	-	-	-	-	-	51	(287)	540	304	13	317
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**6,989**	**(287)**	**540**	**7,242**	**526**	**7,768**
Transferred from Employee Stock Option Reserve on exercise of stock options (ESOP)	-	-	235	(235)	-	-	-	-	-	-	-
Tax benefit on share based payment # (Refer note 35)	-	-	-	-	-	30	-	-	30	-	30
Shares issued on exercise of employee stock options	-	-	16	-	-	-	-	-	16	-	16
Shares based payments expense	-	-	-	544	-	-	-	-	544	-	544
Dividend paid	-	-	-	-	-	(3,537)	-	-	(3,537)	-	(3,537)
Change in fair value of NCI	-	-	-	-	-	(803)	-	-	(803)	-	(803)
Derecognition of NCI to financial liability	-	-	-	-	-	-	-	-	-	116	116
Dividend from subsidiary	-	-	-	-	-	-	-	-	-	(751)	(751)
Balance as at 31 March 2023	**11**	**36**	**635**	**884**	**2,057**	**25,080**	**(192)**	**1,703**	**30,214**	**874**	**31,088**

In certain jurisdictions, the Group is entitled to tax benefit on share based payment, over and above the share based payment expense recorded. Such tax benefit is included in equity under the head " Tax benefit on share based payment".

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

For and on Behalf of Board of Directors of Coforge Limited

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

Sudhir Singh
CEO & Executive Director
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Chief Financial Officer
Place : Gurugram
Date : 27 April 2023

Barkha Sharma
Company Secretary
Place : Gurugram
Date : 27 April 2023

Notes to the Consolidated Financial Statements

(All amounts in Rs Mn unless otherwise stated)

A. Background

Coforge Limited ("the Company") is a Company limited by shares, incorporated and domiciled in India. The Company delivers services around the world directly and through its network of subsidiaries and overseas branches (collectively known as "the Group"). The Group is rendering Information Technology/ Information Technology Enabled Services ("IT / ITES") across various geographies viz Americas, Europe, Middle East and Africa, India and Asia Pacific; and is engaged in Application Development & Maintenance, Managed Services, Cloud Computing and Business Process Outsourcing to organizations in a number of sectors viz. Financial Services, Insurance, Travel, Transportation & Logistics, Manufacturing & Distribution and Government. The Company is a public listed company and is listed on BSE Limited and the National Stock Exchange (NSE). These financial statements were authorised for issue in accordance with a resolution of the Board of Directors on 27 April 2023.

B. Basis of preparation of financial statements

(i) Compliance with Ind AS

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the consolidated financial statements.

The previous year number of Group include eleven months numbers of the Coforge Business Process Solutions Pvt. Ltd and its subsidiaries (formerly known as SLK Global Solutions Pvt. Ltd.), hence previous year numbers are not comparable.

(ii) Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) and put option liability that are measured at fair value;
- defined benefit plans - plan assets measured at fair value [Refer note 1 (p)]; and
- share-based payments [refer note 1(p)]

C. Use of Estimates and judgements

The preparation of financial statements in conformity with Ind AS requires the management to make estimates, assumptions and judgements that affect the reported amounts of assets, liabilities, revenue, costs, expenses and other comprehensive income that are reported and disclosed in the consolidated financial statements. These estimates are based on the management's best knowledge of current events, historical experience, actions that the Group may undertake in the future and on various other assumptions that are believed to be reasonable under the circumstances. Significant estimates and assumptions are used, but not limited to allowance for uncollectible trade and contract assets, impairment of goodwill and business combination. Actual results could differ from those estimates. Changes in estimates are reflected in the financial statements in the period in which the changes are made and represent management's best estimate.

Other areas involving critical estimates and judgements are:

The preparation of financial statements requires the use of accounting estimates which, by definition, may not equal the actual results. Management also needs to exercise judgment in applying the Group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Areas involving critical estimates and judgments are:

- Estimated goodwill impairment

  Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit (CGUs) is less than its carrying amount. For the impairment testing, goodwill is allocated to the

CGU or groups of CGUs which benefit from the synergies of the acquisition and which represent the lowest level at which goodwill is monitored for internal management purposes. However, such cannot be larger than an operating segment as defined in Ind AS 108 Operating Segments before aggregation.

The recoverable amount of CGUs is determined based on higher of value-in use and fair value less cost to sell. Key assumptions in the cash flow projections are prepared based on current economic conditions and comprises estimated long term revenue growth rates, weighted average cost of capital and estimated operating margins.

- Impairment of trade receivables

  The impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Group uses judgment in making these assumptions and selecting the inputs to the expected credit loss calculation based on the Group's history of collections, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

  The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance).

- Business combination

  In accounting for business combinations, judgment is required in identifying whether an identifiable intangible asset is to be recorded separately from goodwill. Additionally, estimating the acquisition date fair value of the identifiable assets acquired (including useful life estimates), liabilities assumed, and contingent consideration assumed involves management judgment. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by management. Changes in these judgments, estimates, and assumptions can materially affect the results of operations. [Refer note 1(s)].

  Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the group and that are believed to be reasonable under the circumstances.

D. Basis of consolidation

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

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

Goodwill arising on acquisition of control is determined as per the business combination accounting policy [Refer note 1(s)]. The group combines the financial statements of the parent and its subsidiaries line by line by adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies / different accounting period end of subsidiaries have been changed where necessary to ensure consistency with the policies / accounting period adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of financial position respectively.

(ii) Changes in ownership interests

The group treats transactions with non - controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and fair value of any consideration paid or received is recognized within equity.

When the group ceases to consolidate a subsidiary because of a loss of control, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognized in profit or loss. This fair value becomes the initial carrying amount for the purpose of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income are reclassified to profit or loss. Any investment retained is recognised at fair value.

1 Significant accounting policies

(a) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. Financial statements of the group are presented in Indian Rupee (INR), which is the parent company's functional and the group's presentation currency.

(ii) Transactions & 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 which approximately equals to exchange rate at the transaction date.

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 as well as settlement of monetary items are recognized in the Statement of Profit and Loss.

(iii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyper inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of the balance sheet
- income and expenses are translated at the monthly average rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognized in other comprehensive income.

When a foreign operation is sold/wound up, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale/winding up.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rates.

(b) Revenue from operations

The Group derives revenues primarily from business Information Technology services comprising of software development and related services, consulting and package implementation and from the licensing of software products offerings ("together called as software related services"). The Group's arrangements with customers for software related services are time-and-material, fixed-price, fixed capacity / fixed monthly, transaction based or multiple element contracts involving supply of hardware or software with other services. The group classifies revenue from sale of it's own licenses and revenue from contracts where sale of hardware is a distinct performance obligation as Sale of products and the remaining software related services as Sale of services.

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services. The Group presents revenues net of indirect taxes in its statement of Profit and loss.

In case of arrangement involving resale of third-party products or services, the Group evaluates whether the Group is the principal (i.e. report revenues on a gross basis) or agent (i.e. report revenues on a net basis). In doing so, the Group first evaluates whether the Group controls the good or service before it is transferred to the customer. If Group controls the good or service before it is transferred to the customer, the Group is the principal; if not, the Group is the agent.

In case of multiple element contracts, at contract inception, the Group assesses its promise to transfer products or services to a customer to identify separate performance obligations. The Group applies judgement to determine whether each product or service promised to a customer is capable of being distinct, and are distinct in the context of the contract, if not, the promised products or services are combined and accounted as a single performance obligation. The Group allocates the arrangement consideration to separately identifiable performance obligation based on their relative stand-alone selling price or residual method. Stand-alone selling prices are determined based on sale prices for the components when it is regularly sold separately, in cases where the Group is unable to determine the stand-alone selling price the Group uses third-party prices for similar deliverables or the Group uses expected cost-plus margin approach in estimating the stand-alone selling price.

Method of revenue recognition

Revenue on time-and material contracts are recognized over time as the related services are performed.

Revenue from fixed-price, fixed-capacity and fixed monthly contracts, where the performance obligations are satisfied over time, is recognized as per the percentage-of completion method. The performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses.

Percentage of completion is determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. The cost expended (or input) method has been used to measure progress towards completion as there is a direct relationship between input and productivity. If the Group is not able to reasonably measure the progress of completion, revenue is recognized only to the extent of costs incurred, for which recoverability is probable. When total cost estimates exceed revenues in an arrangement, the estimated losses are recognized in the consolidated statement of income in the period in which such losses become probable based on the current contract estimates as an onerous contract provision.

Revenue from transaction based contracts is recognised at the amount determined by multiplying transaction rate to actual transactions taking place during a period.

Revenue from licenses where the customer obtains a "right to use" the licenses is recognized at the time the license is made available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognized over the access period.

Contract balances

Revenues in excess of invoicing are treated as contract assets while invoicing in excess of revenues are treated as contract liabilities. The Group classifies amounts due from customer as receivable or contract assets 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 contract assets.

Contract costs

Incremental costs of obtaining a contract and costs incurred in fulfilling a contract with customer are recognised as contract costs assets and amortized over the term of the contract on a systematic basis.

Notes to the Consolidated Financial Statements

(All amounts in Rs Mn unless otherwise stated)

Others

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch-up basis. Services that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

The Group accounts for variable considerations like, volume discounts, rebates and pricing incentives to customers and penalties as reduction of revenue on a systematic and rational basis over the period of the contract. The Group estimates an amount of such variable consideration using expected value method or the single most likely amount in a range of possible consideration depending on which method better predicts the amount of consideration to which the Group may be entitled and when it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is resolved.

The Group assesses the timing of the transfer of goods or services to the customer as compared to the timing of payments to determine whether a significant financing component exists. As a practical expedient, the Group does not assess the existence of a significant financing component when the difference between payment and transfer of deliverables is a year or less. If the difference in timing arises for reasons other than the provision of finance to either the customer or us, no financing component is deemed to exist.

(c) Income Taxes

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 and to unused tax losses.

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 subsidiaries (including 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 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 consolidated financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also 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.

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 entity 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.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries and branches where the group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries and branches where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Current tax and deferred tax are recognized in statement of profit or loss, except to the extent that it relates to items recognized in Other Comprehensive Income or directly in equity. In this case, the tax is also recognized in Other Comprehensive Income or directly in equity, respectively.

Notes to the Consolidated Financial Statements

(All amounts in Rs Mn unless otherwise stated)

Minimum Alternate Tax (MAT) paid as per Indian Income Tax Act, 1961 is in the nature of unused tax credit which can be carried forward and utilised when the Group will pay normal income tax during the specified year. Deferred tax assets on such tax credit are recognised to the extent that it is probable that the unused tax credit can be utilised in the specified future year based on the internal projections of the Management. The net amount of tax recoverable from the taxation authority is included as part of the deferred tax assets in the consolidated financial statements.

(d) Leases

The Group as a lessee

The Group's lease asset classes primarily consist of leases for land, buildings and vehicles. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contact involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. 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 lease liability is initially measured at amortized cost at the present value of the future lease payments.

Lease liability and ROU asset have been separately presented in the consolidated statement of financial position and lease payments have been classified as financing cash flows.

(e) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash in hand, deposits held at call with financial institutions, other short-term highly liquid investments 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 and bank overdraft.

Bank overdrafts are shown within borrowings in current liabilities in the consolidated statement of financial position.

(f) Inventories

Inventories represent items of traded goods that are specific to execute composite contracts of software services and IT infrastructure management services and also include finished goods which are interchangeable and not specific to any project. Inventory is carried at the lower of cost or net realizable value. The net realizable value is determined with reference to selling price of goods less the estimated cost necessary to make the sale. Cost of goods that are procured for specific projects is assigned by specific identification of their individual costs. Cost of goods which are interchangeable and not specific to any project is determined using weighted average cost formula.

Notes to the Consolidated Financial Statements

(All amounts in Rs Mn unless otherwise stated)

(g) Investments and other financial assets

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

(i) 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.

(ii) Subsequent measurement

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

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

(i) Debt instruments

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

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

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) 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 entity. 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 other income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Fair value through other comprehensive income (FVOCI): A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

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 Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. 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 Group 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, however no such designation has been made. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Notes to the Consolidated Financial Statements

(All amounts in Rs Mn unless otherwise stated)

(ii) *Equity instruments*

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the entity may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The entity makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the entity decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the entity may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

(iii) *Derecognition*

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

- The rights to receive cash flows from the asset have expired, or
- The entity 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 entity has transferred substantially all the risks and rewards of the asset, or (b) the entity has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

  When the entity 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 entity continues to recognise the transferred asset to the extent of the entity's continuing involvement. In that case, the entity 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 entity 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 entity could be required to repay.

(iv) *Impairment of financial assets*

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

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Trade receivables, unbilled revenue/ contract assets or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

c) Financial assets that are debt instruments and measured as at FVTOCI

The entity follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and

The application of simplified approach does not require the entity 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.

ECL is the difference between all contractual cash flows that are due to the entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

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- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) 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 entity is required to use the remaining contractual term of the financial instrument.

  As a practical expedient, the entity uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables and contract assets. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for contractual revenue receivables (ECL) is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the entity does not reduce impairment allowance from the gross carrying amount.

(h) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, 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 loans and borrowings and payables plus directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings and derivative financial instruments.

(ii) 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/ loss are not subsequently transferred to P&L. However, the group 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 or loss. The group has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

This is the category most relevant to the group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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 as finance costs in the statement of profit and loss.

This category generally applies to borrowings.

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 or loss.

(i) 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 group or the counterparty.

(j) Other Income

Interest income

Interest income is recognized using effective interest rate method taking into account the amount outstanding and the rate of Interest applicable (refer policy to investment and other financial assets).

Dividends

Dividends are recognized in profit or 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 group, and the amount of the dividend can be measured reliably.

Government incentives

Government incentives are recognized where there is reasonable assurance that the incentive will be received and all attached conditions have been complied with. The incentives received under the schemes are recorded as other income.

(k) Derivatives and hedging activities

The Group uses derivative financial instruments viz. forward currency contracts to hedge its exposure to foreign currency risk in forecast transactions and firm commitments. Such derivative financial instruments are 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.

Cash flow hedges

For the purpose of hedge accounting, cash flow hedges are designated 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 Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the group'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 entity 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. 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.

The Group uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments.

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

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the forecast sale occurs.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to statement of profit and loss.

(l) Property, plant and equipment

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

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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 group and the cost of the item can be measured reliably. Such cost also includes the cost of replacing part of the plant and equipment if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

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.

The cost of assets not ready for used before balance sheet date are disclosed under capital work in progress. Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

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**
Buildings	60 years
Plant and Machinery:	
Computers and peripherals	2-5 years
Office Equipment	5 years
Other assets	3-15 years
Furniture and Fixtures	4-10 years
Leasehold improvements	3 years or lease period whichever is lower
Vehicles	8 years

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

(m) Intangible assets

(i) Goodwill

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortized but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity / operations include the carrying amount of goodwill relating to the entity / operations sold.

Goodwill is allocated to Cash-Generating Units (CGU) or group of CGUs for the purpose of impairment testing. The allocation is made to those cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The CGU are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the acquired business / operations. In case the acquired business/operations are spread across multiple operating segments, the Goodwill as well as other assets of the CGU are further allocated to ensure that goodwill impairment testing does not cross limits of an operating segments.

(ii) Brand, Customer Relationships and other rights

Separately acquired patents and copyrights are shown at historical cost. Non-Compete, Brand and Customer relationship acquired in a business combination are recognized at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortization and impairment losses.

(iii) Computer software

Costs associated with maintaining software programs are recognized as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the group are recognized as intangible assets when the following criteria are met:

- It is technically feasible to complete the software so that it will be available for use

- Management intends to complete the software and use or sell it
- There is an ability to use or sell the software
- It can be demonstrated how the software will generate probable future economic benefits
- Adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- The expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalized as part of the software include employee costs and an appropriate portion of relevant overheads.

During the period of development, the asset is tested for impairment annually. Capitalized development costs are recorded as intangible assets and amortized from the point at which the asset is available for use.

The external computer software acquired separately are measured on initial recognition at cost. After initial recognition/ capitalisation, all software are carried at cost less accumulated amortization and impairment losses, if any.

(iv) Research and development

Research expenditure and development expenditure that do not meet the criteria in (iii) above are recognized as an expense as incurred. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period.

(v) Amortization methods and periods

The Group amortizes intangible assets with a finite useful life using the straight-line method over the following periods:

Internally developed software	3-5 years
Computer software - external	3 years
Non - compete fees	3-6 years
Brand	10 years
Customer Contract/ Relationships	5-10 years

Project specific software are amortized over the project duration. The asset's residual values and useful life are reviewed, and adjusted if appropriate, at the end of each reporting period.

(vi) Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. For other non-financial assets, including property, plant and equipment, ROU assets and intangible assets having finite useful lives, the Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal or value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on most recent budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment losses are recognised in the statement of profit or loss under the head depreciation and amortisation expense.

For assets excluding goodwill, 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 Group estimates the asset's or CGU's recoverable amount.

(n) Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time, that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. The Group has not capitalised any material borrowing costs.

Other borrowing costs are expensed in the period in which they are incurred.

(o) Provisions and contingent liabilities

Provisions for legal claims and service warranties are recognized when the Group 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. Provisions are not recognized for future operating losses. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement (recognised only if realisation is virtually certain). 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.

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

Contingent liability is a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognised; however, their existence is disclosed in the financial statements.

(p) Employee benefit obligations

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields on government bonds at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements comprising of as a result of experience adjustments and changes in actuarial assumptions are recognised immediately in the statement of profit and loss in the period in which they occur.

(iii) Post - employment obligations

Defined benefit plans:

Provident Fund

Employees Provident Fund contributions are made to a Trust administered by the Group. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of the year. The contributions made to the trust are recognised as plan assets. The defined benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as reduced by the fair value of plan assets. If the interest earnings and cumulative surplus of Trust are less than the present value of the defined benefit obligation the interest shortfall is provided for as additional liability of employer and charged to the statement of profit and loss.

Gratuity

Gratuity is a post employment defined benefit plan. The liability recognized in the Balance Sheet in respect of gratuity is the present value of the defined benefit obligation at the Balance Sheet date less fair value of plan assets. The Group's liability is actuarially determined (using the projected unit credit method) at the end of each year.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

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

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

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

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

Defined contribution plan:

Superannuation

The Group makes defined contribution to a Trust established for this purpose. The Group has no further obligation beyond its monthly contributions. The Group's contribution towards Superannuation Fund is charged to Statement of Profit and Loss on accrual basis.

Overseas Employees

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

(iv) Share-based payments

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

Equity settled employee stock options

The fair value of options granted under Employee Stock Option Plan is recognized as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and

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- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time)

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. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

(q) Dividends

Dividend to shareholders is recognised as a liability and deducted from equity, in the year / period in which the dividends are approved by the shareholders.

(r) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the Group
- By weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

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.

(s) Business combinations

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

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed.

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

Liability for non-controlling interests

Liability for put option issued to non-controlling interests which do not grant present access to ownership interest to the Group is recognised at present value of the redemption amount and is reclassified from equity. At the end of each reporting period, the non-controlling interests subject to put option is derecognised and the difference between the amount derecognised and present value of the redemption amount, which is recorded as a financial liability, is accounted for as an equity transaction.

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(t) Non-current assets held for sale

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

(u) Fair value measurements

The Group measures financial instruments, such as investment in mutual funds and derivatives, at fair value at each balance sheet date. The Group also measures assets and liabilities acquired in business combination at fair value. 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 Group'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.

(v) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

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

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All other assets are classified as non-current.

A liability is current when:

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

  The Group classifies all other liabilities as non-current.

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

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

(w) Rounding of amounts

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest millions, unless otherwise stated.

2 Recent Accounting Pronouncements

New and amended standards adopted by the group

The Ministry of Corporate Affairs had vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended certain accounting standards, and are effective 1 April 2022. These amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

New amendments issued but not effective

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 31, 2023,MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Group has evaluated the accounting policy information disclosures to ensure consistency with the amended requirements and concluded that no change is required.

Ind AS 8 - Accounting Policies, Change in Accounting Estimates and Errors - This amendment has introduced a definition of ‘accounting estimates’ and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates.The effective date for adoption of this amendment is annual periods begining on or after April 1, 2023. The Group has evaluated the accounting policy information disclosures to ensure consistency with the amended requirements and concluded that no change is required.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Group has evaluated the accounting policy information disclosures to ensure consistency with the amended requirements and concluded that no change is required.

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3 Property, plant and equipment

Particulars	Freehold Land	Buildings	Plant and Machinery -Computers and Peripherals	Plant and Machinery -Office Equipment	Plant and Machinery - Others	Furniture and Fixtures	Lease Hold Improvements	Vehicles	Total	Capital work in progress
Gross carrying amount										
As at 1 April 2021	-	2,376	2,182	181	1,299	628	61	405	**7,132**	2
Addition pursuant to acquisition of subsidiary during the year	96	291	139	32	53	40	93	-	**744**	13
Additions	-	1	800	21	23	12	22	112	**991**	104
Disposals	-	-	(189)	(28)	(21)	(12)	(47)	(94)	**(391)**	-
Translation Adjustment	-	-	(16)	(2)	-	(1)	(2)	-	**(21)**	-
Transfers/Adjustment	-	-	-	-	-	-	-	-	**-**	(33)
As at 31 March 2022	**96**	**2,668**	**2,916**	**204**	**1,354**	**667**	**127**	**423**	**8,455**	**86**
Accumulated depreciation										
As at 1 April 2021	-	234	1,674	145	862	427	56	136	**3,534**	-
Depreciation charge for the year	-	47	468	34	91	72	48	52	**812**	-
Disposals	-	-	(179)	(28)	(14)	(21)	(42)	(45)	**(329)**	-
Translation Adjustment	-	-	(13)	(1)	-	(1)	1	-	**(14)**	-
As at 31 March 2022	**-**	**281**	**1,950**	**150**	**939**	**477**	**63**	**143**	**4,003**	**-**
Net carrying amount as at 31 March 2022	**96**	**2,387**	**966**	**54**	**415**	**190**	**64**	**280**	**4,452**	**86**

Particulars	Freehold Land	Buildings	Plant and Machinery -Computers and Peripherals	Plant and Machinery -Office Equipment	Plant and Machinery - Others	Furniture and Fixtures	Lease Hold Improvements	Vehicles	Total	Capital work in progress
Gross carrying amount										
As at 1 April 2022	96	2,668	2,916	204	1,354	667	127	423	**8,455**	86
Additions	15	44	355	4	54	31	138	258	**899**	133
Disposals	-	-	(456)	(1)	(469)	(16)	(7)	(90)	**(1,039)**	-
Translation Adjustment	-	-	42	4	(4)	6	7		**55**	-
Transfers/Adjustment	-	-	-	-	7	(7)	-	-	**-**	(173)
As at 31 March 2023	**111**	**2,712**	**2,857**	**211**	**942**	**681**	**265**	**591**	**8,370**	**46**
Accumulated depreciation										
As at 1 April 2022	-	281	1,950	150	939	477	63	143	**4,003**	-
Depreciation charge for the year	-	46	535	24	80	46	52	60	**843**	-
Disposals	-	-	(452)	(1)	(468)	(10)	(7)	(43)	**(981)**	-
Translation Adjustment	-	-	44	3	(5)	5	3		**50**	-
As at 31 March 2023	**-**	**327**	**2,077**	**176**	**546**	**518**	**111**	**160**	**3,915**	**-**
Net carrying amount as at 31 March 2023	**111**	**2,385**	**780**	**35**	**396**	**163**	**154**	**431**	**4,455**	**46**

Capital work in progress aging

Projects in progress	Amounts in Capital work in progress for a period of				
	Less than 1 year	1 -2 years	2-3 years	More than 3 years	Total
31-Mar-2023	46	-	-	-	46
31-Mar-2022	86	-	-	-	86

Notes to the Consolidated Financial Statements

(All amounts in Rs Mn unless otherwise stated)

4 Intangible assets

Following are the changes in the carrying value of goodwill and intangible assets for the year ended 31 March 2022:

Particulars	Other Intangible assets								
	Acquired software	Internally developed software	Patents	Brand*	Customer relationships*	Non-compete fee*	Total	Intangible assets under development	Goodwill
Gross carrying amount									
As at 1 April 2021	1,138	448	9	501	1,844	449	**4,389**	-	4,288
Addition pursuant to acquisition of subsidiary during the year	4	-	-	-	3,176	50	**3,230**	-	6,317
Additions	347	-	-	-	-	-	**347**	82	-
Disposals	(793)	-	-	-	-	-	**(793)**	-	-
Translation Adjustment	(1)	(6)	-	18	38	8	**57**	-	165
As at 31 March 2022	**695**	**442**	**9**	**519**	**5,058**	**507**	**7,230**	**82**	**10,770**
Accumulated amortization and impairment									
As at 1 April 2021	1,070	398	5	155	928	369	**2,925**	-	62
Amortization charge for the year	322	51	-	52	569	55	**1,049**	-	-
Disposals	(789)	-	-	-	-	-	**(789)**	-	-
Translation Adjustment	(1)	(7)	-	2	15	5	**14**	-	-
As at 31 March 2022	**602**	**442**	**5**	**209**	**1,512**	**429**	**3,199**	**-**	**62**
Net carrying amount as at 31 March 2022	**93**	**-**	**4**	**310**	**3,546**	**78**	**4,031**	**82**	**10,708**

Following are the changes in the carrying value of goodwill and intangible assets for the year ended 31 March 2023:

Particulars	Other Intangible assets								
	Acquired software	Internally developed software	Patents	Brand*	Customer relationships*	Non-compete fee*	Total	Intangible assets under development	Goodwill
Gross carrying amount									
As at 1 April 2022	695	442	9	519	5,058	507	**7,230**	82	10,770
Additions*	527	604			555	114	**1,800**	516	787
Disposals/Transfer	(630)	-	-	-	-	-	**(630)**	(598)	-
Translation Adjustment	16	21	1	9	69	4	**120**	-	170
As at 31 March 2023	**608**	**1,067**	**10**	**528**	**5,682**	**625**	**8,520**	**-**	**11,727**
Accumulated amortization and impairment									
As at 1 April 2022	602	442	5	209	1,512	429	**3,199**	-	62
Amortization charge for the year	518	41		46	611	55	**1,271**	-	-
Disposals/Transfer	(630)	-	-	-	-	-	**(630)**	-	-
Translation Adjustment	13	9	2	3	17	2	**46**	-	-
As at 31 March 2023	**503**	**492**	**7**	**258**	**2,140**	**486**	**3,886**	**-**	**62**
Net carrying amount as at 31 March 2023	**105**	**575**	**3**	**270**	**3,542**	**139**	**4,634**	**-**	**11,665**

*Refer note 31

The disposal in acquired software represents write offs of certain software having gross carrying amount of Rs. 630 Mn (31 March 2022: Rs. 793 Mn), accumulated amortisation of Rs. 630 Mn (31 March 2022: Rs. 789 Mn) and net carrying amount of Nil (31 March 2022 Rs. 4 Mn).

Intangible assets under development aging

Projects in progress	Amounts in Intangible assets under development for a period of				
	Less than 1 year	1 -2 years	2-3 years	More than 3 years	Total
31-Mar-2023	-	-	-	-	-
31-Mar-2022	82	-	-	-	82

Notes to the Consolidated Financial Statements

(All amounts in Rs Mn unless otherwise stated)

Impairment tests for goodwill

a) Significant estimate: Key assumptions used for fair value less cost of disposal/ value-in-use calculations

The Group monitors the performance of each acquired business including related goodwill as a separate unit. In certain cases, these businesses fall into more than one Operating Segments. For impairment testing, considering the requirements of Ind AS 36 paragraph 80(b), the goodwill as well as other assets of the acquired businesses, viz. SF (erstwhile Whishworks), DPA, Advantage Go, BPS and BPM and Coforge Heathcare have been allocated such that unit for goodwill impairment testing does not exceed an operating segment. Particularly, the operations of DPA and SF are spread across multiple operating segments and thus for impairment testing, goodwill and all other assets are further allocated to ensure that goodwill impairment testing does not cross limits of an operating segments.

SF provides digital integration business solutions, DPA and BPM are global business process management specialist. Advantage Go is in the business of commercial insurance software and solution provider. BPS is in the business of providing business process transformation offering digital solutions for the financial services industry.

Basis the above methodology, given below is an allocation of carrying amount of goodwill to the units (group of units) having significant goodwill in comparison with the Group's total carrying amount of goodwill:

CGU	Segment	As at 31 March 2023	As at 31 March 2022
SF	EMEA	1,289	1,280
DPA	APAC	353	357
Advantage Go#	EMEA	930	914
BPM	Americas	1,003	930
BPS	Americas	6,137	6,124
Others*		1,953	1,103
		11,665	**10,708**

There are no intangible assets with indefinite useful life allocated to CGU

*Others include units namely Coforge Spain, Coforge Airline Technologies Gmbh, DPA UK, SF USA, Provision tree and SF India to which allocated goodwill is individually insignificant.

The Group performed its annual impairment test for each of the above units separately at each reporting date. The recoverable amount of a CGU is determined by assessing fair value less cost of disposal (FVLCOD) for Advantage Go CGU and value-in-use calculations for remaining units.

The FVLCOD was categorised as Level 3 calculations due to un-observable inputs in calculations. The FVLCOD calculations are determined by considering lower quartile of revenue multiple to market capitalisation of comparable companies and thereafter applying discount (approx. 12.5%) to reflect the risk relating to the Advantage Go business. The resultant multiple was applied to the revenues for the year ended March 31, 2023 of Advantage Go CGU to determine the FVLCOD. [refer note c]

The value in use calculations are based on cash flow projections based on financial budgets approved by management covering a five-year period. Key assumptions used in value in use calculations:

Assumption	Approach used to determining values [refer note c]
Revenue	Average annual growth rate over the five-year forecast period; based on past performance and management's expectations of market development. These growth rates are further corroborated by annual budgets of the Company.
Budgeted operating margin	Based on past performance and management's expectations for the future.
Pre-tax discount rates	Reflect specific risks relating to the relevant segments and the geographies in which they operate.

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(All amounts in Rs Mn unless otherwise stated)

Basis above, the following table sets out the key assumptions (approximate) for those CGUs that have significant goodwill allocated to them:

31 March 2023

CGU	Segment	Revenue (% annual growth rate)	Budgeted operating margin (%)	Pre-tax discount rate (%)
SF	EMEA	10.0%	28.0%	12.0%
DPA	APAC	10.0%	20.0%	12.0%
BPM	Americas	10.0%	32.0%	13.0%
BPS	Americas	12.0%	25.0%	13.0%

31 March 2022

CGU	Segment	Revenue (% annual growth rate)	Budgeted operating margin (%)	Pre-tax discount rate (%)
SF	EMEA	10.0%	28.0%	12.0%
DPA	APAC	10.0%	20.0%	12.0%
Advantage Go#	EMEA	5.0%	35.0%	12.0%
BPM	Americas	10.0%	29.0%	13.0%
BPS	Americas	10.0%	25.0%	13.0%

Assumptions for goodwill, for segments classified as others are based on revenue growth rates, operating margins and discount rates as applicable for respective CGUs considering the respective services/ geographies.

For the previous year, the Group concluded recoverable amount of Advantage Go unit based on value in use calculations. For the current year, reasonable possible changes of key assumptions in the VIU calculations could cause the carrying amount of the CGU to exceed its recoverable amount. Accordingly, the Group has determined FVLCOD to conclude on impairment testing for AdvantageGo CGU as at March 31, 2023 and concluded on there being no impairment.

b) Significant estimate: impairment charge

The Group has performed impairment testing for the above CGUs and no impairment charge has been identified as at 31 March 2023 and as at 31 March 2022.

c) Significant estimate: Impact of possible changes in key assumptions

The Group has considered and assessed reasonably possible change for other key assumptions and have not identified any reasonable possible change that could cause the carrying amount of any CGU to exceed its recoverable amount. If there is significant deterioration in the operations of this CGU and its expected future cash flows, this may lead to an impairment loss being recognised. Basis the methodology as discussed above, no impairment loss was recognised for the year ended March 31, 2023 and year ended March 31, 2022.

		As at 31 March 2023	As at 31 March 2022
5	**Financial Assets**		
5(i)	**Non-current investments**		
	Investments in equity instruments (fully paid) at Fair Value through OCI		
	Unquoted		
	199,145 (Previous Year 199,145) Common shares in Relativity Technologies Inc., USA #	0	0
	953,265 (Previous Year 953,265) Common Shares in Computer Logic Inc., USA #	0	0
	Total equity instruments	**0**	**0**
	Total Non- Current Investments	0	0
	Aggregate amount of unquoted investments	0	0
	Aggregate amount of impairment in the value of investments	-	-

0 represents amount is below the rounding off norm adopted by the Group

Notes to the Consolidated Financial Statements

(All amounts in Rs Mn unless otherwise stated)

	As at 31 March 2023		As at 31 March 2022	
	Current	Non- Current	Current	Non- Current
5 (ii) Trade Receivables				
Trade receivables	17,018	1,772	14,854	1,691
Receivables from related parties [Refer note 29]	-	-	-	-
Less: Allowance for doubtful debt	(887)	-	(960)	-
Total receivables	**16,131**	**1,772**	**13,894**	**1,691**
Break-up of security details				
Trade Receivables considered good - Secured	-	-	-	-
Trade Receivables considered good - Unsecured	16,131	1,772	13,894	1,691
Trade Receivables - credit impaired	887	-	960	-
Total	**17,018**	**1,772**	**14,854**	**1,691**
Allowance for doubtful debts	(887)	-	(960)	-
Total trade receivables	**16,131**	**1,772**	**13,894**	**1,691**
Trade receivables includes amounts yet to be billed to customers and dependent only on passage of time (unbilled)	2,752	1,772	2,691	1,691

Trade Receivables (Billed) ageing schedule

Particulars	Outstanding for following periods from due date of payment						As at 31 March 2023
	Not yet due	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	10,355	2,681	128	72	8	-	**13,244**
(ii) Undisputed Trade Receivables – credit impaired	-	66	26	17	346	260	**715**
(iii) Disputed Trade Receivables– considered good	-	-	-	-	76	61	**137**
(iv) Disputed Trade Receivables – credit impaired	-	-	-	-	76	61	**137**

Particulars	Outstanding for following periods from due date of payment						As at 31 March 2022
	Not yet due	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	8,072	2,625	319	50	-	-	**11,066**
(ii) Undisputed Trade Receivables – credit impaired	-	15	26	283	85	383	**792**
(iii) Disputed Trade Receivables– considered good	-	-	-	48	89	-	**137**
(iv) Disputed Trade Receivables – credit impaired	-	-	-	48	89	-	**137**

As at 31 March 2023, the Company has outstanding trade receivables of Rs 1,131 Mn (31 March 2022 Rs. 1,102 Mn) relating to Government customers in India [net of provision of Rs. 527 Mn (Previous year Rs. 508 Mn)]. The appropriateness of the allowance for doubtful trade receivables is subjective due to the high degree of significant judgment applied by management in determining the impairment provision. Above trade receivables pertain to contract with customers as defined under Ind AS 115 on Revenue from contract with customers and considered recoverable.

During the previous year, one of the Indiann government customers of the Group with whom the contract was executed during 2014, has deducted certain amounts. The group, basis it's assessment and legal advice, considers such deductions to be arbitrary and has disputed the same and is confident of resolving it favorably.

No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member. Refer note 29

Notes to the Consolidated Financial Statements

(All amounts in Rs Mn unless otherwise stated)

	As at 31 March 2023		As at 31 March 2022	
	Current	Non- Current	Current	Non- Current
5 (iii) Other Financial Assets				
(i) Derivatives				
Foreign exchange forward contracts	39	-	162	-
(ii) Others				
Security deposits				
- Considered good	124	223	134	193
- Considered doubtful	-	3	-	2
	124	226	134	195
Less : Provision for doubtful security deposits	-	3	-	2
	124	223	134	193
Interest accrued on deposits with banks	-	4	-	6
Long term deposits with bank with maturity period more than 12 months [Refer Note (a) below]	-	238	-	183
Finance lease recoverable	24	14	23	39
Others [Refer note 22]	-	-	343	-
Total other financial assets	**187**	**479**	**662**	**421**

(a) Includes Rs. 236 Mn (Previous year Rs. 175 Mn) Held as margin money by bank against bank guarantees.

	As at 31 March 2023	As at 31 March 2022
5 (iv) Cash and cash equivalents		
Balances with Banks		
- in Current accounts	4,165	3,547
- in EEFC account	1,224	919
Deposits with maturity less than three months	191	-
Cheques, drafts on hand	119	2
Total Cash and cash equivalents	**5,699**	**4,468**

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the current year and previous year.

Reconciliation of liabilities whose cash flow movements are disclosed as part of financing activities in the statement of cash flows:

Particulars	As at 1 April 2022	Cash Flow during the year			Finance charges accrued	Others	As at 31 March 2023
		Proceeds	Payment	Net cash flows			
Long term borrowings (including Current Maturities of long term debt)	3,545	-	(180)	(180)	17	-	3,382
Dividend Payable (including Corporate Dividend Tax) (Refer Note 1 below)	20	-	(4,285)	(4,285)	-	4,288	23
Interest on borrowings	289	-	(714)	(714)	581	140	296
Lease liability (Refer Note 34)	1,351	-	(562)	(562)	141	1,310	2,240
Financial liability for future acquisition (Refer note 24 iv)	2,908	-	-	-	-	957	3,865
	8,113	**-**	**(5,741)**	**(5,741)**	**739**	**6,695**	**9,806**

Notes to the Consolidated Financial Statements

(All amounts in Rs Mn unless otherwise stated)

Particulars	As at 1 April 2021	Cash Flow during the year			Finance charges accrued	Others	As at 31 March 2022
		Proceeds	Payment	Net cash flows			
Long term borrowings (including Current Maturities of long term debt)	10	3,578	(59)	3,519	16	-	3,545
Dividend Payable (including Corporate Dividend Tax) (Refer Note 1 below)	17	-	(3,748)	(3,748)	-	3,751	20
Interest on borrowings	-	-	(188)	(188)	463	14	289
Lease liability (Refer Note 35)	816	-	(546)	(546)	77	1,004	1,351
Financial liability for future acquisition	708	-	(729)	(729)	-	2,929	2,908
	1,551	**3,578**	**(5,270)**	**(1,692)**	**556**	**7,698**	**8,113**

Note 1: Others include interim dividend accrued during the year.

	As at 31 March 2023	As at 31 March 2022
5 (v) Other bank balances		
Deposits with maturity more than 3 months but less than 12 months	65	47
Unpaid dividend account [Refer Note (a) below]	23	20
	88	67

(a) Can be used only to settle unpaid dividend liability.

	As at 31 March 2023	As at 31 March 2022
6 Deferred tax assets		
Deferred tax assets	**3,757**	**2,736**
The balance comprises temporary differences attributable to:		
Provisions allowed on payment basis	315	445
Defined benefit obligations	610	530
Other items	417	94
Minimum alternate tax credit entitlement	2,496	1,792
Gross deferred tax assets (A)	**3,838**	**2,861**
Tax impact of difference between carrying amount of property, plant and equipment in the financial statements and as per the income tax calculation	(139)	(89)
Deferred tax asset related to fair value loss on derivative instruments not charged in the consolidated statement of Profit and Loss but taken to Balance Sheet	58	(36)
Gross deferred tax liabilities (B)	**(81)**	**(125)**
Net deferred tax assets (A-B)	**3,757**	**2,736**

Notes to the Consolidated Financial Statements

(All amounts in Rs Mn unless otherwise stated)

Movement in deferred tax assets

Particulars	Deferred tax assets							Deferred tax liability	Total
	Property, plant and equipment	Derivatives	Employee benefits	Provisions	Minimum Alternate Tax	Other items	Total	Intangible assets*	
At 31 March 2021	**(101)**	**(31)**	**298**	**349**	**895**	**37**	**1,447**	**(194)**	**1,253**
Created on acquisition of subsidiary	29	(2)	53	6	-	6	92	(702)	(610)
Unexercised ESOPs	-	-	160	-	-	-	160	-	160
(charged)/credited:									
- to profit or loss- deferred tax	(17)	-	16	90	-	51	140	166	306
- MAT asset created from current tax expenses	-	-	-	-	897	-	897	-	897
Other comprehensive income	-	-	-	-	-	-	-	-	-
- cash flow hedges	-	(3)	-	-	-	-	(3)	-	(3)
- Remeasurement of post - employment benefit obligations (expenses) / income	-	-	3	-	-	-	3	-	3
Translation adjustment	-	-	-	-	-	-	-	(36)	(36)
At 31 March 2022	**(89)**	**(36)**	**530**	**445**	**1,792**	**94**	**2,736**	**(766)**	**1,970**
Created on acquisition of subsidiary	-	-	-	-	-	-	-	-	-
Unexercised ESOPs	-	-	(18)	-	-	-	(18)	-	(18)
(charged)/credited:									
- to profit or loss- deferred tax	(50)	-	109	(130)	-	323	252	179	431
- MAT asset created from current tax expenses	-	-	-	-	704	-	704	-	704
Other comprehensive income	-	-	-	-	-	-	-	-	-
- cash flow hedges	-	95	-	-	-	-	95	-	95
- Remeasurement of post - employment benefit obligations (expenses) / income	-	-	(11)	-	-	-	(11)	-	(11)
Translation adjustment	-	(1)	-	-	-	-	(1)	4	3
At 31 March 2023	**(139)**	**58**	**610**	**315**	**2,496**	**417**	**3,757**	**(583)**	**3,174**

Notes:

Deferred tax assets and liabilities above have been determined by applying the income tax rates of respective countries. Deferred tax assets and liabilities in relation to taxes payable under different tax jurisdictions have not been offset in financial statements. Accordingly deferred tax assets of Rs. 3,757 Mn (Previous year Rs. 2,736 Mn) and deferred tax liability of Rs. 583 Mn (Previous year Rs. 766 Mn) have been separately disclosed.

* Deferred tax liability on intangible assets pertains to business combination.

	As at 31 March 2023	As at 31 March 2022
7 Income tax assets (net of provisions)		
Advance Income Tax	14,345	12,697
Less: Provision for income tax	14,112	12,090
Total current tax assets	**233**	**607**
8 Contract Assets		
Contract assets	1,613	1,282
Less: Allowance for doubtful contract assets	101	98
Net contract assets	**1,512**	**1,184**

9 Other assets	As at 31 March 2023		As at 31 March 2022	
	Current	Non- Current	Current	Non- Current
Capital advances	-	4	-	4
Advances other than capital advances	524	20	616	32
Prepayments	1,189	162	881	190
Contract cost (Refer Note (a) below)	734	1,178	336	819
Other assets (Refer Note (b) below)	-	-	101	-
	2,447	**1,364**	**1,934**	**1,045**

Notes to the Consolidated Financial Statements

(All amounts in Rs Mn unless otherwise stated)

(a) Contract costs include Rs. 185 Mn (31 March 2022 Rs. 219 Mn) as incremental cost of obtaining a contract and Rs. 1,727 Mn (31 March 2022 Rs. 936 Mn) as cost incurred for fulfilling a contract with customers. Other production expense, under other expenses include amortisation of contract costs amounting to Rs. 150 Mn (31 March 2022 Rs. 202 Mn). There is no impairment loss recognised during the current or previous year.

(b) Represents SEIS subsidy.

10 Equity share capital

Authorized equity share capital

	Number of shares	Amount
As at 01 April 2021	77,000,000	770
Increase during the year	-	-
As at 31 March 2022	77,000,000	770
Increase during the period	-	-
As at 31 March 2023	77,000,000	770

(i) Equity shares issued, subscribed and fully paid up

	Number of shares	Amount
As at 01 April 2021	**60,592,349**	**606**
Issue of Shares	320,803	3
Shares extinguished on buy back (Refer note below)		
As at 31 March 2022	**60,913,152**	**609**
Issue of Shares	173,928	2
As at 31 March 2023	**61,087,080**	**611**

Terms and rights attached to equity shares

The Company has one class of equity shares having a par value of Rs.10 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 reserved for issue under options

Information relating to Employee Stock Option Plan, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in note 35.

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

Name of Shareholder	Equity Shares of Rs. 10 each fully paid			
	As at 31 March 2023		As at 31 March 2022	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Hulst B.V., Netherlands	18,421,260	30.16%	24,421,260	40.09%
AXIS Mutual Fund Trustee Limited	3,511,443	5.75%	3,977,821	6.53%
Life Insurance Corporation of India	3,586,675	5.87%	2,064,530	3.39%

Details of shares held by Promoters*

As at 31 March 2023

Promoter name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% change during the year
Hulst B.V., Netherlands	24,421,260	(6,000,000)	18,421,260	-24.57%

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(All amounts in Rs Mn unless otherwise stated)

As at 31 March 2022

Promoter name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% change during the year
Hulst B.V., Netherlands	38,771,260	(14,350,000)	24,421,260	-37.01%

*As defined under Companies Act 2013

		As at 31 March 2023	As at 31 March 2022
11	**Reserves and Surplus**		
	Capital reserves	11	11
	Capital redemption reserve	36	36
	Securities premium	635	384
	Employee stock option	884	575
	General reserve	2,057	2,057
	Retained earnings	25,080	22,401
	Cash flow hedging reserve	(192)	95
	Foreign currency translation reserve	1,703	1,163
	Total reserves and surplus	**30,214**	**26,722**
	(i) Capital Reserves		
	Opening Balance	11	11
	Increase/ decrease during the year	-	-
	Closing Balance	**11**	**11**
	(ii) Capital redemption reserve		
	Opening Balance	36	36
	Increase/ decrease during the year	-	-
	Closing Balance	**36**	**36**
	(iii) Securities premium		
	Opening Balance	384	39
	Add: Transferred from employee stock option	16	48
	Add: Premium on shares issued for exercised options	235	297
	Closing Balance	**635**	**384**
	(iv) Employee stock option		
	Options granted till date	575	523
	Less: Transferred to securities premium	(235)	(297)
	Add: Impact of fair valuation on employee stock options	544	349
	Closing Balance	**884**	**575**
	(v) General Reserve		
	Opening Balance	2,057	2,057
	Increase/ decrease during the year	-	-
	Closing Balance	**2,057**	**2,057**

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(All amounts in Rs Mn unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022
(vi) Retained Earnings		
Opening Balance	22,401	20,375
Net profit for the period	6,938	6,617
Add: Remeasurement gains on defined benefit plans	51	4
Add: Tax benefit on share based payment	30	382
Less: Fair valuation impact on future acquisition liability	(803)	(1,822)
Less: Appropriations		
Dividend paid	(3,537)	(3,155)
Closing Balance	**25,080**	**22,401**
(vii) Cash Flow Hedging Reserve		
Opening Balance	95	77
Increase/ decrease during the year	(287)	18
Closing Balance	**(192)**	**95**
(viii) Foreign Currency Translation Reserve		
Opening Balance	1,163	937
Increase/ decrease during the year	540	226
Closing Balance	**1,703**	**1,163**

Nature and purpose of reserves

Capital Reserve

The Company recognizes profit or loss on purchase, sale, issue or cancellation of the company's own equity instruments to Capital Reserve.

Securities premium

Securities premium is used to record the premium on issue of shares. The premium is utilized in accordance with the provisions of the Companies Act 2013.

Employee stock option

The share options outstanding is used to recognize the grant date fair value of options issued to employees under Coforge Employee Stock Option Plan 2005

General reserve

The General Reserve is as per the requirements of Companies Act, 2013 in respect of companies incorporated in India. General reserve, if any, of overseas subsidiaries are included as part of the retained earnings.

Cash flow hedging reserve

The Group 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 25. For hedging foreign currency risk, the Group 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 effects profit and loss, under Revenue.

Foreign currency translation reserve

Exchange differences arising on translation of foreign operations are recognized in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

Notes to the Consolidated Financial Statements

(All amounts in Rs Mn unless otherwise stated)

12 Non-controlling interests

At 1 April 2021	**Amount**
Add : Non-controlling share in the results for the period	547
Add: Acquisition of non controlling interest	2,142
Less : Derecognition of NCI to Financial liability	(1,110)
Less: Dividend paid	(596)
At 31 March 2022	**983**
Add : Non-controlling share in the results for the period	526
Add: Acquisition of non controlling interest	-
Less: Derecognition of NCI to Financial liability	116
Less: Dividend paid	(751)
At 31 March 2023	**874**

	As at 31 March 2023	**As at 31 March 2022**
13 Financial liabilities		
13(i) Non Current Borrowings		
Unsecured Loans		
Bonds		
Listed, Rated, Redeemable, Non-Convertible Bonds [Refer note (a) below]	3,382	3,365
Total non current borrowings	**3,382**	**3,365**
13(ii) Current Borrowings		
Secured Loans		
Loan repayable on demand		
From Bank	-	178
Current maturities of borrowings		
Secured Loans		
From Financial Institutions	-	2
Total current borrowings	**-**	**180**

(a) Listed, Rated, Redeemable, Non-Convertible Bonds are unsecured and have maturity of five years from the deemed date of allotment i.e April 26, 2021. Interest reset will occur on the dates falling three years and four years from the Deemed Date of Allotment. The Company may redeem the whole or any part of the Bonds on the first Interest Reset Date i.e. April 26, 2024 or anytime thereafter. The effective interest rate of NCB for first three years is as follows:

If the Security Trigger occurs on a date falling on or prior to the date falling three years from the Deemed Date of Allotment- 7.49% - 8.39%. In other case if the security trigger does not occur- 8.39% - 9.34%.

	As at 31 March 2023		**As at 31 March 2022**	
	Current	**Non- Current**	**Current**	**Non- Current**
13(iii) Trade payable				
Trade Payable	6,481	332	6,160	364
Total trade payable	**6,481**	**332**	**6,160**	**364**

There are no overdue amount payable to micro enterprises and small enterprises as at March 31, 2023 and March 31, 2022 . This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Group.

Notes to the Consolidated Financial Statements

(All amounts in Rs Mn unless otherwise stated)

Trade Payables aging schedule (Billed) -Outstanding for following periods from due date of payment

As at 31 March 2023

Particulars	Not Due	Less than 1 year	1 -2 years	2-3 years	More than 3 years	Total
(i) MSME	289	7	-	-	-	296
(ii) Others	1,371	1,925	20	16	27	3,359

As at 31 March 2022

Particulars	Not Due	Less than 1 year	1 -2 years	2-3 years	More than 3 years	Total
(i) MSME	2	167	-	-	-	169
(ii) Others	1,354	1,594	11	5	13	2,977

	As at 31 March 2023		As at 31 March 2022	
	Current	Non- Current	Current	Non- Current
13(iv) Other Financial Liabilities				
Capital creditors	426	-	100	-
Unclaimed dividend	23	-	20	-
Financial liability for future acquisition (Refer note 32)	3,653	212	-	2,908
Other employee benefits payable	2,658	-	1,955	-
Interest accrued but not Due	296	-	289	-
Others	17	112	-	-
Derivatives				
Foreign exchange forward contracts	304	-	34	-
Total other financial liabilities	**7,377**	**324**	**2,398**	**2,908**

(a) There are no amounts due for payment to the Investor Education and Protection Fund under Section 125(2)(c) of the Companies Act, 2013 as at the year end.

14 Employee benefit obligations

	As at 31 March 2023			As at 31 March 2022		
	Current	Non Current	Total	Current	Non Current	Total
Leave obligations (i)	279	500	779	226	440	666
Gratuity (iii)	81	776	857	90	607	696
Total employee benefit obligations	**360**	**1,276**	**1,636**	**316**	**1,047**	**1,362**

(i) Leave Obligations

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as undiscounted liability at the balance sheet date.

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date.

The following amounts reflect leave that is expected to be taken or paid within next 12 months

	As at 31 March 2023	As at 31 March 2022
Current leave obligations expected to be settled within next 12 months	279	226

(ii) Defined contribution plans

The Group makes contribution towards Superannuation Fund, Pension Fund, Employee State Insurance Fund and Overseas Plans (related to the Branches in the United States of America, Ireland, Belgium and Switzerland), being defined contribution plans for eligible employees. The Group has charged the following amount in the Statement of Profit and Loss:

Notes to the Consolidated Financial Statements

(All amounts in Rs Mn unless otherwise stated)

	Year ended 31 March 2023	Year ended 31 March 2022
Amount recognized in the Statement of Profit and Loss		
Superannuation fund paid to the Trust	19	14
Contribution plans (outside India)	1,288	1,196
Employees state insurance fund paid to the authorities	24	15
Pension fund paid to the authorities	271	268
Provident Fund - RPFC	192	112
Total	**1,793**	**1,605**

Defined benefit plans

Employees Provident Fund contributions are made to a Trust administered by the Group. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of the year. Actuarial losses/ gains are recognized in the Statement of Profit and Loss in the year in which they arise. The contributions made to the trust are recognized as plan assets. The defined benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation as reduced by the fair value of plan assets.

The expense recognized during the period towards defined benefit plan is as follows:

The Group contributed Rs. 615 Mn (Previous year Rs.318 Mn) during the year to the Trust, which has been charged to Statement of Profit and Loss.

	As at 31 March 2023	As at 31 March 2022
(a) Amount of obligation as at the year end is determined as under:		
Description		
Present value of obligation as at the beginning of the year	4,742	3,798
Interest cost	435	350
Current service cost	582	295
Benefits paid	(707)	(495)
Plan Participant's Contributions	791	461
Transfer In	593	376
Actuarial gain on obligation	(259)	(43)
Present value of obligation as at the end of the year	**6,177**	**4,742**
(b) Change in Plan Assets :		
Description		
Plan assets at beginning at fair value	4,742	3,798
Return on plan assets	435	350
Employer contributions	582	295
Benefits paid	(707)	(495)
Plan Participant's Contributions	791	461
Transfers In	593	376
Actuarial loss on plan assets	(259)	(43)
Plan assets at year end at fair value	**6,177**	**4,742**
(c) Amount of the obligation recognised in Balance Sheet :		
Description		
Present value of the defined benefit obligation as at the end of the year	6,177	4,742
Fair value of plan assets at the end of the year	6,177	4,742
Liability/(Assets) recognized in the Balance Sheet	-	-

The fair value of the plan assets is in surplus, assets are set equal to the liabilities to ensure consistency with the PF trust act.

Notes to the Consolidated Financial Statements

(All amounts in Rs Mn unless otherwise stated)

		As at 31 March 2023	As at 31 March 2022
(d)	**Principal actuarial assumptions at the Balance Sheet date**		
	Discount Rate	7.40%	7.22%
	Attrition rate		
	Upto 30 years : 16%,		
	31 - 34 years : 10%,		
	35 - 44 years : 5%,		
	45 - 50 years : 3%,		
	51 - 54 years : 2%,		
	55 years & above : 1%		
	Return on Assets for Exempt PF Fund	7.32%	6.64%
	Long term EPFO Rate	8.15%	8.10%
	Description		
	Experience Gain/(Loss) adjustments on plan liabilities	435	(43)
	Experience Gain/(Loss) adjustments on plan assets	4,742	(43)
	Expected Contribution to the fund in the next year	652	330

(iii) Gratuity

The Group 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 Group makes contributions to recognized funds in India.

Changes in the defined benefit obligation and fair value of plan assets as at 31 March 2022

	Present Value of Obligation	Fair Value of Plan Assets	Net Amount
1 April 2021	**622**	**(211)**	**411**
Grautity from acquired entity	138	(6)	132
Current Service Cost	171	-	171
Interest expense/ (income)	45	(16)	29
Total amount recognized in statement of profit or loss	**354**	**(16)**	**332**
Remeasurements			
Actuarial changes arising from changes in demographic assumptions	(7)	-	(7)
Actuarial changes arising from changes in financial assumptions	(33)	-	(33)
Experience adjustments	24	3	27
Exchange differences	-	2	2
Total amount recognized in other comprehensive income	**(16)**	**5**	**(11)**
Employer's Contributions	-	(17)	(17)
Benefits paid	(132)	114	(18)
31 March 2022	**827**	**(131)**	**697**

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(All amounts in Rs Mn unless otherwise stated)

Changes in the defined benefit obligation and fair value of plan assets as at 31 March 2023

	Present Value of Obligation	Fair Value of Plan Assets	Net Amount
1 April 2022	**827**	**(131)**	**697**
Grautity from acquired entity	-	-	-
Current Service Cost	263	-	263
Interest expense/ (income)	52	(9)	43
Total amount recognized in statement of profit or loss	**315**	**(9)**	**306**
Remeasurements			
Actuarial changes arising from changes in demographic assumptions	8	-	8
Actuarial changes arising from changes in financial assumptions	(155)	-	(155)
Experience adjustments	75	2	77
Exchange differences	9	-	9
Total amount recognized in other comprehensive income	**(63)**	**2**	**(61)**
Employer's Contributions	-	(32)	(32)
Benefits paid	(152)	100	(52)
31 March 2023	**927**	**(70)**	**857**

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

	As at 31 March 2023			As at 31 March 2022		
	India	Outside India	Total	India	Outside India	Total
Present value of defined benefit obligation	836	-	836	719	-	719
Fair value of plan assets	(70)	-	(70)	(131)	-	(131)
Net defined benefit obligation	**766**	**-**	**766**	**588**	**-**	**588**
Unfunded plans	-	92	92	-	109	109
Total defined benefit obligation	**766**	**92**	**857**	**588**	**109**	**696**

Post employment benefits

The significant actuarial assumptions were as follows:

	As at 31 March 2023		As at 31 March 2022	
	India	Others	India	Others
Discount rate	7.3% to 7.44%	2.26% to 6.43%	6.79% to 7.35%	1.95% to 5.18%
Future salary increase	0% to 10%	2% to 5%	5% to 12%	2% to 5%
Life expectancy (In years)	4.91 to 10.23	1.55 to 12.88 Years	6.49 to 26.08	6 to 13.12 Years
Rate of return on plan assets	7.3% to 7.44%	-	6.79% to 7.35%	-

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Change in assumptions		Impact on defined benefit obligation			
			Increase in assumption		Decrease in assumption	
	31 March 23	31 March 22	31 March 23	31 March 22	31 March 23	31 March 22
Discount rate	50 Basis Points	50 Basis Points	(41)	(40)	49	43
Salary growth rate	50 Basis Points	50 Basis Points	49	43	(42)	(40)

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(All amounts in Rs Mn unless otherwise stated)

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. The sensitivity analyses are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

The major categories of plan assets are as follows:

	As at 31 March 2023			As at 31 March 2022		
	Quoted	Total	in %	Quoted	Total	in %
Insurance Companies Products	70	70	100%	131	131	100%

The following payments are expected contributions to the defined benefit plan in future years:

	Less than a year	Between 1 - 2 years	Between 2 - 5 years	Over 5 years	Total
31 March 2023	96	90	464	1,562	2,212
31 March 2022	58	48	247	1,221	1,574

(iv) 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 Group 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.

	As at 31 March 2023		As at 31 March 2022	
	Current	Non- Current	Current	Non- Current
15 Other liabilities				
Advances from customers	35	-	22	-
Payroll taxes	6	-	159	-
Statutory dues including provident fund and tax deducted at source	2,119	-	1,605	-
Contract liabilities	561	59	538	51
Total other liabilities	**2,721**	**59**	**2,324**	**51**

	Year ended 31 March 2023	Year ended 31 March 2022
16 Revenue from operations		
Sales of products	753	2,333
Sale of services	79,393	61,987
Total revenue from operations	**80,146**	**64,320**
Timing of revenue recognition		
Goods transferred at a point in time	753	2,333
Services transferred over time	79,393	61,987
Total revenue from contracts with customers	**80,146**	**64,320**
Reconciling the amount of revenue recognised in the consolidated statement of profit and loss with the contracted price		
Revenue as per contracted price	80,999	64,600
Hedge (loss) / gain	(239)	224
Discount (including volume discount) and others	(614)	(504)
Total Revenue from contract with customers	**80,146**	**64,320**

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(All amounts in Rs Mn unless otherwise stated)

Note : The group deals in number of software and hardware items whose selling price vary from item to item. In view of voluminous data information relating to major items of sales have not been disclosed in the consolidated financial statements.

Payment Terms

Majority of the Group's revenue involve payment terms less than one year from the date of satisfaction of performance obligation. However, in case of contracts for grant of right of use for license, payments are due over license period. In these cases, the Group has identified that the contract contains significant financing component.

Disclosures related to revenue from contract with customers

a. Disaggregate revenue information

Refer note 30 for geographical revenue disaggregation. In addition the group maintain revenue by verticals:

The table below presents disaggregated revenues from operations by verticals:

Vertical	**Year ended 31 March 2023**	**Year ended 31 March 2022**
Banking and financial services	24,619	16,420
Insurance	18,152	18,187
Travel, transportation and hospitality	15,326	12,220
All Others	22,049	17,493
Total Revenue	**80,146**	**64,320**

Revenue by Service line	**Year ended 31 March 2023**	**Year ended 31 March 2022**
Application Development and Maintenance	20,998	15,970
Cloud and Infrastructure Management	14,667	11,495
Business Process Management	7,934	6,853
Product Engineering	8,095	7,698
Data and Integration	18,834	13,405
Intelligent Automation	9,618	8,899
Total Revenue	**80,146**	**64,320**

Revenue by Project type	**Year ended 31 March 2023**	**Year ended 31 March 2022**
Time-and-material	38,470	28,159
Fixed-price*	41,676	36,161
Total Revenue	**80,146**	**64,320**

*Comprises fixed capacity, fixed monthly, transaction based and licensed related contract.

Particulars pertaining to contract assets [Refer note 8]		
Balance at the beginning	**1,184**	**629**
Contract assets classified to trade receivable upon billing to customer out of opening contract assets	1,176	616
Also refer note 5(ii) for trade receivables		

Particulars pertaining to contract liability (Refer note 15)		
Balance at the beginning	**589**	**515**
Revenue recognized during the year from opening contract liability	203	515

Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Group expects to recognize these amounts in revenue. Applying the practical expedient as given in IndAS 115, the Group has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis, fixed monthly /

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(All amounts in Rs Mn unless otherwise stated)

fixed capacity basis and transaction basis. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, and adjustment for revenue that has not materialized and adjustments for currency.

The aggregate value of performance obligations that are completely or partially unsatisfied as of March 31, 2023, other than those meeting the exclusion criteria mentioned above, is Rs. 5,591 Mn (31 March 2022 Rs. 3,789 Mn). Out of this, the Group expects to recognize revenue of around Rs. 3,283 Mn (31 March 2022 Rs. 2,033 Mn) within the next one year and the remaining thereafter. This includes contracts that can be terminated for convenience without a substantive penalty since, based on currnet assessment, the occurence of the same is expected to be remote.

		Year ended 31 March 2023	Year ended 31 March 2022
17	**Other Income**		
	Dividend income from investment in mutual funds	-	2
	Interest Income from financial assets at amortised cost	157	110
	Gain on sale of Investments in mutual funds	-	3
	Income on Financial Investments at fair value through profit and loss	5	-
	Finance income	162	115
	Government incentives	121	170
	Gain on exchange fluctuations (net)	259	161
	Profit on sale of asset	-	6
	Miscellaneous income	77	66
	Total other income	**619**	**518**
18	**Employee benefits expense**		
	Salaries, wages and bonus	43,895	35,561
	Contribution to provident (and other) funds	2,408	1,924
	Employee share-based payment expense (Refer note 35)	574	382
	Gratuity	306	200
	Staff welfare expenses (Refer Note below)	1,097	279
	Total employee benefit expense	**48,280**	**38,346**

Employee benefit expenses includes Rs.803 Mn towards special non monetary incentive awarded to the employees of the Group on achievement of certain milestone of revenue by Group in the current financial year. The corresponding liability is included in the other financial liability

		Year ended 31 March 2023	Year ended 31 March 2022
19	**Depreciation and amortization expense**		
	Depreciation of property, plant and equipment (Refer note 3)	845	812
	Depreciation of right of use assets (Refer note 35)	469	411
	Amortisation of intangible assets (Refer note 4)	1,271	1,049
	Total depreciation and amortization expense	**2,585**	**2,272**

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(All amounts in Rs Mn unless otherwise stated)

		Year ended 31 March 2023	Year ended 31 March 2022
20	**Other expenses**		
	Rent	211	231
	Rates and taxes	5	20
	Electricity and water	158	139
	Communication expenses	321	341
	Legal and professional	861	960
	Travelling and conveyance	828	272
	Recruitment expenses	516	628
	Insurance premium	117	117
	Repairs and maintenance		
	- Plant and machinery	447	633
	- Buildings	46	60
	- Others	184	158
	Allowance for doubtful debts - trade receivables and unbilled revenue	72	16
	Lease rentals	11	9
	Loss on sales of assets (net)	13	-
	Expenditure towards corporate social responsibilities activities	128	104
	Advertisement and publicity expenses	93	141
	Business promotion expenses	164	50
	Professional charges	9,267	6,572
	Equipment hiring	11	21
	Other production expenses (incl. third party license cost)	4,751	2,352
	Miscellaneous expenses	304	407
	Total other expenses	**18,508**	**13,231**
21	**Finance costs**		
	Interest on borrowings	598	479
	Bank and financial charges	38	41
	Unwinding of discounts	170	130
	Total finance costs	**806**	**650**
22	**Exceptional Item**		
	Total	**523**	**-**

The shareholders in the Annual General Meeting held on July 30, 2021, approved raising of funds in one or more tranches by the issuance of equity shares and/or depository receipts and/or other eligible securities. Subsequently, the Company filed a draft registration statement with the U.S. Securities & Exchange Commission for registration of its American Depository Receipts ("Offering"). In accordance with the underlying arrangements, the expenses pertaining to the offering shall be borne by the Selling Shareholder upon successful completion of the offering. Accordingly Rs. 523 Mn was considered as recoverable from the selling shareholder.

Currently the market conditions are not supportive of the offering. Considering the uncertainty of timing of the offering, the Group during the current quarter has recorded provision of Rs. 523 Mn and disclosed the same as exceptional item in the financial statements.

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(All amounts in Rs Mn unless otherwise stated)

23 Income tax expense

This note provides an analysis of the group's income tax expense, shows amounts that are recognized directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the group's tax positions.

(a) Income tax expense		
Current tax		
Current tax on operating profits of the period	3,130	2,762
Adjustments for current tax of prior periods	65	(91)
MAT Credit	(703)	(897)
Total current tax expense	**2,492**	**1,774**
Deferred tax		
(Increase) decrease in deferred tax assets (Employee benefits, provisions and others)*	(302)	(157)
(Decrease) in deferred tax liabilities (PPE)	50	17
(Decrease) in deferred tax liabilities (intangible assets)	(179)	(166)
Total deferred tax benefit	**(431)**	**(306)**
Income tax expense	**2,061**	**1,468**
(b) Amount recognised directly in equity outside profit or loss		
Deferred tax asset	30	382
(c) Tax Losses		
Unused tax losses for which no deferred tax asset has been recognised due to no reasonable certainty of realisation	167	670
Potential tax benefit	50	188

In previous year above includes additions due to business combination (refer note 32) of unused tax losses amounting to INR 372 Mn and potential tax benefits amounting to INR 99 Mn.

(d) Unrecognised temporary differences

Certain subsidiaries of the Group have undistributed earnings, which are expected to be distributed as dividend. The group follows policy of further distributing dividend received from subsidiaries to its shareholders. The Indian Income Tax Act allows the parent company credit for taxes paid by its subsidiaries on dividend. Accordingly, no deferred tax liability has been recorded on such undistributed earnings.

	Year ended 31 March 2023	Year ended 31 March 2022
(e) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
Profit from continuing operations before income tax expense	9,512	8,615
Tax at the Indian tax rate of 34.944% (for FY 2021-22: 34.944%)	**3,324**	**3,010**
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Impact of deductions		
Effect of tax holiday benefits and exemptions	(846)	(749)
Others	-	2
Impact of permanent differences		
Expenses to the extent disallowable	219	22
Tax provision for current tax of prior periods	65	(91)
DTA/(DTL) not created on provisions for Exempted Units	54	-
Others	(81)	(74)
Others		
Effect of differential tax rates	(674)	(652)
Income tax expense	**2,061**	**1,468**

*It includes deferred tax recognized during the current year, consequent to certain amendments in the customer agreement, the Group re-assessed the future projections of taxable profits of one of its foreign subsidiary and recorded deferred tax assets on losses of that subsidiary amounting to INR 108 Mn

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(All amounts in Rs Mn unless otherwise stated)

24 Fair value measurements

The carrying value and fair value of financial instruments by categories as of 31 March 2023 and 31 March 2022 were as follows:

	As at 31 March 2023				
	FVTPL	**FVTOCI**	**Amortized Cost**	**Carrying amount**	**Fair value**
Financial assets					
Trade receivables	-	-	1,772	1,772	1,772
Derivative instruments	-	39	-	39	39
Other long-term financial assets	-	-	479	479	479
Total Financial assets	**-**	**39**	**2,251**	**2,290**	**2,290**
Financial liabilities					
Non current borrowings	-	-	3,382	3,382	3,382
Non controlling interest	-	-	-	3,865	3,865
Trade payable	-	-	332	332	332
Derivative instruments	-	304	-	-	-
Total Financial liabilities	**-**	**304**	**3,714**	**7,579**	**7,579**

	As at 31 March 2022				
	FVTPL	**FVTOCI**	**Amortized Cost**	**Carrying amount**	**Fair value**
Financial assets					
Trade receivables	-	-	1,691	1,691	1,691
Derivative instruments	-	162	-	162	162
Other long-term financial assets	-	-	421	421	421
Total Financial assets	**-**	**162**	**2,112**	**2,274**	**2,274**
Financial liabilities					
Non current borrowings	-	-	3,365	3,365	3,365
Non controlling interest	-	-	-	2,908	2,908
Trade payable	-	-	364	364	364
Derivative instruments	-	34	-	34	34
Total Financial liabilities	**-**	**34**	**3,729**	**6,671**	**6,671**

Financial liability for future acquisition amounting to Rs. 3,865 Mn (31 March 2022: Rs. 2,908 Mn) has been measured through fair valuation by other equity. Also refer note 32.

The carrying amounts of current portion of trade receivables, trade payables, capital creditors, security deposits, unpaid dividend account, deposits with bank, cash and cash equivalents, short term borrowings, trade and other payables, capital creditors, unclaimed dividend are considered to be the same as their fair values, due to their short term nature.

(i) 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 group has classified its financial instruments into the three levels prescribed under the accounting standard.

An explanation of each level follows underneath the table.

Notes to the Consolidated Financial Statements

(All amounts in Rs Mn unless otherwise stated)

Financial assets and liabilities measured at fair value - recurring fair value measurements at 31 March 2023	Level 1	Level 2	Level 3	Total
Financial assets				
Derivatives designated as hedges				
Derivative Financial Asset	-	39	-	39
Total financial assets	**-**	**39**	**-**	**39**
Financial Liability				
Derivatives designated as hedges				
Derivative Financial Liability	-	304	-	304
Other financial liabilities				
Future acquisition liability	-	-	3,865	3,865
Total financial Liability	**-**	**304**	**3,865**	**4,169**

Financial assets and liabilities measured at fair value - recurring fair value measurements at 31 March 2022	Level 1	Level 2	Level 3	Total
Financial assets				
Derivatives designated as hedges				
Derivative Financial Asset	-	162	-	162
Total financial assets	**-**	**162**	**-**	**162**
Financial Liability				
Derivatives designated as hedges				
Derivative Financial Liability	-	34	-	34
Other financial liabilities				
Future acquisition liability	-	-	2,908	2,908
Total financial Liability	**-**	**34**	**2,908**	**2,942**

All other assets and liabilities are measured at amortised cost

There is also a financial liability for future acquisition measured at fair value using level 3 inputs.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

The Group's policy is to recognize transfers into and transfers out of fair value hierarchy levels at the end of reporting period. There has been no transfer during the period.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- The use of quoted market prices for similar instruments.
- Derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the marketplace.

Notes to the Consolidated Financial Statements

(All amounts in Rs Mn unless otherwise stated)

- The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

Inputs used in the valuation models

(a) Financial liability for future acquisition-

(i) Revenue inputs - Based on past performance and management's expectations of market development.

(ii) Budgeted operating margin - Based on past performance and management's expectations for the future.

(iii) Pre-tax discount rates - Reflect specific risks relating to the relevant geography in which they operate. hence classified under Level 3 hierarchy

Quantitative details of input used in valuation of financial liability for future acquisition

	Year ended 31 March 2023	Year ended 31 March 2022
Revenue (% annual growth rate)	10%	10%
Budgeted operating margin (%)	28.00%	23.50%
Pre-tax discount rate (%)	13.5%	13.5%

If the revenue/ budgeted operating margin unobservable inputs used in the valuation of Level 3 financial liability for future acquisition had been 1% change than management's estimates at 31 March 2023, does not have significant impact in its value and other equity.

(iii) NCI Put Option liability

Liability for call and put options issued to non-controlling interests which do not grant present access to ownership interest to us is recognized at the present value of the redemption amount and is reclassified from equity. At the end of each reporting period, the non-controlling interests subject to the put option is derecognized and the difference between the amount derecognized and present value of the redemption amount, which is recorded as a financial liability, is accounted for as an equity transaction. Considering the call and put option granted, the carrying amount of financial liability recognised at 31 March 2023 is Rs. 3,865 Mn (31 March 2022: Rs. 2,908 Mn).

(iv) Movement of Financial liability for future acquisition

Particulars	**Year ended 31 March 2023**	**Year ended 31 March 2022**
Opening future acquisition liability	2,908	708
Additional stake acquisition payout	-	(729)
Derecognition of NCI/ addition to financial liability	151	1,110
Fair value through P&L	(5)	-
Fair value through other equity	811	1,819
Closing future acquisition liability	**3,865**	**2,908**

25 (i) Hedging activities and derivatives

The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency) and the Group's net investments in foreign subsidiaries.

The Group 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 into for the purpose of being a hedge, the Group 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 2023, the Group hedged 75% (31 March 2022: 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.

Notes to the Consolidated Financial Statements

(All amounts in Rs Mn unless otherwise stated)

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

As at March 31, 2023

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 (INR)	1,209	2,712	3,677	3,198	2,560	13,356
Average forward rate	80.38	81.18	82.37	83.84	83.89	82.57
GBP /INR						
Notional amount (INR)	441	1,245	1,526	1,608	1,407	6,226
Average forward rate	99.92	100.21	98.31	100.56	102.86	100.39
EUR /INR						
Notional amount (INR)	33	66	145	130	116	490
Average forward rate	86.86	86.97	86.36	88.48	91.91	88.30
AUD /INR						
Notional amount (INR)	46	86	117	123	93	465
Average forward rate	56.56	56.15	56.05	57.05	57.45	56.66

As at March 31, 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 (INR)	1,029	2,003	2,686	2,335	1,982	10,034
Average forward rate	76.68	76.45	77.09	78.29	78.29	77.43
GBP /INR						
Notional amount (INR)	201	502	607	549	486	2,346
Average forward rate	106.45	106.32	105.41	105.18	104.60	105.47
EUR /INR						
Notional amount (INR)	42	82	108	84	68	384
Average forward rate	92.42	91.66	90.78	89.96	89.51	90.73
AUD /INR						
Notional amount (INR)	46	92	121	107	93	458
Average forward rate	57.03	56.49	55.81	56.72	57.17	56.55

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

Foreign exchange forward contracts	Notional amount	Carrying amount	Line item in the statement of financial position	Change in fair value used for measuring ineffectiveness for the period
At 31 March 2023	20,537	(265)	Derivative instruments under current financial assets / liabilities	-
At 31 March 2022	13,222	128	Derivative instruments under current financial assets / liabilities	-

Notes to the Consolidated Financial Statements

(All amounts in Rs Mn unless otherwise stated)

Impact of hedging activities

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

Type of hedge and risks	As at 31 March 2023			As at 31 March 2022		
	Carrying amount of hedging instrument		Maturity period	Carrying amount of hedging instrument		Maturity period
	Assets	Liabilities		Assets	Liabilities	
Cash flow hedge Foreign exchange risk			April 2022 to March 2023			April 2022 to March 2023
Foreign exchange forward contracts	39	304		162	34	

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

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 the reclassification	
	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2023	Year ended 31 March 2022
Cash flow hedge						
Foreign exchange risk	(298)	18	(239)	224	Revenue	Revenue

*The resultant impact on the cash flow hedge reserve for the year ended March 31, 2023 and March 31, 2022; on account of changes in the fair value has been reconciled in Note No. 11.

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.

26 Financial risk management

The Group's principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables. The borrowing of the Group constitute mainly Non Convertible Bonds (NCB). All the repayments are made out of internal accruals. The Group's principal financial assets include trade and other receivables, cash and short-term deposits that derive directly from its operations. The Group also enters into derivative transactions.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Group. The financial risk committee provides assurance to the Group's senior management that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken and derivatives are used exclusively for hedging purposes. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

Notes to the Consolidated Financial Statements

(All amounts in Rs Mn unless otherwise stated)

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 loans and borrowings, deposits, fair value through profit and loss investments and derivative financial instruments.

- **Interest rate risk**

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

  The group has issue non-convertible bonds during the previous year with fixed interest rate for the next 2 years and accordingly there is no significant concentration of interest rate risk (Refer note 21).

- **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.

Unhedged foreign currency exposure

Non-derivative foreign currency exposure as of 31 March, 2023 and 31 March, 2022 in major currencies is as below:

Currencies	Net financial Assets		Net financial Liabilities	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
USD/INR	3,244	2,225	233	189
GBP/INR	2,240	1,501	1	11
EURO/INR	109	78	0	-
AUD/INR	173	162	4	-

a) Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and the impact on other components of equity arises from foreign forward exchange contracts designated as cash flow hedges.

Currencies	Impact on Profit after Tax		Impact on other components of equity	
	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2023	Year ended 31 March 2022
USD Sensitivity				
INR/USD - Increase by 1% (31 March 2022 - 1%)*	23	14	1	0
INR/USD - Decrease by 1% (31 March 2022 - 1%)*	(23)	(14)	(1)	(0)
EUR Sensitivity				
INR/EUR - Increase by 1% (31 March 2022 - 1%)*	2	1	0	0
INR/EUR - Decrease by 1% (31 March 2022 - 1%)*	(2)	(1)	(0)	(0)
GBP Sensitivity				
INR/GBP - Increase by 1% (31 March 2022 - 1%)*	22	15	2	1
INR/GBP - Decrease by 1% (31 March 2022 - 1%)*	(22)	(15)	(2)	(1)
AUD Sensitivity				
INR/AUD - Increase by 1% (31 March 2022 - 1%)*	2	2	0	0
INR/AUD - Decrease by 1% (31 March 2022 - 1%)*	(2)	(2)	0	0

*Holding all other variables constant

Notes to the Consolidated Financial Statements

(All amounts in Rs Mn unless otherwise stated)

b) Credit Risk

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 Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade Receivables

The customers of the Group are primarily corporations based in the United States of America and Europe and accordingly, trade receivables are concentrated in the respective countries. The Group periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivables. The Group 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. The Group in the normal course of business sells certain trade receivables to banks. Under the terms of arrangements, the Group surrenders control over these assets and transfer is on a non-recourse basis.

The following table gives the movement in allowance for expected credit loss for the year ended March 31, 2023:

	Year ended 31 March 2023	Year ended 31 March 2022
Balance at the beginning	1,058	993
Impairment loss recognized (net)	72	16
Expenses Recognised in Exceptional Item	-	-
Transfer to provision for customer contract/ other expense	31	49
Amounts written off	(173)	-
Balance at the end*	**988**	**1,058**

* Closing balance includes allowance for doubtful - trade receivable Rs. 887 Mn (31 March 2022 Rs. 960 Mn) and contract assets Rs. 101 Mn (31 March 2022 Rs. 98 Mn).

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Group's Finance Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

c) Liquidity Risk

The Group's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Group's corporate treasury department is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Group's net liquidity position through rolling forecasts based on the expected cash flows.

d) Maturities of financial liabilities

The table below provides details regarding the contractual maturities of significant financial liabilities as of 31 March 2023:-

Particulars	Less than 1 Year	1-2 Years	2-4 Years	More than 4 years	Total
Borrowings	-	-	3,382	-	3,382
Trade Payables	6,481	244	67	21	6,813
Lease Liability	454	372	628	786	2,240
Other Financial Liabilities (excluding Borrowings)	7,377	228	63	33	7,701
	14,312	**844**	**4,140**	**840**	**20,136**

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(All amounts in Rs Mn unless otherwise stated)

The table below provides details regarding the contractual maturities of significant financial liabilities as of 31 March 2022:-

Particulars	Less than 1 Year	1-2 Years	2-4 Years	More than 4 years	Total
Borrowings	180	-	3,365	-	3,545
Trade Payables	6,160	244	67	53	6,524
Lease Liability	414	211	178	548	1,351
Other Financial Liabilities (excluding Borrowings)	2,398	2,830	78	-	5,306
	9,152	**3,285**	**3,688**	**601**	**16,726**

27 Capital Management

a) Risk management

For the Group's capital management, capital includes issued equity share capital, securities premium and all other equity reserves attributable to the shareholders. The primary objectives of the Group's capital management are to maximise the shareholder value and safeguard their ability to continue as a going concern. The Group has outstanding Non Convertible Bonds (NCB) (refer note 13). The Group has complied with the financial covenants attached with above stated borrowings throughout the reporting period. The funding requirements are generally met through operating cash flows generated. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2023 and 31 March 2022.

b) Dividends

Particulars	31 March 2023	31 March 2022
Equity Shares		
During the year the directors have recommended the payment of Interim dividend.	2,745	2,367
Dividends not recognised at the end of reporting period		
In addition to the above dividends, the directors have recommended the payment of Interim dividend of Rs. 19 per fully paid up equity share each on 27 April 2023 (31 March 2022 Rs. 13 per share).	1,161	792

28 Related parties where control exists

Interest in Subsidiaries

The Company's subsidiaries at 31 March 2023 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.

Sr. No.	Name	Place of business/ country of incorporation	Ownership interest held by the Company (%)		Ownership interest held by the Non controlling interest (%)		Principal Activities
			As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022	
Direct subsidiaries							
1	Coforge SmartServe Limited	India	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
2	Coforge Services Limited	India	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")

Notes to the Consolidated Financial Statements

(All amounts in Rs Mn unless otherwise stated)

Sr. No.	Name	Place of business/ country of incorporation	Ownership interest held by the Company (%)		Ownership interest held by the Non controlling interest (%)		Principal Activities
			As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022	
3	Coforge U.K. Limited	United Kingdom	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
4	Coforge Pte Limited	Singapore	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
5	Coforge DPA Private Ltd.	India	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
6	Coforge GmbH	Germany	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
7	Coforge Inc.	USA	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
8	Coforge Airline Technologies GmbH	Germany	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
9	Coforge FZ LLC	Dubai	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
10	NIIT Technologies Philippines Inc (under liquidation)	Philippines	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
11	Coforge SF Private Limited (erstwhile Whishworks IT Consulting Private Limited)	India	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
12	Coforge Business Process Solutions Private Limited (Erstwhile SLK Global Solutions Pvt Limited) w.e.f. April 28, 2021	India	60	60	40	40	Information Technology/ Information Technology Enabled Services ("IT / ITES")
	Stepdown subsidiaries						
13	Coforge BV (Wholly owned by Coforge U.K. Ltd.)	Netherlands	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
14	Coforge Limited (Wholly owned by Coforge Pte Ltd., Singapore)	Thailand	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
15	Coforge Technologies (Australia) Pty Ltd. (Wholly owned by Coforge Pte Ltd., Singapore)	Australia	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")

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(All amounts in Rs Mn unless otherwise stated)

Sr. No.	Name	Place of business/ country of incorporation	Ownership interest held by the Company (%)		Ownership interest held by the Non controlling interest (%)		Principal Activities
			As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022	
16	Coforge Advantage Go (Wholly owned by Coforge U.K. Ltd., UK)	United Kingdom	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
17	Coforge S.A. (Wholly owned by Coforge U.K. Ltd.)	Spain	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
18	Coforge BPM Inc. (erstwhile RuleTek LLC) (80% owned Coforge DPA Private Limited, India and 20% by Coforge DPA NA Inc. USA)	USA	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
19	Coforge DPA UK Ltd. (Wholly owned by Coforge DPA Private Ltd.)	United Kingdom	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
20	Coforge DPA Ireland Limited (Wholly owned by Coforge DPA Private Ltd.)	Ireland	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
21	Coforge DPA Australia Pty Ltd. (Wholly owned by Coforge DPA Private Ltd.)	Australia	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
22	Coforge DPA NA Inc. USA (Wholly owned by Coforge DPA Private Ltd.)	USA	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
23	Coforge SF Limited, UK (Wholly owned by Coforge SF Private Limited India)	United Kingdom	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
24	COFORGE (Coforge Spółka Z Ograniczona Odpowiedzialnoscia)(Wholly owned by Coforge U.K. Ltd.,)	Poland	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
25	Coforge S.R.L., Romania (Wholly owned by Coforge U.K. Limited)	Romania	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
26	Coforge A.B. Sweden (Wholly owned by Coforge U.K. Limited)	Sweden	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
27	Coforge SDN. BHD. Malaysia , (Wholly owned by Coforge Pte Ltd.)	Malaysia	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
28	Coforge SpA, Chile (Wholly owned by Coforge U.K. Ltd., UK)	Chile	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
29	Coforge BPS Philippines Inc (Erstwhile SLK Global Philippines Inc, Philippines) (wholly owned subsidiary of Coforge Business Process Solutions Private Limited w.e.f. April 28, 2021)	Philippines	60	60	40	40	Information Technology/ Information Technology Enabled Services ("IT / ITES")
30	Coforge BPS America Inc. (Erstwhile SLK Global Solutions America Inc., USA) (wholly owned subsidiary of Coforge Business Process Solutions Private Limited w.e.f. April 28, 2021)	USA	60	60	40	40	Information Technology/ Information Technology Enabled Services ("IT / ITES")

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(All amounts in Rs Mn unless otherwise stated)

Sr. No.	Name	Place of business/ country of incorporation	Ownership interest held by the Company (%)		Ownership interest held by the Non controlling interest (%)		Principal Activities
			As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022	
31	Coforge BPS North Carolina LLC (Erstwhile SLK Global North Carolina LLC, USA) (wholly owned subsidiary of Coforge Business Process Solutions Private Limited w.e.f. April 28, 2021)	USA	60	60	40	40	Information Technology/ Information Technology Enabled Services ("IT / ITES")
32	Coforge Healthcare Digital Automation LLC (Subsidiary of Coforge BPM Inc. w.e.f. January 21, 2022)	USA	55	55	45	45	Information Technology/ Information Technology Enabled Services ("IT / ITES")
33	Coforge Japan GK (Wholly owned by Coforge U.K. Ltd., UK) w.e.f. 7th March 2023	Japan	100	-	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
34	Coforge Solutions Private Limited (Wholly owned by Coforge DPA Private Ltd.)w.e.f. 29th June 2022	India	100	-	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")

29 Related party transactions

Coforge Limited's principal related parties consist of Investor with significant influence i.e Hulst B.V., Netherlands, its own subsidiaries and key managerial personnel. The Group's material related party transactions and outstanding balances are with related parties with whom the Group routinely enter into transactions in the ordinary course of business.

Transactions and balances with its own subsidiaries are eliminated on consolidation.

Ultimate Holding Company

Baring Private Equity Asia Holding (till 15 December 2021)

Holding Company

Hulst B.V., Netherlands (till 15 December 2021)

Investor with significant influence

Hulst B.V., Netherlands (w.e.f. 16 December 2021)

Interest in Subsidiaries

Refer note 28

A. List of related parties with whom the Group has transacted:

a) Key Managerial personnel

Sudhir Singh, Chief Executive Officer & Executive Director
Ajay Kalra, Chief Financial Officer
Lalit Kumar Sharma, Company Secretary & Legal Counsel (till July 31, 2021)
Barkha Sharma, Company Secretary (w.e.f. August 1, 2021)

Non Executive Director

Patrick John Cordes
Kenneth Tuck Kuen Cheong
Hari Gopalakrishnan
Ashwani Puri
Basab Pradhan
Holly J. Morris (till Mar 31, 2022)
Mary Beth Boucher (w.e.f. May 7, 2022)
Kirti Ram Hariharan

Notes to the Consolidated Financial Statements

(All amounts in Rs Mn unless otherwise stated)

b) Parties in which the key managerial personnel or the relatives of the key managerial personnel are interested

Titan Company Limited

c) List of other related parties

Particulars	Country	Nature of relationship
Coforge Limited Employees Provident Fund Trust	India	Post-employment benefit plan
Coforge Limited Employees Group Gratuity Scheme	India	Post-employment benefit plan
Coforge Limited Employees Superannuation Scheme	India	Post-employment benefit plan

Refer to Note 14 for information and transactions with post-employment benefit plans mentioned above

B. Details of transaction with related parties carried out on an arms length basis:

Nature of Transactions	Holding Company/ Investor with significant influence	Parties in which Key Managerial Personnel of the Group are interested	Related Party of Subsidiary Company	Total
Rendering of Services	-	26	-	26
	-	(2)	-	(2)
Dividend Paid	1,416	-	-	1,416
	(1,666)	-	-	(1,666)

Figures in parenthesis represent Previous Year's figures

C. Key management personnel compensation

Commission & sitting fees	**Year ended 31 March 2023**	**Year ended 31 March 2022**
Short term employee benefits**	245	151
Commission and Sitting fees	32	32
Post employment benefits*	15	5
Remuneration paid	**292**	**188**
Share based payment transactions	444	234
Total of compensation	**736**	**422**

*As gratuity and compensated absences are computed for all the employees in aggregate, the amounts relating to the key managerial personnel can not be individually identified.

** At each reporting period, the Group accrues employee bonuses for all the employees in aggregate, which are individually identified in the subsequent financial year. Accordingly, the current year figures includes bonus pertaining to March 2022 paid during the current year.

Key Managerial Personnel interests in the Senior Executive Plan

Share options held by Key Managerial Personnel of the Company's Stock Option Plan 2005 to purchase Equity shares have the following expiry dates and exercise prices:

			Closing option as at	
Grant date	**Expiry date**	**Exercise price**	**31 March 2023**	**31 March 2022**
FY 18-19	23 May 22 to 31 May 24	10 to 1364.4	-	15,030
FY 19-20	31 Dec 23 to 30 Sep 30	10	467,116	540,402
FY 21-22	31-Dec-22	10	-	10,000
FY 22-23	31 Dec 23 to 31 Dec 26	10	178,963	-
Total			**646,079**	**565,432**

No share options have been granted to the non-executive members of the Board of Directors under this scheme. Refer to note 35 for further details on the scheme.

Notes to the Consolidated Financial Statements

(All amounts in Rs Mn unless otherwise stated)

30 Segment Reporting

(a) Description of segments and principal activities

The Group delivers services around the world directly and through its network of subsidiaries and overseas branches. The group is rendering Information Technology solutions and is engaged in Application Development and Maintenance, Managed Services, Cloud Computing and Business Process Outsourcing to organizations in a number of sectors viz. Financial Services, Insurance, Travel, Transportation and Logistics, Manufacturing and Distribution and Government.

The Chief Executive Officer of the Group being identified the Chief Operating Decision Maker (CODM), reviews the group's performance both from a products/ services and geographic perspective. However, CODM takes its decision for allocating resources of the entity and assessing its performance on the basis of the geographical presence of the Group across the globe and has identified four reportable segments of its business:

1. Americas

2. Europe, Middle East and Africa (EMEA)

3. Asia Pacific (APAC)

4. India

The Chief Operating Decision Maker i.e., the Chief Executive Officer (CEO), primarily uses a measure of revenue and adjusted Earnings before Interest, Tax, Depreciation and Amortisation (Adjusted EBITDA) to assess the performance of the operating segments. For this purposes, the Group calculated EBITDA by adding depreciation/ amortisation, finance costs and foreign exchange loss and reducing other income (including foreign exchange gain) from profit before income taxes. Earnings before Interest, Tax, Depreciation and Amortisation is further adjusted for event based impairments/recoveries to arrive at Adjusted EBITDA. The Group's expenses/ income, viz., depreciation/ amortisation, finance costs, foreign exchange gain/loss, event-based impairment/ recoveries, finance income and other income and income taxes are managed on a Group basis and are not allocated to operating segments. Assets and liabilities used in the group's business are not identified to any of the reportable segments, as these are used interchangeably between segments. Accordingly, the CEO does not review assets and liabilities at reportable segments level. Management believes that it is currently not practicable to provide segment disclosures relating to total assets and liabilities since a meaningful segregation of the available data is onerous.

As per Ind As 108, 'Operating Segments', the Group has disclosed the segment information only as part of the consolidated financial statements.

(b) Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA)

Interest income and finance cost are not allocated to segments, as this type of activity is driven by the central treasury function, which manages the cash position of the group.

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Revenue from Operations		
Americas	40,020	33,288
Europe, Middle East and Africa	31,175	22,771
Asia Pacific	5,817	5,439
India	3,134	2,822
Total	**80,146**	**64,320**
Earning before Interest, Tax, Depreciation and Amortization (EBITDA)		
Americas	6,176	6,056
Europe, Middle East and Africa	6,611	4,706
Asia Pacific	749	590
India	(286)	(198)
Total	**13,250**	**11,154**

Notes to the Consolidated Financial Statements

(All amounts in Rs Mn unless otherwise stated)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Depreciation and amortization	2,585	2,272
Other income (net)	(630)	(267)
Profit before exceptional items and tax	**10,035**	**8,615**
Exceptional items	523	-
Profit before tax	**9,512**	**8,615**
Provision for tax	2,061	1,468
Profit after tax	**7,451**	**7,147**

(c) There is no customer from which the company derived more than 10% of the revenue.

(d) Information about major customers

Information regarding revenues from external customers for each product and service is disclosed in note 16.

31 Business combinations

(A) Acquisition of business from On Demand Agility Solution group

During the year, the Group made a strategic investment by acquiring business from On Demand Agility Solution group ("ODA"). The group had entered into master framework agreement, business transfer agreements and Share Subscription and shareholders agreement to acquire the business. The Group paid a consideration of Rs. 1,217 Mn and issued non-convertible compulsory redeemable preference shares through its one of the subsidiary in lieu of acquisition of customer contracts along with employees. The above arrangement has been recorded as business combination in accordance with Ind AS 103. Accordingly, the Group recorded a goodwill of Rs. 768 Mn, customer relationship of Rs. 582 Mn and non-compete fees of Rs. 114 Mn. As per the terms of the agreement, the Group will redeem the non-convertible compulsory redeemable preference shares equally over a period of two years. The non-convertible compulsory redeemable preference shares have been fair valued at Rs. 267 Mn.

(B) Acquisition of SLK Global Solutions Private Limited

During the previous year, the Group made a strategic investment in M/s SLK Global Solutions Private Limited, currently known as Coforge Business Process Solutions Private Limited (the "Investee Company", "SLK Global") and its subsidiaries on April 12, 2021, and entered into the Share Purchase Agreement and Shareholders Agreement to acquire 80% equity shares over a period of two years from the existing shareholders of the Investee Company. The purpose of this acquisition is to further strengthen the financial services vertical and scales the BPM operations.

Out of this, 35% stake of the Investee Company was purchased on April 12, 2021 and additional stake of 25% was purchased on April 28, 2021, aggregating to 60% of the total share capital of the Investee Company and accordingly obtained control. Both these transactions are linked transactions and the Group has determined April 28, 2021 as the date of acquisition of control.

As per the terms of the agreement, the Group will acquire the remaining stake of 20% after two years from the date of acquisition with consideration payable as multiple of earnings and accordingly it has recorded put liability for future acquisition of 20% stake.

Details of purchase consideration, net assets acquired and goodwill was as follows:

Purchase consideration	Amount
Cash paid for acquisition of 60% stake along with profit during step up acquisition period	9,201
Total purchase consideration	**9,201**

Notes to the Consolidated Financial Statements

(All amounts in Rs Mn unless otherwise stated)

The assets and liabilities recognised as a result of the acquisition was as follows:

	Fair value
Identified tangible assets	
Property, plant and equipment	761
Right of Use Asset	325
Other Assets	157
Net Current assets	1,068
Cash and bank balances	739
Acquired liabilities	(135)
Lease Liability	(358)
Deferred tax assets	92
Identified intangible assets	
Customer Contract and related Relationships	3,130
Non-compete fees	48
Deferred tax liabilities	(702)
Net identifiable assets acquired	**5,125**

Calculation of goodwill/Non Controlling Interest	Fair value
Net identified Tangible and Intangible Assets acquired (60%) (A)	3,075
Non Controlling Interest (40%) (B)	2,050
Total purchase consideration ('C)	9,201
Goodwill (C-A)	**6,126**

The goodwill is attributable to the workforce and expected synergies of acquired business, which was not separately recognised. Goodwill is allocated to Americas segments, for impairment testing. None of the goodwill recognised is expected to be deductible for income tax purposes.

No material contingent liabilities was acquired as part of business combination.

The acquisition related cost recognised in consolidated statement of profit and loss and other comprehensive income was Rs. 223 Mn.

(i) Acquired receivables

The Group had acquired receivables having gross contractual amount and net carrying amount of Rs. 590 Mn. No adjustments had been made to acquired trade receivables, i.e., their fair value is the same as the carrying amount. It is expected that the full contractual amounts of receivables can be collected.

(ii) Revenue and profit contribution

The acquired business contributed revenues and profits to the group for the period 31 March 2022 was as follows:

(a) Revenue of Rs. 6,108 Mn and profit after tax of Rs. 973 Mn (net of amortisation of Rs. 305 Mn on intangible assets arising out of acquisition) for the period 28 April 2021 to 31 March 2022.

(b) If the acquisitions had occurred on 1 April 2021, consolidated pro-forma revenue and profit after tax for the period ended 31 March 2022 would have been increased/(decreased) by Rs. 543 Mn and Rs. 74 Mn respectively.

Notes to the Consolidated Financial Statements

(All amounts in Rs Mn unless otherwise stated)

(b) Purchase consideration - cash outflow

	Amount
Outflow of cash to acquire subsidiary, net of cash acquired	
Cash consideration	9,183
Less: balances acquired	
Cash and Bank	739
Net outflow of cash – investing activities	**8,444**

(c) Deferred tax liability

The deferred tax liability mainly comprises the tax effect of the accelerated depreciation for tax purposes of tangible and intangible assets.

(d) Fair value of future acquisition liability

The movement of future acquisition liability of SLK Global is as follows:

Particulars	**Amount**
Proportionate share of net assets acquired	2,050
Add : Non-controlling share in the results for the period	511
Less: Dividend paid	(596)
Proportionate share of net assets as at 31 March 2022	**1,965**

Of the above, NCI subject to put option amounting to Rs 983 Mn (20%) has been derecognised and recorded at fair value of Rs 2,792 Mn as financial liability. The difference of Rs 1,809 Mn is accounted for as equity transaction. The Future Acquistion Liability as at Mar 31, 2023 the value is Rs 3,865 Mn (Refer Note 24(iv))

(e) Post acquisition, SLK Global has paid dividend amounting to Rs 1,489 Mn in previous year.

(C) Coforge Healthcare Digital Automation LLC

On 21 January 2022 the Group entered into Limited Liability Company agreement and incorporated M/s Coforge Healthcare Digital Automation LLC ('Healthcare'). The group infused Rs. 113 Mn in a newly incorporated Healthcare.

The Group paid a consideration of Rs. 113 Mn and 45% stake to sellers in lieu of customer contracts as well as certain employees. The above arrangement has been recorded as business combination in accordance with Ind AS 103. Accordingly, the Group recorded a goodwill of Rs. 173 Mn and customer relationship of Rs. 45 Mn and non compete fees of Rs. 2 Mn. As per the terms of the agreement, the Group will acquire the remaining stake of 45% over a period of three years. The put option to acquire remaining 45% has been fair valued at Rs 116 mn.

(D) During the previous year, the group acquired balance 18.6% stake in Coforge SF Private Limited (erstwhile Whishworks IT Consulting Private Limited) making it wholly owned subsidary w.e.f. 5 October 2021 for a consideration of Rs. 729 million.

32 Contingent liabilities and contingent assets

(a) Contingent liabilities

The Group had contingent liabilities in respect of:

i) Claims against the Group not acknowledged as debts:

	As at 31 March 2023	**As at 31 March 2022**
Income tax matters pending disposal by the tax authorities	706	877
Others	301	254
Total	**1,007**	**1,131**

Notes to the Consolidated Financial Statements

(All amounts in Rs Mn unless otherwise stated)

ii) **Notes**

(A) It is not practicable for the Group to estimate the timing of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

(B) The Group does not expect any reimbursements in respect of the above contingent liabilities.

Income tax

Claims against the Group not acknowledged as debts as on 31 March 2023 include demand from the Indian Income tax authorities on certain matters relating to availment of tax holiday.

The Group is contesting these demands and the management including its tax and legal advisors believe that its position will more likely be upheld in the appellate process. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Group's financial position and results of operations.

(b) Contingent assets

The Group does not have any contingent assets as at 31 March 2023 and 31 March 2022.

33 Commitments

(a) Capital expenditure contracted for at the end of the reporting period but not recognized as liabilities is as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Property, plant and equipment	116	220
Total	**116**	**220**

34 Leases

Following are the notes related to Leases

Particulars	Year Ended 31 March 2023				Year Ended 31 March 2022			
	Category of ROU asset				Category of ROU asset			
	Buildings	Vehicles	Lease hold land	Total	Buildings	Vehicles	Lease hold land	Total
Balance at beginning	1,176	-	300	1,476	613	1	304	918
Additions	1,466	-	-	1,466	793	-	-	793
Additions through business combination	-	-	-	-	325	-	-	325
Deletions	(140)	-	-	(140)	(149)	-	-	(149)
Depreciation	(465)	-	(4)	(469)	(406)	(1)	(4)	(411)
Translation difference	32	-		32		-	-	-
Balance at the end	**2,069**	**-**	**296**	**2,365**	**1,176**	**-**	**300**	**1,476**

The following is the movement in lease liabilities

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Balance at the beginning	1,351	816
Additions	1,418	793
Additions through business combination	-	358
Deletions	(140)	(152)
Finance cost accrued during the period	141	77
Payment of lease liabilities	(562)	(546)
Translation difference	32	5
Balance at the end	**2,240**	**1,351**

Notes to the Consolidated Financial Statements

(All amounts in Rs Mn unless otherwise stated)

The following is the break-up of current and non-current lease liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Current lease liabilities	454	414
Non-current lease liabilities	1,786	937
Total	**2,240**	**1,351**

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at 31 March 2023	As at 31 March 2022
Less than one year	600	474
One to five years	1,567	683
More than five years	774	688
Total	**2,941**	**1,845**

The following are the amounts recognised in consolidated statement of profit and loss:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Depreciation expense of right-of-use assets	469	411
Interest expense on lease liabilities	141	77
Expense relating to short-term leases and leases of low-value assets (included in other expenses)	222	240
Total	**832**	**728**

The group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases and leases of low-value assets was Rs. 222 Mn (Previous period Rs. 240 Mn) for the year ended 31 March 2023.

The Group had total cash outflows for principal portion of leases of Rs. 421 Mn (Previous year Rs. 386 Mn).

The aggregate depreciation on ROU assets has been included under depreciation and amortisation expense in the consolidated statement of profit and loss.

35 Share-based stock payments

(a) Employee stock option plan

The establishment of the Coforge Employee Stock Option Plan 2005 (formerly NIIT Technologies Employee Stock Option Plan 2005) (ESOP 2005) was approved by the shareholders in the annual general meeting held on 18 May, 2005. The ESOP 2005 is designed to offer and grant share-based payments for the benefit of employees of the Company and its subsidiaries, who are eligible under Securities Exchange Board of India (SEBI) Guidelines (excluding promoters). The ESOP 2005 allowed grant of options of the Group in aggregate up to 3,850,000 in one or more tranches. This limit was increased by 1,690,175 and further by 900,000 additional option in the existing ESOP plan over and above earlier options issued by the Company. Under the plan, participants are granted options which vest upon completion of such terms and conditions as may be fixed or determined by the Board in accordance with the provisions of law or guidelines issued by the relevant authorities in this regard.

Participation in the plan is at the board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits. As per the plan each option is exercisable for one equity share of face value of Rs 10 each fully paid up on payment to the Group for such shares at a price to be determined in accordance with ESOP 2005. Hence, the plan is equity settled for the Group.

Notes to the Consolidated Financial Statements

(All amounts in Rs Mn unless otherwise stated)

Set out below is a summary of options granted under the plan:

	Year ended March 31, 2023		Year ended March 31, 2022	
	Average exercise price per share	Number of options	Average exercise price per share	Number of options
Opening balance	21.65	1,340,822	50.02	1,574,493
Granted during the year	10.00	276,480	10.00	302,000
Exercised during the year *	99.78	173,928	157.72	320,803
Forfeited/ lapsed during the year	10.00	104,953	10.00	214,868
Closing balance	**10.00**	**1,338,421**	**21.65**	**1,340,822**
Vested and exercisable		150,703		115,727

*The weighted average share price at the date of exercise of these options during the year ended 31 March 2023 was Rs. 3,798.21 (31 March 2022 - Rs. 5,312.64)

The weighted average remaining contractual life for the share options outstanding as at 31 March 2023 was 1.3 years (31 March 2022: 1.95 years).

The weighted average fair value of options granted during the year was Rs. 3,340 (31 March 2022: Rs. 3,452).

The range of exercise prices for options outstanding at the end of the year was Rs. 10 (31 March 2022: Rs. 10 to Rs. 1,048.9).

ii) Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant Year	Vesting conditions	Vesting Date	Expiry date	Exercise price	Fair Value at the grant date	Share options outstanding as at	
						31 March 2023	31 March 2022
2018-19	Service	23-May-19 to 20-Mar-22	23-May-22 to 20-Mar-25	10 to 1364.4	296.72 to 1319.16	-	15,030
2019-20	Service and service/ performance	31-Mar-21 to 30-Sep-25	31-Dec-23 to 29-Mar-32	10	879.3 to 1183.04	861,636	1,022,553
2020-21	Service and service/ performance	1-Jan-22 to 30-Sept-25	31-Dec-23 to 31-Dec-25	10	915.67 to 2606.46	22,934	24,237
2021-22	Service and service/ performance	30 Sep 22 to 30-Sep-25	31 Dec 23 to 30-Sep-30	10	3039.9 to 5811.38	177,837	279,002
2022-23	Service and service/ performance	31 May 23 to 29 Mar 26	31 Dec 23 to 31 Dec 26	10	3165.96 to 3836.15	276,014	-
Total						**1,338,421**	**1,340,822**

(i) Fair value determination of options granted

The fair value at grant date is determined using the Black Scholes Model as per an independent valuer's report, having taken into consideration the market price being the latest available closing price prior to the date of the grant, exercise price being the price payable by the employees for exercising the option and other assumptions as annexed below:

Grant Year	Market Price at the grant date	Fair Value at grant date	Exercise Price	Volatility*	Average Life of the Options (in Years)	Risk Less Interest Rate	Dividend yield rate
FY 2021-22	3107.65 to 5931.15	3040 to 5811	10	43.39% to 58.42%	0.94 to 4.48	3.84% to 6.33%	0.33% to 0.58%
FY 2022-23	3235.95 to 3884.45	3165.96 to 3836.15	10	42.94% to 46.93%	1.03 to 3.53	5.86% to 7.16%	0.39 to 0.53

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

Notes to the Consolidated Financial Statements

(All amounts in Rs Mn unless otherwise stated)

(b) Stock appreciation rights

In financial year 2018-19, the Group issued the stock appreciation rights, liability for which is measured initially and at the end of each reporting period until settled, at the fair value of the SARs by applying a black Scholes model, taking into account the terms and conditions on which the SARs were granted and the extent to which the employees have rendered services to date. The carrying amount of the liability relating to the SARs at 31 March 2023 was Rs 26 Mn (31 March 2022: Rs 50 Mn) and expense recognised during the year Rs 3 Mn (31 March 2022: Rs 35 Mn). During the year 8,560 (31 March 2022 : 11,970) stock appreciation rights have been vested.

(c) Expense arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised in consolidated statement of profit and loss as part of employee benefit expense were as follows:

	31 March 2023	31 March 2022
Expense arising from equity-settled share-based payment transactions	574	382

36 Additional information required by Schedule III

Name of the entity in the group	Net assets (total assets minus total liabilities)		Share in profit or (loss)#		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent								
Coforge Limited								
31 March 2023	17.55	5,563	34.43	2,565	(92.28)	(291)	29.27	2,274
31 March 2022	20.94	6,333	62.82	4,157	81.57	216	41.79	3,097
Subsidiaries **Indian**								
Coforge SmartServe Limited								
31 March 2023	2.00	633	3.27	244	(0.53)	(2)	3.12	242
31 March 2022	2.14	648	1.75	116	0.13	0	2.04	151
Coforge Services Limited								
31 March 2023	0.11	34	0.02	1	-	-	0.01	1
31 March 2022	0.11	33	0.02	1	-	-	0.01	1
Coforge DPA Private Limited								
31 March 2023	7.11	2,255	17.18	1,280	6.70	21	16.76	1,301
31 March 2022	6.66	2,015	12.41	821	6.25	17	21.80	1,616
Coforge SF Private Limited								
31 March 2023	3.29	1,042	5.12	382	14.83	47	5.52	429
31 March 2022	4.29	1,298	2.33	154	1.10	3	4.30	319
Coforge Business Process Solutions Private Limited (Erstwhile SLK Global Solutions Pvt Limited)								
31 March 2023	7.55	2,392	7.24	540	10.45	33	7.38	573
31 March 2022	15.45	4,672	3.28	217	17.37	46	7.61	564
Foreign								
Coforge Inc.								
31 March 2023	15.26	4,837	13.87	1,033	44.81	141	15.13	1,175
31 March 2022	10.73	3,247	7.95	526	-	-	7.10	526
Coforge U.K. Limited (erstwhile NIIT Technologies Limited)								
31 March 2023	11.79	3,737	11.96	891	8.50	27	11.82	918
31 March 2022	10.52	3,183	3.16	209	-	-	2.82	209
Coforge Pte Limited (erstwhile NIIT Technologies Pacific Pte Limited)								
31 March 2023	3.27	1,036	1.16	87	-	-	1.11	87
31 March 2022	1.51	458	0.83	55	-	-	0.74	55

Notes to the Consolidated Financial Statements

(All amounts in Rs Mn unless otherwise stated)

Name of the entity in the group	Net assets (total assets minus total liabilities)		Share in profit or (loss)#		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Coforge BV (erstwhile NIIT Technologies BV)								
31 March 2023	0.13	40	0.03	2	16.08	51	0.68	53
31 March 2022	0.19	57	(0.30)	(20)	-	-	(0.27)	(20)
Coforge Limited, Thailand (erstwhile NIIT Technologies Ltd)								
31 March 2023	1.44	457	0.15	11	(0.10)	(0)	0.14	11
31 March 2022	1.33	402	0.51	34	-	-	0.46	34
Coforge Technologies (Australia) Pty Limited (erstwhile NIIT Technologies Pty Ltd)								
31 March 2023	1.18	373	1.38	103	11.40	36	1.79	139
31 March 2022	1.28	388	1.03	68	-	-	0.92	68
Coforge GmbH(erstwhile NIIT Technologies GmbH)								
31 March 2023	0.26	82	0.09	7	(4.65)	(15)	(0.10)	(8)
31 March 2022	0.46	138	(0.15)	(10)	-	-	(0.13)	(10)
Coforge Advantage Go (erstwhile NIIT Insurance Technologies Limited)								
31 March 2023	7.52	2,383	(8.37)	(624)	0.88	3	(8.00)	(621)
31 March 2022	7.40	2,238	2.09	138	-	-	1.86	138
Coforge Airline Technologies GmbH (erstwhile NIIT Airline Technologies GmbH)								
31 March 2023	0.37	118	0.60	44	6.77	21	0.85	66
31 March 2022	0.35	105	0.47	31	-	-	0.42	31
Coforge FZ LLC(erstwhile NIIT Technologies FZ LLC)								
31 March 2023	4.23	1,342	2.80	209	4.30	14	2.86	222
31 March 2022	1.83	555	0.80	53	-	-	0.72	53
Coforge S.A. (erstwhile NIIT Technologies S.A.)								
31 March 2023	0.51	163	0.60	45	7.65	24	0.89	69
31 March 2022	0.69	207	0.14	9	-	-	0.12	9
NIIT Technologies Philippines Inc								
31 March 2023	0.12	39	0.00	0	11.64	37	0.47	37
31 March 2022	0.04	11	(0.06)	(4)	-	-	(0.05)	(4)
Coforge BPM Inc. (erstwhile RuleTek LLC)								
31 March 2023	8.19	2,598	1.15	86	0.75	2	1.13	88
31 March 2022	7.16	2,166	0.66	44	-	-	0.59	44
Coforge SPÓŁKA Z OGRANICZONA ODPOWIEDZIALNOSCIA (erstwhile NIIT Technologies Spółka Z Ograniczona Odpowiedzialnoscia)								
31 March 2023	0.01	2	0.55	41	46.83	148	2.43	189
31 March 2022	(0.10)	(31)	0.29	19	-	-	0.26	19
Coforge SDN. BHD. Malaysia (Erstwhile NIIT Technologies SDN. BHD)								
31 March 2023	0.17	53	(0.01)	(1)	0.72	2	0.02	1
31 March 2022	0.12	36	0.03	2	-	-	0.03	2
Coforge A.B. Sweden (Erstwhile NIIT Technologies A.B.)								
31 March 2023	0.00	0	0.00	0	0.06	0	0.00	0
31 March 2022	0.00	1	-	-	-	-	-	-
Coforge S.R.L., Romania (Erstwhile NIIT Technologies S.R.L.)								
31 March 2023	0.00	0	(0.00)	(0)	0.00	0	(0.00)	(0)
31 March 2022	0.00	0	-	-	-	-	-	-
Coforge SpA, Chile								
31 March 2023	0.03	8	(0.00)	(0)	0.25	1	0.01	1
31 March 2022	0.03	10	(0.02)	(1)	-	-	(0.01)	(1)
Coforge Healthcare Digital Automation LLC								
31 March 2023	0.21	66	(0.18)	(14)	1.42	4	(0.12)	(9)
31 March 2022	0.48	146	(0.02)	(2)	-	-	(0.02)	(2)
Coforge Solutions Pvt Ltd								
31 March 2023	2.51	796	(0.04)	(3)	(0.61)	(2)	(0.06)	(5)
31 March 2022	-	-	-	-	-	-	-	-
Non controlling interest in all subsidiaries								
Coforge Business Process Solutions Private Limited (Erstwhile SLK Global Solutions Pvt Limited)								
31 March 2023	5.03	1,595	7.15	533	2.85	9	2.95	229
31 March 2022	6.18	1,869	8.02	531	(6.42)	(17)	3.04	226
Foreign								
Coforge Healthcare Digital Automation LLC								
31 March 2023	0.17	55	(0.15)	(11)	1.27	4	(0.05)	(4)
31 March 2022	0.22	66	(0.02)	(1)	-	-	(0.01)	(1)
Total								
31 March 2023	100.00	31,698	100.00	7,451	100.00	316	100.00	7,767
31 March 2022	100.00	28,315	100.00	6,617	100.00	282	100.00	6,899

#This is pre intercompany adjustment excluding dividend.

Notes to the Consolidated Financial Statements

(All amounts in Rs Mn unless otherwise stated)

		Year ended 31 March 2023	Year ended 31 March 2022
37	**Earnings per Share**		
	(a) Basic earnings per equity share of Rs 10 each		
	Attributable to the equity holders of the Company (Rs. Per share)	113.77	109.02
	(b) Diluted earnings per equity share of Rs 10 each		
	Attributable to the equity holders of the Company (Rs. Per share)	111.53	106.52
	(c) Reconciliations of earnings used in calculating earnings per share		
	Basic earnings per share		
	Profit attributable to the equity holders of the Company used in calculating basic earnings per share:	6,938	6,617
	Diluted earnings per share		
	Profit attributable to the equity holders of the Company used in calculating diluted earnings per share	6,938	6,617
	(d) Weighted average number of shares used as the denominator		
	Weighted average number of equity shares used as the denominator in calculating basic earnings per share (numbers)	60,981,411	60,694,760
	Adjustments for calculation of diluted earnings per share:		
	Stock Options outstanding (numbers)*	1,225,284	1,424,394
	Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share (numbers)	62,206,695	62,119,154

*Stock Options outstanding

Options granted to employees under the Employee stock option plan 2005 are considered to be potential equity shares. They have been included in the determination of diluted earnings per share to the extent to which they are dilutive. The options have not been included in the determination of basic earnings per share. Details relating to the options are set out in note 35.

38 Subsequent events

There were no significant reportable subsequent events that occurred after the balance sheet date but before financial statements were issued.

39 Other Statutory Information

The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

Notes to the Consolidated Financial Statements

(All amounts in Rs Mn unless otherwise stated)

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

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

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

40 Previous year figures have been reclassified to conform to current year's classification.

As per our report of even date

For and on Behalf of Board of Directors of Coforge Limited

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

Sudhir Singh
CEO & Executive Director
DIN : 07080613
Place : Gurugram
Date : 27 April 2023

Hari Gopalakrishnan
Director
DIN : 03289463
Place : Mumbai
Date : 27 April 2023

Yogender Seth
Partner
Membership No.094524
Place : Gurugram
Date : 27 April 2023

Ajay Kalra
Chief Financial Officer
Place : Gurugram
Date : 27 April 2023

Barkha Sharma
Company Secretary
Place : Gurugram
Date : 27 April 2023

INDEPENDENT AUDITOR'S REPORT

To the Members of Coforge Limited (erstwhile NIIT Technologies Limited)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Coforge Limited (erstwhile NIIT Technologies Limited) (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31 2022, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated Ind AS 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 consolidated state of affairs of the Group as at March 31, 2022, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS 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 Consolidated Ind AS Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the 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 consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Recoverability of trade receivables and unbilled revenue related to Government Customer	
As at March 31, 2022, the Group has outstanding trade receivables and unbilled revenue relating to Government customer in India. The appropriateness of the allowance for doubtful trade receivables pertaining to Government customers in India is subjective due to the high degree of significant judgement applied by management in determining the impairment provision. Refer Note 5 (iii) of the Consolidated Ind AS Financial Statements	Our audit procedures included the following: • We evaluated the Group's processes and controls relating to the monitoring of trade receivables & unbilled from Government customer. • We performed procedures relating to obtaining evidence of receipts from the trade receivables after the period end on test check basis. • We inquired management about the recoverability status and reviewed communication received from the customer. • We evaluated management's assumptions used to determine the impairment amount, through analysis of ageing of trade receivables, assessment of material overdue individual trade receivables and risks specific to the Government customer.

Key audit matters	How our audit addressed the key audit matter
Impairment- Goodwill and other intangibles	
Determination of recoverable amount pertaining to Goodwill and other intangibles is complex and typically requires a high level of judgement, taking into account the different economic environments in which the Group operates. The most significant judgements arise over the forecast cash flows, discount rate and growth rate applied in the valuation models. Due to the inherent uncertainty associated with these assumptions and the consequent cash flow projections, the same is considered as a key audit matter. Refer Note 4 of the Consolidated Ind AS Financial Statements	Our audit procedures included the following: • We evaluated the Group's internal controls over its annual impairment test, key assumptions applied such as discount rates and growth rates based on our understanding of the relevant business and the industry and economic environment in which it operates. • We compared forecasts to business plans and also previous forecasts to actual results to assess the performance of the business and the forecasting of the scenarios used, in the context of our wider business understanding. • We involved our own valuation specialists to assist us in evaluating the key assumptions and methodologies used by the Group, in particular those relating to discount rates, and growth rates, which were based on our industry knowledge and experience.
Business Combination	
During the year, the Group made a strategic investment in M/s SLK Global Solutions Private Limited, currently known as Coforge Business Process Solutions Private Limited (the "Investee Company", "SLK Global") and its subsidiaries on April 12, 2021 35% stake of the Investee Company was purchased on April 12, 2021 and additional stake of 25% was purchased on April 28, 2021, aggregating to 60% of the total share capital of the Investee Company and accordingly obtained control. Both these transactions are linked transactions and the Group has determined April 28, 2021 as the date of acquisition of control. The assets and liabilities acquired were recognised at fair value at the date of acquisition. Goodwill was recognised as the remaining portion of the purchase price that was not allocated to the acquired assets and liabilities as part of the purchased price allocation. To determine fair value of individual assets acquired, including Customer relationship and non-compete fees involves complex valuation models and assumption used. This measurement was dependent on estimates of future cash flow as well as cost of capital applied which involves significant judgement. Further as per share purchase agreement, the Group will be acquiring the remaining stake over the period which involve uncertainty in valuation of future liability and call option. In this context and due to the underlying complexity of the valuation models, there is a risk that the fair values have not been determined appropriately. Refer Note 31 of the Consolidated Ind AS Financial Statements	With respect to the accounting for the acquisition,: • Read share purchase agreement with the shareholders of SLK Global for obtaining an understanding of acquisition and to evaluate the financial statement impact. • Evaluate whether the accounting treatment is in accordance with Ind AS 103; • Involved internal valuation specialist to assess the appropriateness of the methodology applied by the management to determine the fair valuation of assets and liabilities acquired. Key assumption and methodologies used by the management specialist were evaluated like discount rates, growth rates including terminal growth, projected cash flows in line with past trend and useful lives assigned for identified assets with reference to our own independent expectations, which were based on our industry knowledge and experience and have tested the valuation for mathematical accuracy. • In addition, we assessed whether the disclosures in the notes to the consolidated Ind AS financial statements are in line with the requirement of Ind AS 103.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the Board Report, Management Discussion and Analysis, Business Responsibility Report and Report on Corporate Governance, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

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

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

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group 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. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

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

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS 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 consolidated Ind AS 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 Holding 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 cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

(a) We did not audit the financial statements and other financial information, in respect of 13 subsidiaries, whose financial statements include total assets of Rs 11,965 million as at March 31, 2022, and total revenues of Rs 18,425 million and net cash inflows of Rs 378 million for the year ended on that date. These Ind AS financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the report(s) of such other auditors.

(b) The accompanying consolidated Ind AS financial statements include unaudited financial statements and other unaudited financial information in respect of 11 subsidiaries, whose financial statements and other financial information reflect total assets of Rs 897 million as at March 31, 2022, and total revenues of Rs 298 million and net cash inflows of Rs 47 million for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. Our opinion, in so far as it relates amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

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

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, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph, we report, to the extent applicable, that:

(a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;

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

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

(d) In our opinion, the aforesaid consolidated 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 of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 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 consolidated financial statements of the Holding Company and its subsidiary companies, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, the managerial remuneration for the year ended March 31, 2022 has been provided by the Holding Company, its subsidiaries, incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated Ind AS financial statements – Refer Note 33 to the consolidated financial statements;

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer (a) Note 13(iv) to the consolidated Ind AS financial statements in respect of such items as it relates to the Group;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, incorporated in India during the year ended March 31, 2022.

iv. a) The respective managements of the Holding Company and its subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, respectively that, to the best of 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 Holding Company or any of such subsidiaries, 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 respective Holding Company or any of such subsidiaries, ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, respectively that, to the best of its knowledge and belief, no funds have been received by the respective Holding Company or any of such subsidiaries, from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries, 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 the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v) The final dividend paid by the Holding Company and its subsidiaries companies incorporated in India during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

The interim dividend declared and paid during the year by the Holding Company, its subsidiaries companies incorporated in India and until the date of the respective audit reports of such Holding Company, subsidiaries is in accordance with section 123 of the Act.

The Board of Directors of the Holding Company, its subsidiaries companies, incorporated in India have proposed final dividend for the year which is subject to the approval of the members of the respective companies at the respective ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

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per Yogender Seth

Partner

Membership Number: 094524

UDIN: 22094524AIVZQO7169

Place of Signature: Gurugram

Date: May 12, 2022

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT REFERRED TO IN PARAGRAPH 1 OF "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

Re: Coforge Limited (erstwhile NIIT Technologies Limited) ("the Company")

3(xxi) Qualifications by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements are:

S.No	Name	CIN	Holding company/ subsidiary	Clause number of the CARO report which is qualified
1	Coforge Business Process Solutions Private Limited (Formerly SLK Global Solutions Private Limited)	U72200PN2001PTC204300	Subsidiary Company	3(vii)(a)
2	Coforge DPA Private Limited (formerly known as NIIT Incessant Private Limited)	U72200TG2007PTC056127	Subsidiary Company	3(vii)(a)
3	Coforge SF Private Limited (formerly known as Whishworks IT Consulting Private Limited)	U72200TG2010PTC067287	Subsidiary Company	3(vii)(a)

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

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per Yogender Seth

Partner

Membership Number: 094524

UDIN: 22094524AIVZQO7169

Place of Signature: Gurugram

Date: May 12, 2022

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF COFORGE LIMITED (ERSTWHILE NIIT TECHNOLOGIES LIMITED)

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

In conjunction with our audit of the consolidated financial statements of Coforge Limited (erstwhile NIIT Technologies Limited) (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company and its subsidiaries, which are companies incorporated in India, as of that date (the Holding Company and its subsidiaries together referred to as "the Group").

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting 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 respective 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 Holding Company's internal financial controls with reference to consolidated Ind AS 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, 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 consolidated Ind AS 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 consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated Ind AS financial statements included obtaining an understanding of internal financial controls with reference to consolidated Ind AS 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated Ind AS financial statements.

Meaning of Internal Financial Controls With Reference to Consolidated Ind AS Financial Statements

A company's internal financial control with reference to consolidated Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated Ind AS 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 Consolidated Ind AS Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated Ind AS 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 consolidated Ind AS financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated Ind AS 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 Group, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to Ind AS consolidated financial statements and such internal financial controls with reference to consolidated Ind AS financial statements were operating effectively as at March 31,2022, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company, in so far as it relates to one subsidiary, which is company incorporated in India, is based on the corresponding report of the auditors of such subsidiary incorporated in India.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

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per Yogender Seth

Partner

Membership Number: 094524

UDIN: 22094524AIVZQO7169

Place of Signature: Gurugram

Date: May 12, 2022

Coforge Limited (erstwhile NIIT Technologies Limited)
Consolidated Balance Sheet

(All amounts in Rs. Mn unless otherwise stated)

Particulars	Notes	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	4,452	3,598
Right-of-use assets	35	1,476	918
Capital work-in-progress	3	86	2
Goodwill	4	10,708	4,226
Other intangible assets	4	4,031	1,464
Intangible assets under development	4	82	-
Financial assets			
Investments	5 (i)	-	-
Trade receivables	5 (iii)	1,691	1,584
Other financial assets	5 (iv)	421	245
Income tax assets (net of provisions)	7	607	358
Deferred tax assets (net)	6	2,736	1,447
Other non-current assets	9	1,045	254
Total non-current assets		**27,335**	**14,096**
Current assets			
Contract assets	8	1,184	629
Financial assets			
Investments	5 (ii)	-	124
Trade receivables	5 (iii)	13,894	10,683
Cash and cash equivalents	5 (v)	4,468	7,999
Other bank balances	5 (vi)	67	123
Other financial assets	5 (iv)	662	300
Other current assets	9	1,934	1,079
Total current assets		**22,209**	**20,937**
TOTAL ASSETS		**49,544**	**35,033**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10	609	606
Other equity	11	26,722	24,055
Equity attributable to owners of Coforge Limited		**27,331**	**24,661**
Non-controlling interests	12	983	-
Total equity		**28,314**	**24,661**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	13 (i)	3,365	3
Lease Liability	35	937	548
Trade payables	13 (iii)	364	325
Other financial liabilities	13 (iv)	2,908	-
Employee benefit obligations	15	1,047	696
Deferred tax liabilities	6	766	194
Other non-current liabilities	16	51	181
Total non- current liabilities		**9,438**	**1,947**
Current liabilities			
Financial liabilities			
Borrowings	13 (ii)	180	7
Lease Liability	35	414	268
Trade payables	13 (iii)	6,160	3,398
Other financial liabilities	13 (iv)	2,398	2,435
Employee benefit obligations	15	316	222
Provisions	14	-	3
Other current liabilities	16	2,324	2,092
Total current liabilities		**11,792**	**8,425**
Total Liabilities		**21,230**	**10,372**
TOTAL EQUITY AND LIABILITIES		**49,544**	**35,033**

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date
For S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration No.101049W/E300004

Sudhir Singh
CEO & Executive Director
DIN- 07080613
Place : New Jersey USA
Date : 12 May 2022

Hari Gopalakrishnan
Director
DIN- 03289463
Place : Mumbai
Date : 12 May 2022

Yogender Seth
Partner
Membership No.094524
UDIN: 21094524AAAACA7829
Place : Gurugram
Date : 12 May 2022

Ajay Kalra
Chief Financial Officer
Place : Gurugram
Date : 12 May 2022

Barkha Sharma
Company Secretary
Place : Gurugram
Date : 12 May 2022

Coforge Limited (erstwhile NIIT Technologies Limited)
Consolidated Statement of Profit and Loss

(All amounts in Rs. Mn unless otherwise stated)

Particulars	Notes	Year ended 31 March 2022	Year ended 31 March 2021
Revenue from operations	17	64,320	46,628
Other income	18	518	326
Total income		**64,838**	**46,954**
Expenses			
Purchases of stock-in-trade / contract cost		1,724	1,935
Employee benefits expense	19	38,346	28,158
Depreciation and amortisation expense	20	2,272	1,836
Other expenses	21	13,231	8,740
Finance costs	22	650	143
Total expenses		**56,223**	**40,812**
Profit before exceptional items and tax		**8,615**	**6,142**
Exceptional items	23	-	180
Profit before tax		**8,615**	**5,962**
Income tax expense:	24		
Current tax		1,774	1,608
Deferred tax		(306)	(306)
Total tax expense		**1,468**	**1,302**
Profit for the year		**7,147**	**4,660**
Other comprehensive income/(loss)			
Items that may be reclassified to profit or loss			
Fair value changes on derivatives designated as cash flow hedge, net		21	369
Exchange differences on translation of foreign operations		231	285
Income tax relating to items that will be reclassified to profit or loss		(3)	(95)
		249	**559**
Items that will not be reclassified to profit or loss			
Remeasurement of post - employment benefit obligations (expenses) / income		13	(12)
Income tax relating to items that will not be reclassified to profit or loss		3	3
		16	**(9)**
Other comprehensive income for the year, net of tax		**265**	**550**
Total comprehensive income for the year		**7,412**	**5,210**
Profit is attributable to:			
Owners of Coforge Limited		6,617	4,556
Non-controlling interests		530	104
		7,147	**4,660**
Other comprehensive income is attributable to:			
Owners of Coforge Limited		248	550
Non-controlling interests		17	-
		265	**550**
Total comprehensive income is attributable to:			
Owners of Coforge Limited		6,865	5,106
Non-controlling interests		547	104
		7,412	**5,210**
Earnings per equity share (of Rs 10 each) attributable to owners of Coforge Limited			
Basic earnings per share	38	109.02	74.68
Diluted earnings per share	38	106.52	73.29

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date
For S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration No.101049W/E300004

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CEO & Executive Director
DIN- 07080613
Place : New Jersey USA
Date : 12 May 2022

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Partner
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UDIN: 21094524AAAACA7829
Place : Gurugram
Date : 12 May 2022

Ajay Kalra
Chief Financial Officer
Place : Gurugram
Date : 12 May 2022

Barkha Sharma
Company Secretary
Place : Gurugram
Date : 12 May 2022

Coforge
Engage With The Emerging

Coforge Limited (erstwhile NIIT Technologies Limited)

Consolidated Statement of Changes in Equity

(All amounts in Rs. Mn unless otherwise stated)

a. Equity Share Capital

Particulars	Number	Amount
As at 1 April 2020	**62,494,559**	**625**
Shares extinguished on buy back (Refer note 10)	(1,956,290)	(20)
Issue of Shares	54,080	1
As at 1 April 2021	**60,592,349**	**606**
Issue of Shares	320,803	3
As at 31 March 2022	**60,913,152**	**609**

b. Other Equity

Description	Other Equity										
	Reserves and Surplus						Other comprehensive income		Total other equity	Non-controlling interest	Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium	Employee stock option	General Reserves	Retained Earnings	Cash Flow Hedging Reserve	Foreign Currency Translation Reserve			
Balance at 1 April 2020	**11**	**17**	**1,053**	**83**	**2,306**	**19,415**	**(197)**	**652**	**23,340**	**-**	**23,340**
Profit for the year	-	-	-	-	-	4,556	-	-	4,556	104	4,660
Other Comprehensive Income	-	-	-	-	-	(9)	274	285	550	-	550
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**4,547**	**274**	**285**	**5,106**	**104**	**5,210**
Transferred from Employee Stock Option Reserve on exercise of stock options	-	-	22	(22)	-	-	-	-	-	-	-
Shares issued on exercise of employee stock options	-	-	17	-	-	-	-	-	17	-	17
Shares based payments expense	-	-	-	462	-	-	-	-	462	-	462
Dividend paid	-	-	-	-	-	(687)	-	-	(687)	-	(687)
Change in fair value of NCI	-	-	-	-	-	(36)	-	-	(36)	-	(36)
Derecognition of NCI to financial liability	-	-	-	-	-	-	-	-	-	(104)	(104)
Buy back of equity shares including transaction cost (Refer note 10)	-	19	(1,053)	-	(249)	(2,864)	-	-	(4,147)	-	(4,147)
Balance as at 31 March 2021	**11**	**36**	**39**	**523**	**2,057**	**20,375**	**77**	**937**	**24,055**	**-**	**24,055**

Coforge Limited (erstwhile NIIT Technologies Limited)

Consolidated Statement of Changes in Equity

(All amounts in Rs. Mn unless otherwise stated)

Description	Other Equity										
	Reserves and Surplus						Other comprehensive income				
	Capital Reserve	Capital Redemption Reserve	Securities Premium	Employee stock option	General Reserves	Retained Earnings	Cash Flow Hedging Reserve	Foreign Currency Translation Reserve	Total other equity	Non-controlling interest	Total
Balance at 1 April 2021	**11**	**36**	**39**	**523**	**2,057**	**20,375**	**77**	**937**	**24,055**	**-**	**24,055**
Profit for the year	-	-	-	-	-	6,617	-	-	6,617	530	7,147
Other Comprehensive Income	-	-	-	-	-	4	18	226	248	17	265
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**6,621**	**18**	**226**	**6,865**	**547**	**7,412**
Transferred from Employee Stock Option Reserve on exercise of stock options (ESOP)	-	-	297	(297)	-	-	-	-	-	-	-
Tax benefit on share based payment # (Refer note 36)	-	-	-	-	-	382	-	-	382	-	382
Shares issued on exercise of employee stock options	-	-	48	-	-	-	-	-	48	-	48
Shares based payments expense	-	-	-	349	-	-	-	-	349	-	349
Dividend paid	-	-	-	-	-	(3,155)	-	-	(3,155)	-	(3,155)
Change in fair value of NCI	-	-	-	-	-	(1,822)	-	-	(1,822)	-	(1,822)
Derecognition of NCI to financial liability	-	-	-	-	-	-	-	-	-	(1,110)	(1,110)
NCI arising from acquisition of subsidiary (Refer note 32)	-	-	-	-	-	-	-	-	-	2,142	2,142
Dividend from subsidiary	-	-	-	-	-	-	-	-	-	(596)	(596)
Balance as at 31 March 2022	**11**	**36**	**384**	**575**	**2,057**	**22,401**	**95**	**1,163**	**26,722**	**983**	**27,705**

In certain jurisdictions, the Group is entitled to tax benefit on share based payment, over and above the share based payment expense recorded. Such tax benefit is included in equity under the head " Tax benefit on share based payment".

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

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

Sudhir Singh
CEO & Executive Director
DIN- 07080613

Place : New Jersey USA
Date : 12 May 2022

Hari Gopalakrishnan
Director
DIN- 03289463

Place : Mumbai
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Partner
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UDIN: 21094524AAAACA7829

Place : Gurugram
Date : 12 May 2022

Ajay Kalra
Chief Financial Officer

Place : Gurugram
Date : 12 May 2022

Barkha Sharma
Company Secretary

Place : Gurugram
Date : 12 May 2022

Coforge Limited (erstwhile NIIT Technologies Limited)
Consolidated Statement of Cash Flows

(All amounts in Rs. Mn unless otherwise stated)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Cash flow from operating activities		
Profit before tax	8,615	5,962
Adjustments for		
Depreciation and amortisation expense	2,272	1,836
Loss on disposal of property, plant and equipment (net)	-	16
Interest and finance charges	609	107
Employee share-based payment expense	355	476
Allowance for doubtful debts & contract assets (net)	16	610
Provision for customer contracts written back	-	(87)
Dividend and interest income	(31)	(40)
Realised and unrealised loss/ (gain) on investments	(3)	(8)
Unwinding of discount - Finance Income	(98)	(69)
	3,120	**2,841**
Changes in operating assets and liabilities		
(Increase)/Decrease in trade receivables	(3,152)	(691)
(Increase)/Decrease in other financial assets	600	(566)
(Increase)/Decrease in other assets	(1,276)	(218)
Increase/(Decrease) in provisions	223	80
Increase/(Decrease) in trade payables	2,153	785
Increase/(Decrease) in other liabilities	19	1,112
Cash (used) / generated from operations	**(1,433)**	**502**
Income taxes paid	(2,646)	(1,682)
Net cash inflow from operating activities	**7,656**	**7,623**
Cash flow from investing activities		
Purchase of property, plant and equipment	(1,541)	(782)
Proceeds from sale of property, plant and equipment	66	25
Acquisition of a subsidiary / operations, net of cash acquired (Refer Note 32)	(8,557)	(264)
Proceeds from sale of current investments	450	21
Interest received on bank deposits	18	73
Net cash (outflow) from investing activities	**(9,564)**	**(927)**

Coforge Limited (erstwhile NIIT Technologies Limited)
Consolidated Statement of Cash Flows

(All amounts in Rs. Mn unless otherwise stated)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Cash flow from financing activities		
Payment for buy back of own equity shares (including taxes)	-	(4,166)
Proceeds from issue of shares (including securities premium)	51	18
Purchase of additional stake in subsidiaries	(729)	(1,427)
Proceeds from term loan	3,578	-
Repayment of term loan	(59)	(306)
Payment of principal portion of lease liabilities	(386)	(312)
Interest paid	(265)	(79)
Dividends paid to the NCI	(596)	-
Dividends paid to the Company's shareholders	(3,152)	(686)
Net cash (outflow) from financing activities	**(1,558)**	**(6,958)**
Net (decrease) in cash and cash equivalents	(3,466)	(262)
Cash and cash equivalents at the beginning of the financial year	7,999	8,195
Effects of exchange rate changes on cash and cash equivalents	(65)	66
Cash and cash equivalents at the end of the financial year	**4,468**	**7,999**
Cash and Cash Equivalents comprise of:		
Cheques, drafts on hand	2	8
Balances with banks	4,466	7,264
Fixed deposit accounts (less than 3 months maturity)	-	727
Total [Refer note 5(v)]	**4,468**	**7,999**

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
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Place : Gurugram
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Barkha Sharma
Company Secretary
Place : Gurugram
Date : 12 May 2022

Consolidated Notes to the financial statements **(All amounts in Rs. Mn unless otherwise stated)**

A. Background

Coforge Limited (erstwhile known as NIIT Technologies Limited) ("the Company") is a Company limited by shares, incorporated and domiciled in India. The Company delivers services around the world directly and through its network of subsidiaries and overseas branches (collectively known as "the Group"). The Group is rendering Information Technology/ Information Technology Enabled Services ("IT / ITES") across various geographies viz. Americas, Europe, Middle East and Africa, India and Asia Pacific; and is engaged in Application Development & Maintenance, Managed Services, Cloud Computing and Business Process Outsourcing to organizations in a number of sectors viz. Financial Services, Insurance, Travel, Transportation & Logistics, Manufacturing & Distribution and Government. The Company is a public listed company and is listed on Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). These financial statements were authorised for issue in accordance with a resolution of the directors on 12 May 2022.

On June 14, 2020, the Shareholders of the Company have approved the proposed change in name of the Company from "NIIT Technologies Limited" to "Coforge Limited". The name of the Company has been changed from "NIIT Technologies Limited" to "Coforge Limited" w.e.f. August 3, 2020 vide certificate of incorporation pursuant to change of name issued by the Ministry of Corporate Affairs, Government of India.

B. Basis of preparation of financial statements

(i) Compliance with Ind AS

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the consolidated financial statements.

The year number of Group include eleven months numbers of the SLK Global Solutions Pvt. Ltd. and its subsidiaries, currently known as Coforge Business Process Solutions Pvt. Ltd, hence year numbers are not comparable.

(ii) Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) and put option liability that are measured at fair value;
- defined benefit plans - plan assets measured at fair value [Refer note 1 (p)]; and
- share-based payments [refer note 1(p)]

C. Use of Estimates and judgements

The preparation of financial statements in conformity with Ind AS requires the management to make estimates, assumptions and judgements that affect the reported amounts of assets, liabilities, revenue, costs, expenses and other comprehensive income that are reported and disclosed in the consolidated financial statements. These estimates are based on the management's best knowledge of current events, historical experience, actions that the Group may undertake in the future and on various other assumptions that are believed to be reasonable under the circumstances. Significant estimates and assumptions are used, but not limited to allowance for uncollectible trade and contract assets, impairment of goodwill and business combination. Actual results could differ from those estimates. Changes in estimates are reflected in the financial statements in the period in which the changes are made and represent management's best estimate.

Impact of COVID 19 pandemic

The Group has evaluated the impact of COVID-19 pandemic on various aspects of its business and operations, including (i) constraints, if any, on its ability to render services which may require reassessment of estimations of costs to complete contracts; (ii) financial condition of its customers and their ability to pay; (iii) penalties relating to breaches of service level agreements; (iv) termination or suspension of contracts by its customers; and (v) impairment of goodwill and intangible assets. In developing the assumption relating to the possible future uncertainties in the global conditions because of the pandemic, the Group, as on date of approval of these financial statements, used internal and external sources of information. The Group has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of its assets will be recovered. The impact of COVID-19 on the consolidated financial statements may differ from that estimated as at the date of approval of these consolidated financial statements.

Consolidated Notes to the financial statements **(All amounts in Rs. Mn unless otherwise stated)**

Other areas involving critical estimates and judgements are:

The preparation of financial statements requires the use of accounting estimates which, by definition, may not equal the actual results. Management also needs to exercise judgment in applying the Group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Areas involving critical estimates and judgments are:

• Estimated goodwill impairment – Note 4 (a)

Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit (CGUs) is less than its carrying amount. For the impairment testing, goodwill is allocated to the CGU or Groups of CGUs which benefit from the synergies of the acquisition and which represent the lowest level at which goodwill is monitored for internal management purposes. However, such cannot be larger than an operating segment as defined in Ind AS 108 Operating Segments before aggregation.

The recoverable amount of CGUs is determined based on higher of value-in use and fair value less cost to sell. Key assumptions in the cash flow projections are prepared based on current economic conditions and comprises estimated long term revenue growth rates, weighted average cost of capital and estimated operating margins.

• Impairment of trade receivables – Note 5 (iii)

The impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Group uses judgment in making these assumptions and selecting the inputs to the expected credit loss calculation based on the Group's history of collections, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for Groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance).

• Business combination:

In accounting for business combinations, judgment is required in identifying whether an identifiable intangible asset is to be recorded separately from goodwill. Additionally, estimating the acquisition date fair value of the identifiable assets acquired (including useful life estimates), liabilities assumed, and contingent consideration assumed involves management judgment. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by management. Changes in these judgments, estimates, and assumptions can materially affect the results of operations. [Refer note 1(s)].
Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

D Basis of consolidation

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

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

Goodwill arising on acquisition of control is determined as per the business combination accounting policy [Refer note 1(s)]. The Group combines the financial statements of the parent and its subsidiaries line by line by adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies / different accounting period end of subsidiaries have been changed where necessary to ensure consistency with the policies / accounting period adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of financial position respectively.

(ii) Changes in ownership interests

The Group treats transactions with non - controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and fair value of any consideration paid or received is recognized within equity.

When the Group ceases to consolidate a subsidiary because of a loss of control, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognized in profit or loss. This fair value becomes the initial carrying amount for the purpose of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income are reclassified to profit or loss. Any investment retained is recognised at fair value.

1 Significant accounting policies

a Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. Financial statements of the Group are presented in Indian Rupee (INR), which is the parent company's functional and the Group's presentation currency.

(ii) Transactions & 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 which approximately equals to exchange rate at the transaction date.

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 as well as settlement of monetary items are recognized in the Statement of Profit and Loss.

(iii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of the balance sheet
- income and expenses are translated at the monthly average rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognized in other comprehensive income.

When a foreign operation is sold/wound up, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale/winding up.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rates.

Consolidated Notes to the financial statements **(All amounts in Rs. Mn unless otherwise stated)**

(b) Revenue from operations

The Group derives revenues primarily from business Information Technology services comprising of software development and related services, consulting and package implementation and from the licensing of software products offerings ("together called as software related services"). The Group's arrangements with customers for software related services are time-and-material, fixed-price, fixed capacity / fixed monthly, transaction based or multiple element contracts involving supply of hardware or software with other services. The Group classifies revenue from sale of it's own licenses and revenue from contracts where sale of hardware is a distinct performance obligation as Sale of products and the remaining software related services as Sale of services.

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services. The Group presents revenues net of indirect taxes in its statement of Profit and loss.

In case of arrangement involving resale of third-party products or services, the Group evaluates whether the Group is the principal (i.e. report revenues on a gross basis) or agent (i.e. report revenues on a net basis). In doing so, the Group first evaluates whether the Group controls the good or service before it is transferred to the customer. If Group controls the good or service before it is transferred to the customer, the Group is the principal; if not, the Group is the agent.

In case of multiple element contracts, at contract inception, the Group assesses its promise to transfer products or services to a customer to identify separate performance obligations. The Group applies judgement to determine whether each product or service promised to a customer is capable of being distinct, and are distinct in the context of the contract, if not, the promised products or services are combined and accounted as a single performance obligation. The Group allocates the arrangement consideration to separately identifiable performance obligation based on their relative stand-alone selling price or residual method. Stand-alone selling prices are determined based on sale prices for the components when it is regularly sold separately, in cases where the Group is unable to determine the stand-alone selling price the Group uses third-party prices for similar deliverables or the Group uses expected cost-plus margin approach in estimating the stand-alone selling price.

Method of revenue recognition

Revenue on time-and material contracts are recognized over time as the related services are performed.

Revenue from fixed-price, fixed-capacity and fixed monthly contracts, where the performance obligations are satisfied over time, is recognized as per the percentage-of completion method. The performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses.

Percentage of completion is determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. The cost expended (or input) method has been used to measure progress towards completion as there is a direct relationship between input and productivity. If the Group is not able to reasonably measure the progress of completion, revenue is recognized only to the extent of costs incurred, for which recoverability is probable. When total cost estimates exceed revenues in an arrangement, the estimated losses are recognized in the consolidated statement of income in the period in which such losses become probable based on the current contract estimates as an onerous contract provision.

Revenue from transaction based contracts is recognised at the amount determined by multiplying transaction rate to actual transactions taking place during a period.

Revenue from licenses where the customer obtains a "right to use" the licenses is recognized at the time the license is made available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognized over the access period.

Contract balances

Revenues in excess of invoicing are treated as contract assets while invoicing in excess of revenues are treated as contract liabilities. The Group classifies amounts due from customer as receivable or contract assets 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 contract assets.

Contract costs

Incremental costs of obtaining a contract and costs incurred in fulfilling a contract with customer are recognised as contract costs assets and amortized over the term of the contract on a systematic basis.

Others

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch-up basis. Services that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

The Group accounts for variable considerations like, volume discounts, rebates and pricing incentives to customers and penalties as reduction of revenue on a systematic and rational basis over the period of the contract. The Group estimates an amount of such variable consideration using expected value method or the single most likely amount in a range of possible consideration depending on which method better predicts the amount of consideration to which the Group may be entitled and when it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is resolved.

The Group assesses the timing of the transfer of goods or services to the customer as compared to the timing of payments to determine whether a significant financing component exists. As a practical expedient, the Group does not assess the existence of a significant financing component when the difference between payment and transfer of deliverables is a year or less. If the difference in timing arises for reasons other than the provision of finance to either the customer or us, no financing component is deemed to exist.

(c) Income Taxes

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 and to unused tax losses.

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 subsidiaries (including 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 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 consolidated financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also 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.

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 entity 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.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries and branches where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries and branches where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Current tax and deferred tax are recognized in statement of profit or loss, except to the extent that it relates to items recognized in Other Comprehensive Income or directly in equity. In this case, the tax is also recognized in Other Comprehensive Income or directly in equity, respectively.

Consolidated Notes to the financial statements **(All amounts in Rs. Mn unless otherwise stated)**

Minimum Alternate Tax (MAT) paid as per Indian Income Tax Act, 1961 is in the nature of unused tax credit which can be carried forward and utilised when the Group will pay normal income tax during the specified year. Deferred tax assets on such tax credit are recognised to the extent that it is probable that the unused tax credit can be utilised in the specified future year based on the internal projections of the Management. The net amount of tax recoverable from the taxation authority is included as part of the deferred tax assets in the consolidated financial statements.

(d) Leases

The Group as a lessee

The Group's lease asset classes primarily consist of leases for land, buildings and vehicles. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contact involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. 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 lease liability is initially measured at amortized cost at the present value of the future lease payments.

Lease liability and ROU asset have been separately presented in the consolidated statement of financial position and lease payments have been classified as financing cash flows.

(e) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash in hand, deposits held at call with financial institutions, other short-term highly liquid investments 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 and bank overdraft.

Bank overdrafts are shown within borrowings in current liabilities in the consolidated statement of financial position.

(f) Inventories

Inventories represent items of traded goods that are specific to execute composite contracts of software services and IT infrastructure management services and also include finished goods which are interchangeable and not specific to any project. Inventory is carried at the lower of cost or net realizable value. The net realizable value is determined with reference to selling price of goods less the estimated cost necessary to make the sale. Cost of goods that are procured for specific projects is assigned by specific identification of their individual costs. Cost of goods which are interchangeable and not specific to any project is determined using weighted average cost formula.

There was no Inventory as on 31 March 2022 and 31 March 2021.

(g) Investments and other financial assets

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

(i) 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.

(ii) Subsequent measurement

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

- ▶ Debt instruments at amortised cost
- ▶ Debt instruments at fair value through other comprehensive income (FVTOCI)
- ▶ Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- ▶ Equity instruments measured at fair value through other comprehensive income (FVTOCI)

(i) Debt instruments

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

Amortized cost: A 'debt instrument' is measured at the amortised cost if both the following conditions are met: a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and b) 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 entity. 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 other income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Fair value through other comprehensive income (FVOCI): A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

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 Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. 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 Group 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, however no such designation has been made. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

(ii) Equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the entity may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The entity makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the entity decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the entity may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Consolidated Notes to the financial statements **(All amounts in Rs. Mn unless otherwise stated)**

(iii) Derecognition

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

► The rights to receive cash flows from the asset have expired, or

► The entity 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 entity has transferred substantially all the risks and rewards of the asset, or (b) the entity has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the entity 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 entity continues to recognise the transferred asset to the extent of the entity's continuing involvement. In that case, the entity 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 entity 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 entity could be required to repay.

(iv) Impairment of financial assets

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

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Trade receivables, unbilled revenue/ contract assets or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

c) Financial assets that are debt instruments and measured as at FVTOCI

The entity follows 'simplified approach' for recognition of impairment loss allowance on:

► Trade receivables or contract revenue receivables; and

The application of simplified approach does not require the entity 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.

ECL is the difference between all contractual cash flows that are due to the entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

► All contractual terms of the financial instrument (including prepayment, extension, call and similar options) 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 entity is required to use the remaining contractual term of the financial instrument

As a practical expedient, the entity uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables and contract assets. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for contractual revenue receivables (ECL) is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the entity does not reduce impairment allowance from the gross carrying amount.

(h) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, 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 loans and borrowings and payables plus directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings and derivative financial instruments.

(ii) *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/ loss are not subsequently transferred to P&L. However, the Group 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 or loss. The Group has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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 as finance costs in the statement of profit and loss. This category generally applies to borrowings.

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 or loss.

(i) 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 Group or the counterparty.

(j) Other Income

Interest income

Interest income is recognized using effective interest rate method taking into account the amount outstanding and the rate of Interest applicable (refer policy to investment and other financial assets).

Dividends

Dividends are recognized in profit or 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 Group, and the amount of the dividend can be measured reliably.

Government incentives

Government incentives are recognized where there is reasonable assurance that the incentive will be received and all attached conditions have been complied with. The incentives received under the schemes are recorded as other income.

(k) Derivatives and hedging activities

The Group uses derivative financial instruments viz. forward currency contracts to hedge its exposure to foreign currency risk in forecast transactions and firm commitments. Such derivative financial instruments are 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.

Cash flow hedges

For the purpose of hedge accounting, cash flow hedges are designated 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 Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group'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 entity 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. 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.

The Group uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments.

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

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the forecast sale occurs.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to statement of profit and loss.

(l) Property, plant and equipment

Freehold land is carried at historical cost less impairment losses, if any. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation less impairment losses, if any. 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 Group and the cost of the item can be measured reliably. Such cost also includes the cost of replacing part of the plant and equipment if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

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.

The cost of assets not ready for used before balance sheet date are disclosed under capital work in progress. Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

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
Buildings	60 years
Plant and Machinery:	
Computers and peripherals	2-5 years
Office Equipment	5 years
Other assets	3-15 years
Furniture and Fixtures	4-10 years
Leasehold improvements	3 years or lease period whichever is lower
Vehicles	8 years

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

(m) Intangible assets

(i) Goodwill

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortized but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity / operations include the carrying amount of goodwill relating to the entity / operations sold.

Goodwill is allocated to Cash-Generating Units (CGU) or Group of CGUs for the purpose of impairment testing. The allocation is made to those cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The CGUs are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the acquired business / operations. In case the acquired business/operations are spread across multiple operating segments, the Goodwill as well as other assets of the CGUs are further allocated to ensure that goodwill impairment testing does not cross limits of an operating segments

(ii) Brand, Customer Relationships and other rights

Separately acquired patents and copyrights are shown at historical cost. Non-Compete, Brand and Customer relationship acquired in a business combination are recognized at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortization and impairment losses.

(iii) Computer software

Costs associated with maintaining software programs are recognized as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognized as intangible assets when the following criteria are met:

- It is technically feasible to complete the software so that it will be available for use
- Management intends to complete the software and use or sell it
- There is an ability to use or sell the software
- It can be demonstrated how the software will generate probable future economic benefits
- Adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- The expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalized as part of the software include employee costs and an appropriate portion of relevant overheads.

During the period of development, the asset is tested for impairment annually. Capitalized development costs are recorded as intangible assets and amortized from the point at which the asset is available for use.

The external computer software acquired separately are measured on initial recognition at cost. After initial recognition/ capitalisation, all software are carried at cost less accumulated amortization and impairment losses, if any.

(iv) Research and development

Research expenditure and development expenditure that do not meet the criteria in (iii) above are recognized as an expense as incurred. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period.

(v) Amortization methods and periods

The Group amortizes intangible assets with a finite useful life using the straight-line method over the following periods:

Internally developed software	3-5 years
Computer software - external	3 years
Non - compete fees	5-6 years
Brand	10 years
Customer Contract/ Relationships	5-10 years

Project specific software are amortized over the project duration. The asset's residual values and useful life are reviewed, and adjusted if appropriate, at the end of each reporting period.

Consolidated Notes to the financial statements **(All amounts in Rs. Mn unless otherwise stated)**

(vi) *Impairment of non-financial assets*

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. For other non-financial assets, including property, plant and equipment, ROU assets and intangible assets having finite useful lives, the Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal or value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on most recent budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment losses are recognised in the statement of profit or loss under the head depreciation and amortisation expense.

For assets excluding goodwill, 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 Group estimates the asset's or CGU's recoverable amount.

(n) Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time, that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. The Group has not capitalised any material borrowing costs.

Other borrowing costs are expensed in the period in which they are incurred.

(o) Provisions and contingent liabilities

Provisions for legal claims and service warranties are recognized when the Group 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. Provisions are not recognized for future operating losses. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement (recognised only if realisation is virtually certain). 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.

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

Contingent liability is a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognised; however, their existence is disclosed in the financial statements.

(p) Employee benefit obligations

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields on government bonds at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements comprising of as a result of experience adjustments and changes in actuarial assumptions are recognised immediately in the statement of profit and loss in the period in which they occur.

(iii) Post - employment obligations

Defined benefit plans:

Provident Fund

Employees Provident Fund contributions are made to a Trust administered by the Group. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of the year. The contributions made to the trust are recognised as plan assets. The defined benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as reduced by the fair value of plan assets. If the interest earnings and cumulative surplus of Trust are less than the present value of the defined benefit obligation the interest shortfall is provided for as additional liability of employer and charged to the statement of profit and loss.

Gratuity

Gratuity is a post employment defined benefit plan. The liability recognized in the Balance Sheet in respect of gratuity is the present value of the defined benefit obligation at the Balance Sheet date less fair value of plan assets. The Group's liability is actuarially determined (using the projected unit credit method) at the end of each year.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

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

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

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

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

Consolidated Notes to the financial statements **(All amounts in Rs. Mn unless otherwise stated)**

Defined contribution plan:

Superannuation

The Group makes defined contribution to a Trust established for this purpose. The Group has no further obligation beyond its monthly contributions. The Group's contribution towards Superannuation Fund is charged to Statement of Profit and Loss on accrual basis.

Overseas Employees

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

(iv) *Share-based payments*

Share-based compensation benefits are provided to employees via the Coforge Employee Stock Option Plan 2005 (erstwhile NIIT Technologies Employee Stock Option Plan 2005)

Equity settled employee stock options

The fair value of options granted under Employee Stock Option Plan is recognized as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time)

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. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

(q) Dividends

Dividend to shareholders is recognised as a liability and deducted from equity, in the year / period in which the dividends are approved by the shareholders.

(r) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the Group
- By weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

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.

(s) Business combinations

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

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed.

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

Liability for non-controlling interests

Liability for put option issued to non-controlling interests which do not grant present access to ownership interest to the Group is recognised at present value of the redemption amount and is reclassified from equity. At the end of each reporting period, the non-controlling interests subject to put option is derecognised and the difference between the amount derecognised and present value of the redemption amount, which is recorded as a financial liability, is accounted for as an equity transaction.

(t) Non-current assets held for sale

The Group classifies non-current assets and disposal Groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal Groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal Group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal Group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

u) Fair value measurements

The Group measures financial instruments, such as investment in mutual funds and derivatives, at fair value at each balance sheet date. The Group also measures assets and liabilities acquired in business combination at fair value.

Consolidated Notes to the financial statements **(All amounts in Rs. Mn unless otherwise stated)**

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 Group'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.

(v) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or

There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

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

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

(w) Rounding of amounts

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest millions, unless otherwise stated.

2 Recent Accounting Pronouncements

New and amended standards adopted by the Group

The Group has applied the following amendments to Ind AS for the first time for their annual reporting period commencing 1 April 2021:

- Extension of COVID-19 related concessions – amendments to Ind AS 116
- Interest rate benchmark reform – amendments to Ind AS 109, Financial Instruments, Ind AS 107, Financial Instruments: Disclosures, Ind AS 104, Insurance Contracts and Ind AS 116, Leases.
- Conceptual framework for financial reporting under Ind AS issued by ICAI
- Ind AS 103 Business combination

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

New amendments issued but not effective

Onerous Contracts – Costs of Fulfilling a Contract – Amendments to Ind AS 37

The amendments to Ind AS 37 specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

Property, Plant and Equipment: Proceeds before Intended Use – Amendments to Ind AS 16

The amendments modified paragraph 17(e) of Ind AS 16 to clarify 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 amendments are effective for annual reporting periods beginning on or after 1 April 2022. The amendments are not expected to have a material impact on the Group.

Consolidated Notes to the financial statements

(All amounts in Rs. Mn unless otherwise stated)

3 Property, plant and equipment

Particulars	Freehold Land	Buildings	Plant and Machinery - Computers and Peripherals	Plant and Machinery -Office Equipment	Plant and Machinery - Others	Furniture and Fixtures	Lease Hold Improvements	Vehicles*	Total	Capital work in progress
Gross carrying amount										
As at 1 April 2020	-	2,376	1,774	185	1,287	641	59	387	6709	3
Additions	-	-	406	7	7	6	-	95	521	
Disposals	-	-	13	12	1	21	-	77	124	
Translation Adjustment	-	-	15	1	6	2	2	-	26	
Transfers/Adjustment	-	-	-	-	-	-	-	-	0	(1)
As at 31 March 2021	**-**	**2,376**	**2,182**	**181**	**1,299**	**628**	**61**	**405**	**7,132**	**2**
Accumulated depreciation										
As at 1 April 2020	-	193	1,393	129	716	358	36	130	2,955	-
Depreciation charge for the year	-	41	278	25	147	80	18	49	638	-
Disposals	-	-	12	12	-	16	-	43	83	-
Translation Adjustment	-	-	15	3	(1)	5	2	-	24	-
Transfers/Adjustment	-	-	-	-	-	-	-	-	-	-
As at 31 March 2021	**-**	**234**	**1,674**	**145**	**862**	**427**	**56**	**136**	**3,534**	**-**
Net carrying amount as at 31 March 2021	**-**	**2,142**	**508**	**36**	**437**	**201**	**5**	**269**	**3,598**	**2**

Particulars	Freehold Land	Buildings	Plant and Machinery - Computers and Peripherals	Plant and Machinery -Office Equipment	Plant and Machinery - Others	Furniture and Fixtures	Lease Hold Improvements	Vehicles*	Total	Capital work in progress
Gross carrying amount										
As at 1 April 2021	-	2,376	2,182	181	1,299	628	61	405	7,132	2
Addition pursuant to acquisition of subsidiary during the year	96	291	139	32	53	40	93	-	744	13
Additions	-	1	800	21	23	12	22	112	991	104
Disposals	-	-	189	28	21	12	47	94	391	-
Translation Adjustment	-	-	(16)	(2)	-	(1)	(2)	-	(21)	-
Transfers/Adjustment	-	-	-	-	-	-	-	-	-	(33)
As at 31 March 2022	**96**	**2,668**	**2,916**	**204**	**1,354**	**667**	**127**	**423**	**8,455**	**86**
Accumulated depreciation									-	
As at 1 April 2021	-	234	1,674	145	862	427	56	136	3,534	-
Depreciation charge for the year	-	47	468	34	91	72	48	52	812	-
Disposals	-	-	179	28	14	21	42	45	329	-
Translation Adjustment	-	-	(13)	(1)	-	(1)	1	-	(14)	-
As at 31 March 2022	**-**	**281**	**1,950**	**150**	**939**	**477**	**63**	**143**	**4,003**	**-**
Net carrying amount as at 31 March 2022	**96**	**2,387**	**966**	**54**	**415**	**190**	**64**	**280**	**4,452**	**86**

*Includes vehicles financed through loans Gross Block Rs. 16 Mn (31 March 2021 - Rs. 72 Mn), Net block Rs. 7 Mn (31 March 2021 - Rs. 37 Mn); hypothecated to financial institutions/banks against term loans (Refer Note No. 13)

Capital work in progress aging

Projects in progress	Amounts in Capital work in progress for the year ended				
	Less than 1 year	1 -2 years	2-3 years	More than 3 years	Total
31 March 2022	86	-	-	-	86
31 March 2021	2	-	-	-	2

Consolidated Notes to the financial statements

(All amounts in Rs. Mn unless otherwise stated)

4 Intangible assets

Following are the changes in the carrying value of goodwill and intangible assets for the year ended 31 March 2021:

Particulars	Other Intangible assets							Intangible assets under development	Goodwill
	Acquired software	Internally developed software	Patents	Brand*	Customer relationships*	Non-compete fee*	Total		
Gross carrying amount									
As at 1 April 2020	1,992	413	9	503	1,651	450	5,018	-	4,153
Additions	273	-	-	-	201	-	474	-	61
Disposals	1,143	-	-	-	-	-	1,143	-	-
Translation Adjustment	16	35	-	(2)	(8)	(1)	40	-	74
As at 31 March 2021	**1,138**	**448**	**9**	**501**	**1,844**	**449**	**4,389**	**-**	**4,288**
Accumulated amortization and impairment									
As at 1 April 2020	1,784	318	4	107	615	293	3,121	-	62
Amortization charge for the year	415	49	-	49	317	77	907	-	-
Disposals	1,143	-	-	-	-	-	1,143	-	-
Translation Adjustment	14	31	1	(1)	(4)	(1)	40	-	-
As at 31 March 2021	**1,070**	**398**	**5**	**155**	**928**	**369**	**2,925**	**-**	**62**
Net carrying amount as at 31 March 2021	**68**	**50**	**4**	**346**	**916**	**80**	**1,464**	**-**	**4,226**

Following are the changes in the carrying value of goodwill and intangible assets for the year ended 31 March 2022:

Particulars	Other Intangible assets							Intangible assets under development	Goodwill
	Acquired software	Internally developed software	Patents	Brand*	Customer relationships*	Non-compete fee*	Total		
Gross carrying amount									
As at 1 April 2021	1,138	448	9	501	1,844	449	4,389	-	4,288
Addition pursuant to acquisition of subsidiary during the year	4	-	-	-	3,176	50	3,230	-	6,317
Additions	347	-	-	-	-	-	347	82	-
Disposals	793	-	-	-	-	-	793	-	-
Translation Adjustment	(1)	(6)	-	18	38	8	57	-	165
As at 31 March 2022	**695**	**442**	**9**	**519**	**5,058**	**507**	**7,230**	**82**	**10,770**
Accumulated amortization and impairment									
As at 1 April 2021	1,070	398	5	155	928	369	2,925	-	62
Amortization charge for the year	322	51	0	52	569	55	1,049	-	-
Disposals	789	-	-	-	-	-	789	-	-
Translation Adjustment	(1)	(7)	-	2	15	5	14	-	-
As at 31 March 2022	**602**	**442**	**5**	**209**	**1,512**	**429**	**3,199**	**-**	**62**
Net carrying amount as at 31 March 2022	**93**	**-**	**4**	**310**	**3,546**	**78**	**4,031**	**82**	**10,708**

* Subsequent to the fair valuation of assets and liabilities pertaining to acquisition, the Group recognised intangible assets (Brand, Customer relationships, Non Compete fee) basis the fair valuation report obtained by the Group. The amortisation has been carried out based on the useful lives suggested by the valuer in its valuation report or its useful life as on date of balance sheet which ever is less.

The disposal in acquired software represents write offs of certain software having gross carrying amount of Rs. 793 Mn (31 March 2021: Rs. 1,143 Mn), accumulated amortisation of Rs. 789 Mn (31 March 2021: Rs. 1,143 Mn) and net carrying amount of Rs. 4 Mn (31 March 2021 Nil).

Intangible assets under development aging

Projects in progress	Amounts in intangible assets under development for the year ended				
	Less than 1 year	1 -2 years	2-3 years	More than 3 years	Total
31 March 2022	82	-	-	-	82
31 March 2021	-	-	-	-	-

Consolidated Notes to the financial statements **(All amounts in Rs. Mn unless otherwise stated)**

Impairment tests for goodwill

a) Significant estimate: Key assumptions used for value-in-use calculations

The Group monitors the performance of each acquired business including related goodwill as a separate unit. In certain cases, these businesses fall into more than one Operating Segments. For impairment testing, considering the requirements of Ind AS 36 paragraph 80(b), the goodwill as well as other assets of the acquired businesses, viz. SF(erstwhile Whishworks), DPA (erstwhile Incessant), Advantage Go, BPS (erstwhile SLK Global), BPM and Coforge Healthcare have been allocated such that unit for goodwill impairment testing does not exceed an operating segment. Particularly, the operations of DPA and SF are spread across multiple operating segments and thus for impairment testing , goodwill and all other assets are further allocated to ensure that goodwill impairment testing does not cross limits of an operating segments.

SF provides digital integration business solutions, DPA and BPM are global business process management specialist. Advantage Go is in the business of commercial insurance software and solution provider. BPS is in the business of providing business process transformation offering digital solutions for the financial services industry.

Basis the above methodology, given below is an allocation of carrying amount of goodwill to the units (Group of units) having significant goodwill in comparison with the Group's total carrying amount of goodwill:

CGU	Segment	31-Mar-22	31-Mar-21
SF	EMEA	1,280	1,214
DPA	APAC	357	335
Advantage Go	EMEA	914	924
BPM#	Americas	930	714
BPS	Americas	6,124	-
Others*		1,103	1,039
		10,708	**4,226**

There are no intangible assets with indefinite useful life allocated to CGU

*Others include units namely Coforge Spain, Coforge Airline Technologies Gmbh, DPA UK, SF USA, SF India and Provision tree to which allocated goodwill is individually insignificant.

BPM comprises of BPM, DPA USA and Coforge Healthcare as single CGU.

The Group performed its annual impairment test for each of the above units separately at each reporting date. The recoverable amount of a CGU is determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management covering a five-year period.

Key assumptions used in value in use calculations:

Assumption	Approach used to determining values [refer note C.]
Revenue	Average annual growth rate over the five-year forecast period; based on past performance and management's expectations of market development. These growth rates are further corroborated by annual budgets of the Group.
Budgeted operating margin	Based on past performance and management's expectations for the future.
Pre-tax discount rates	Reflect specific risks relating to the relevant segments and the geographies in which they operate.

Basis above, the following table sets out the key assumptions (approximate) for those CGUs that have significant goodwill allocated to them:

31 March 2022

CGU	Segment	Revenue (% annual growth rate)	Budgeted operating margin (%)	Pre-tax discount rate (%)
SF	EMEA	10.0%	28.0%	12.0%
DPA	APAC	10.0%	20.0%	12.0%
Advantage Go	EMEA	5.0%	35.0%	12.0%
BPM	Americas	10.0%	29.0%	13.0%
BPS	Americas	10.0%	25.0%	13.0%

Consolidated Notes to the financial statements (All amounts in Rs. Mn unless otherwise stated)

31 March 2021

CGU	Segment	Revenue (% annual growth rate)	Budgeted operating margin (%)	Pre-tax discount rate (%)
SF	EMEA	9.5%	28.0%	19.5%
DPA	APAC	5.0%	20.0%	12.0%
Advantage Go	EMEA	10.0%	30.0%	12.0%
BPM	Americas	10.0%	31.0%	17.0%

Assumptions for goodwill, for segments classified as others are based on revenue growth rates, operating margins and discount rates as applicable for respective CGUs considering the respective services/ geographies.

b) Significant estimate: impairment charge

The Group has performed impairment testing for the above CGUs and no impairment charge has been identified as at 31 March 2022 and as at 31 March 2021.

c) Significant estimate: Impact of possible changes in key assumptions

The Group has considered and assessed reasonably possible change for other key assumptions and have not identified any reasonable possible that could cause the carrying amount of any CGU to exceed its recoverable amount. If there is significant deterioration in the operations of this CGU and its expected future cash flows, this may lead to an impairment loss being recognised. Basis the methodology as discussed above, no impairment loss was recognised for the year ended March 31, 2022 and year ended March 31, 2021.

5	Financial Assets	31 March 2022	31 March 2021
5(i)	**Non-current investments**		
	Investments in equity instruments (fully paid) at Fair Value through OCI		
	Unquoted		
	199,145 (Previous Year 199,145) Common shares in Relativity Technologies Inc., USA #	0	0
	953,265 (Previous Year 953,265) Common Shares in Computer Logic Inc., USA #	0	0
	Total equity instruments	**0**	**0**
	Total Non- Current Investments	**0**	**0**
	Aggregate amount of unquoted investments	0	0
	Aggregate amount of impairment in the value of investments	-	-

0 represents amount is below the rounding off norm adopted by the Group

5(ii)	Current investments	31 March 2022		31 March 2021	
	Investment in Mutual Funds - Quoted	**Units**	**Value**	**Units**	**Value**
	ICICI Prudential Fixed Maturity Plan Series 82-1223 days plan E Direct Plan	-	-	5,000,000	62
	UTI -Fixed Term Income Fund- SeriesXXVIII-VI (1190 Days) Direct Growth	-	-	5,000,000	62
	Total mutual funds		**-**		**124**
	Total Current Investments		**-**		**124**
	Aggregate book value of quoted investments		-		100
	Aggregate amount of quoted investments and market value thereof		-		124
	Aggregate amount of unquoted investments		-		-
	Aggregate amount of impairment in the value of investments		-		-

		31 March 2022		31 March 2021	
		Current	**Non- Current**	**Current**	**Non- Current**
5(iii)	**Trade Receivables**				
	Trade receivables	14,854	1,691	11,586	1,584
	Receivables from related parties [Refer note 30]	-	-	2	-
	Less: Allowance for doubtful debt [Refer note C]	(960)	-	(905)	-
	Total receivables	**13,894**	**1,691**	**10,683**	**1,584**
	Break-up of security details				
	Trade Receivables considered good - Secured	-	-	-	-
	Trade Receivables considered good - Unsecured	13,894	1,691	10,683	1,584
	Trade Receivables - credit impaired [Refer note C]	960	-	905	-
	Total	**14,854**	**1,691**	**11,588**	**1,584**
	Allowance for doubtful debts [Refer note C]	(960)	-	(905)	-
	Total trade receivables	**13,894**	**1,691**	**10,683**	**1,584**
	Trade receivables includes amounts yet to be billed to customers and dependent only on passage of time (unbilled)	2,691	1,691	1,788	1,584

Consolidated Notes to the financial statements **(All amounts in Rs. Mn unless otherwise stated)**

Particulars	Outstanding for following periods from due date of payment						31 March 2022
	Not yet due	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*	8,072	2,625	319	50	-	-	11,066
(ii) Undisputed Trade Receivables – credit impaired	-	15	26	283	85	383	792
(iii) Disputed Trade Receivables – considered good*	-	-	-	48	89	-	137
(iv) Disputed Trade Receivables – credit impaired	-	-	-	-	29	108	137

Particulars	Outstanding for following periods from due date of payment						31 March 2021
	Not yet due	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*	6,475	2,129	149	5	-	-	8,758
(ii) Undisputed Trade Receivables – credit impaired	-	10	276	93	16	367	762
(iii) Disputed Trade Receivables – considered good*	-	-	91	46	-	-	137
(iv) Disputed Trade Receivables – credit impaired	-	-	-	94	43	-	137

* Trade recivable considered good are net of trade receivable credit impaired

As at 31 March 2022, the Group has outstanding trade receivables of Rs 1,102 Mn (31 March 2021 Rs. 921 Mn) relating to Government customers in India [net of provision of Rs. 508 Mn (Previous year Rs. 492 Mn)]. The appropriateness of the allowance for doubtful trade receivables is subjective due to the high degree of significant judgment applied by management in determining the impairment provision. Above trade receivables pertain to contract with customers as defined under Ind AS 115 on Revenue from contract with customers.

During the previous year, one of the Indian government customers of the Group with whom the contract was executed during 2014, has deducted certain amounts. The Group, basis it's assessment and legal advice, considers such deductions to be arbitrary and has disputed the same and is confident of resolving it favorably.

During the previous year, the Group had assessed the impact of the global pandemic on the financial statements. As a result, the Group had recognised Rs 201 Mn as provision for doubtful debts during the previous year ended March 31, 2021, against customers in the travel and hospitality sector. The appropriateness of the allowance for doubtful trade receivables pertaining to customers in travel and hospitality sector is subjective due to the high degree of significant judgment applied by management in determining the impairment provision. There is no update in current year.

During the previous year the Group received old outstanding (which was provided for in earlier years) amounting to Rs. 220 Mn from one of its government customer. The Group recorded the recovery of principal amount of Rs. 138 Mn as credit to the allowance for doubtful debts - trade receivables and interest component of Rs. 82 Mn in Other Income.

No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member. (Refer note 30)

Note: Following previous year numbers have been reclassified to conform to current years claasification:

Non current:	
Trade receivables, earlier classified as Other financial assets	1,584
Current:	
Trade receivables, earlier classified as Other financial assets	1,788
Contract assets, earlier classified as Other financial assets	629

Consolidated Notes to the financial statements **(All amounts in Rs. Mn unless otherwise stated)**

	31 March 2022		31 March 2021	
	Current	Non- Current	Current	Non- Current
5(iv) Other Financial Assets				
(i) Derivatives				
Foreign exchange forward contracts	162	-	167	-
(ii) Others				
Security deposits				
-Considered Good	134	193	112	31
-Considered doubtful	-	2	-	2
	134	195	112	33
Less -Provision for doubtful security deposits	-	2	-	2
	134	193	112	31
Interest accrued on deposits with banks	-	6	-	8
Long term deposits with bank with maturity period more than 12 months [Refer Note (a) below]	-	183	-	145
Finance lease recoverable	23	39	21	61
Others [Refer note (b) below]	343	-	-	-
Total other financial assets	**662**	**421**	**300**	**245**

(a) Includes Rs. 175 Mn (Previous year Rs. 145 Mn) Held as margin money by bank against bank guarantees.
(b) The shareholders in the Annual General meeting held on July 30, 2021 approved raising of funds in one or more tranches by issuance of equity shares and/or depository receipts and/or other eligible securities. Subsequently, the Company filed a draft registration statement with the U.S. Securities & Exchange Commission for registration of its American Depository Receipts (“Offering”). In accordance with the underlying arrangements, the expenses pertaining to the offering shall be borne by Selling Shareholder on completion of the offering. As at March 31, 2022, amount of Rs 343 mn has been recorded as recoverable considering expected completion of the offering.

	31 March 2022	31 March 2021
5(v) Cash and cash equivalents		
Balances with Banks		
- in Current Accounts	3,547	4,203
- in EEFC account	919	3,061
Deposits with maturity less than three months	-	727
Cash on Hand	0	0
Cheques, drafts on hand	2	8
Total Cash and cash equivalents	**4,468**	**7,999**

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

Reconciliation of liabilities whose cash flow movements are disclosed as part of financing activities in the statement of cash flows:

Particulars	As at 1st April 2021	Cash Flow during the year			Finance Charges Accrued	Others	As at 31 March 2022
		Proceeds	Payment	Net Cash Flows			
Long term borrowings (including Current Maturities of long term debt)	10	3,578	(59)	3519	16	-	3,545
Dividend Payable (including Corporate Dividend Tax) (Refer Note 1 below)	17	-	(3,748)	(3,748)	-	3,751	20
Interest on borrowings	-	-	(188)	(188)	463	14	289
Lease liability (Refer Note 35 for others)	816	-	(546)	(546)	77	1,004	1,351
Financial liability for future acquisition	708	-	(729)	(729)	-	2,929	2,908
	1,551	**3,578**	**(5,270)**	**(1,692)**	**556**	**7,698**	**8,113**

Consolidated Notes to the financial statements **(All amounts in Rs. Mn unless otherwise stated)**

Particulars	As at 1st April 2020	Cash Flow during the year			Finance Charges Accrued	Others	As at 31 March 2021
		Proceeds	Payment	Net Cash Flows			
Long term borrowings (including Current Maturities of long term debt)	316	-	(306)	(306)	-	-	10
Dividend Payable (including Corporate Dividend Tax) (Refer Note 1 below)	16	-	(686)	(686)	-	687	17
Interest on borrowings	-	-	(15)	(15)	15	-	-
Lease liability (Refer Note 35 for others)	977	-	(425)	(425)	64	200	816
Financial liability for future acquisition	1,994	-	(1,427)	(1,427)	-	141	708
	3,303	**-**	**(2,859)**	**(2,859)**	**79**	**1,028**	**1,551**

Note 1: Others include interim dividend accrued during the year.

		31 March 2022	31 March 2021
5(vi)	**Other bank balances**		
	Deposits with maturity more than 3 months but less than 12 months	47	106
	Unpaid dividend account [Refer Note (a) below]	20	17
		67	123

(a) Can be used only to settle unpaid dividend liability.

		31 March 2022	31 March 2021
6	**Deferred tax assets**	**2,736**	**1,447**
	The balance comprises temporary differences attributable to:		
	Provisions allowed on payment basis	445	349
	Defined benefit obligations	530	298
	Other items	94	37
	Minimum alternate tax credit entitlement	1,792	895
	Gross deferred tax assets (A)	**2,861**	**1,579**
	Tax impact of difference between carrying amount of Property, plant and equipment in the financial statements and as per the income tax calculation	(89)	(101)
	Deferred tax asset related to fair value loss on derivative instruments not charged in the statement of Profit and Loss but taken to Balance Sheet	(36)	(31)
	Gross deferred tax liabilities (B)	**(125)**	**(132)**
	Net Deferred tax assets (A-B)	**2,736**	**1,447**

Consolidated Notes to the financial statements

(All amounts in Rs. Mn unless otherwise stated)

Movement in deferred tax assets

	Deferred tax assets							Deferred tax liability	Total
	Property, plant and equipment	Derivatives	Employee benefits	Provisions	Minimum Alternate Tax	Other items	Total	Intangible assets*	
At 31 March 2020	**(199)**	**64**	**280**	**327**	**767**	**63**	**1,302**	**(397)**	**905**
(charged)/credited:									
- to profit or loss- deferred tax	98	-	17	22	-	(34)	103	203	**306**
- MAT asset created from current tax expenses	-	-	-	-	*128*	-	128	-	**128**
Other comprehensive income									
-Cash flow hedges	-	*(95)*	-	-	-	-	(95)	-	**(95)**
-Remeasurement of post - employment benefit obligations (expenses) / income	-	-	*3*	-	-	-	3	-	**3**
Translation adjustment	-	-	(2)	-	-	8	6	-	**6**
At 31 March 2021	**(101)**	**(31)**	**298**	**349**	**895**	**37**	**1,447**	**(194)**	**1,253**
Created on acquisition of subsidiary	29	(2)	53	6	-	6	92	(702)	**(610)**
Unexercised ESOPs	-	-	160	-	-	-	160	-	**160**
(charged)/credited:									
- to profit or loss- deferred tax	(17)		16	90	-	51	140	166	**306**
- MAT asset created from current tax expenses	-	-	-	-	897	-	897	-	**897**
Other comprehensive income	-	-	-	-	-	-	-	-	**-**
-Cash flow hedges	-	(3)	-	-	-	-	(3)	-	**(3)**
-Remeasurement of post - employment benefit obligations (expenses) / income	-	-	3	-	-	-	3	-	**3**
Translation adjustment	-	-	-	-	-	-	-	(36)	**(36)**
At 31 March 2022	**(89)**	**(36)**	**530**	**445**	**1,792**	**94**	**2,736**	**(766)**	**1,970**

Notes :
Deferred tax assets and liabilities above have been determined by applying the income tax rates of respective countries. Deferred tax assets and liabilities in relation to taxes payable under different tax jurisdictions have not been offset in financial statements. Accordingly deferred tax assets of Rs. 2,736 Mn (Previous year Rs.1,447 Mn) and Deferred tax liability of Rs. 766 Mn (Previous year Rs.166 Mn) have been separately disclosed.

		31 March 2022	31 March 2021
7	**Income tax assets (net of provisions)**		
	Advance Income Tax	12,697	8,994
	Less: Provision for income tax	12,090	8,636
	Total current tax assets	**607**	**358**
8	**Contract Assets**		
	Contract assets	1,282	717
	Less: Allowance for doubtful contract assets [Refer note 1 (c)]	98	88
	Net contract assets	**1,184**	**629**

		31 March 2022		31 March 2021	
9	**Other assets**	Current	Non- Current	Current	Non- Current
	Capital advances	-	4	-	-
	Advances other than capital advances	616	32	367	38
	Prepayments	881	190	669	152
	Contract cost (Refer Note (a) below)	336	819	43	64
	Other assets (Refer Note (b) below)	101	-	-	-
		1,934	**1,045**	**1,079**	**254**

(a) Contract costs include Rs.219 Mn as incremental cost of obtaining a contract and Rs.936 Mn as cost incurred for fulfilling a contract with customers.
Other production expense, under other expenses include amortisation of contract costs amounting to Rs.202 Mn. There is no impairment loss recognised during the current or previous year.
(b) Represents SEIS subsidy.

Consolidated Notes to the financial statements

(All amounts in Rs. Mn unless otherwise stated)

10 Equity share capital

Authorized equity share capital

	Number of shares	Amount
As at 01 April 2020	77,000,000	770
Increase during the year	-	-
As at 31 March 2021	77,000,000	770
Increase during the period	-	-
As at 31 March 2022	**77,000,000**	**770**

(i) Movements in equity share capital

	Number of shares	Amount
As at 01 April 2020	**62,494,559**	**625**
Issue of Shares	54,080	1
Shares extinguished on buy back (Refer note below)	(1,956,290)	(20)
As at 31 March,2021	**60,592,349**	**606**
Issue of Shares	320,803	3
As at 31 March 2022	**60,913,152**	**609**

Terms and rights attached to equity shares

The Company has one class of equity shares having a par value of Rs.10 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 reserved for issue under options

Information relating to Employee Stock Option Plan, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in note 36.

Buy back of equity shares

On February 13, 2020, the Shareholders of the Company accorded their approval for buy-back of 1,956,290 fully paid equity shares of the face value of Rs. 10/- each at a price of up to Rs. 1,725 per share aggregating to Rs. 3,375 Mn. The buy-back was consummated on June 22, 2020 and accordingly, 1,956,290 fully paid equity shares have been extinguished from the share capital of the Company with corresponding reduction in Equity Share Capital, Securities Premium Account, General Reserve and Retained Earnings amounting to Rs. 20 Mn, Rs. 1,053 Mn, Rs. 250 Mn and Rs. 2,052 Mn respectively.

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

Name of Shareholder	Equity Shares of Rs. 10 each fully paid			
	31 March 2022		31 March 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Hulst B.V., Netherlands	24,421,260	40.09%	38,771,260	63.99%
AXIS Mutual Fund Trustee Limited	3,977,821	6.53%	1,570,619	2.59%

Details of shares held by Promoters*

As at 31 March 2022

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% change during the year
Hulst B.V., Netherlands	38,771,260	(14,350,000)	24,421,260	-37.01%

As at 31 March 2021

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% change during the year
Hulst B.V., Netherlands	43,807,297	(5,036,037)	38,771,260	-11.50%

*As defined under Companies Act 2013

Consolidated Notes to the financial statements **(All amounts in Rs. Mn unless otherwise stated)**

		31 March 2022	31 March 2021
11	**Reserves and Surplus**		
	Capital reserves	11	11
	Capital redemption reserve	36	36
	Securities premium	384	39
	Employee stock option	575	523
	General reserve	2,057	2,057
	Retained earnings	22,401	20,375
	Cash Flow Hedging Reserve	95	77
	Foreign Currency Translation Reserve	1,163	937
	Total reserves and surplus	**26,722**	**24,055**
	(i) Capital Reserves		
	Opening Balance	11	11
	Increase/ decrease during the year	-	-
	Closing Balance	**11**	**11**
	(ii) Capital redemption reserve		
	Opening Balance	36	17
	Add: Increase due to buy back of equity shares	-	19
	Closing Balance	**36**	**36**
	(iii) Securities premium		
	Opening Balance	39	1,053
	Add: Transferred from employee stock option	48	22
	Add: Premium on shares issued for exercised options	297	17
	Less: Decrease due to buy back of equity shares	-	(1,053)
	Closing Balance	**384**	**39**
	(iv) Employee stock option		
	Options granted till date	523	83
	Less: Transferred to securities premium	(297)	(22)
	Add: Impact of fair valuation on employee stock options	349	462
	Closing Balance	**575**	**523**
	(v) General Reserve		
	Opening Balance	2,057	2,306
	Less: Decrease due to buy back of equity shares	-	(249)
	Closing Balance	**2,057**	**2,057**
	(vi) Retained Earnings		
	Opening Balance	20,375	19,415
	Net profit for the period	6,617	4,556
	Add: Remeasurement gains on defined benefit plans	4	(9)
	Add: Tax benefit on share based payment	382	-
	Less: Fair valuation impact on future acquisition liability	(1,822)	(36)
	Less: Decrease due to buy back of equity shares including transaction cost	-	(2,864)
	Less: Appropriations		
	Dividend paid	(3,155)	(687)
	Closing Balance	**22,401**	**20,375**

Consolidated Notes to the financial statements **(All amounts in Rs. Mn unless otherwise stated)**

	31 March 2022	31 March 2021
(vii) Cash Flow Hedging Reserve		
Opening Balance	77	(197)
Increase/ decrease during the year	18	274
Closing Balance	**95**	**77**
(viii) Foreign Currency Translation Reserve		
Opening Balance	937	652
Increase/ decrease during the year	226	285
Closing Balance	**1,163**	**937**

Nature and purpose of reserves

Securities premium

Securities premium is used to record the premium on issue of shares. The premium is utilized in accordance with the provisions of the Companies Act 2013.

General reserve

The General Reserve is as per the requirements of Companies Act, 2013 in respect of companies incorporated in India. General reserve, if any, of overseas subsidiaries are included as part of the retained earnings.

Cash flow hedging reserve

The Group 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 26. For hedging foreign currency risk, the Group 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 effects profit and loss, under Revenue.

Foreign currency translation reserve

Exchange differences arising on translation of foreign operations are recognized in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

12 Non-controlling interests

At 1 April 2020	**-**
Add : Non-controlling share in the results for the year	104
Less : Derecognition of NCI to Financial liability	(104)
At 31 March 2021	**-**
Add : Non-controlling share in the results for the period	547
Add: Acquisition of non controlling interest	2,142
Less: Derecognition of NCI to Financial liability	(1,110)
Less: Dividend paid	(596)
At 31 March 2022	**983**

Consolidated Notes to the financial statements **(All amounts in Rs. Mn unless otherwise stated)**

		31 March 2022	31 March 2021
13	**Financial liabilities**		
13(i)	**Non - Current Borrowings**		
	Secured Loans		
	Term loans		
	From Financial Institutions [Refer note (b & c) below]	-	3
	Unsecured Loans		
	Term loans		
	Listed, Rated, Redeemable, Non-Convertible Bonds [Refer note (d) below]	3,365	-
	Total non current borrowings	**3,365**	**3**
13(ii)	**Current Borrowings**		
	Secured Loans		
	Loan repayable on demand		
	From Bank [Refer note (a) below]	178	-
	Current maturities of borrowings		
	Secured Loans		
	From Financial Institutions [Refer note (b & c) below]	**2**	**7**
	Total current borrowings	**180**	**7**

(a) Loan repayable on demand from bank includes overdraft (OD) payable on demand. Interest on OD is in the range of 2.5% to 3.5%. Security: charge by way of hypothecation on the Company's trade receivable, in a form and manner satisfactory to the bank.

(b) Term loans from Financial Institution - are secured by way of hypothecation of the vehicles financed. The loan amounts along with interest are repayable over the period of 1 to 12 months (equal monthly instalments) from the date of sanction of loan. The interest rate on above loans are within the range of 8.63% to 9.88%. per annum

(c) The carrying amount of non-financial assets pledged as security for current and non-current borrowings are disclosed in Note 3.

(d) Listed, Rated, Redeemable, Non-Convertible Bonds are unsecured and have maturity of five years from the deemed date of allotment i.e April 26, 2021. Interest reset will occur on the dates falling three years and four years from the Deemed Date of Allotment. The Company may redeem the whole or any part of the Bonds on the first Interest Reset Date i.e. April 26, 2024 or anytime thereafter. The effective interest rate of NCB for first three years is as follows: If the Security Trigger occurs on a date falling on or prior to the date falling three years from the Deemed Date of Allotment- 7.49%-8.39%. In other case if the security trigger does not occur- 8.39%- 9.34%.

	31 March 2022		31 March 2021	
13(iii) Trade payable	**Current**	**Non- Current**	**Current**	**Non- Current**
Trade Payable	6,160	364	3,398	325
Total trade payable	**6,160**	**364**	**3,398**	**325**

There are no overdue amount payable to micro enterprises and small enterprises as at March 31, 2022 and March 31, 2021. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Group.

Trade Payables aging schedule (Billed)

Particulars	Outstanding for following periods from due date of payment					31 March 2022
	Not yet Due	Less than 1 year	1 -2 years	2-3 years	More than 3 years	Total
(i) MSME	2	167	-	-	-	169
(ii) Others	1,354	1,594	11	5	13	2,977

Particulars	Outstanding for following periods from due date of payment					31 March 2021
	Not yet Due	Less than 1 year	1 -2 years	2-3 years	More than 3 years	Total
(i) MSME	-	159	-	-	-	159
(ii) Others	761	887	5	1	13	1,667

Consolidated Notes to the financial statements **(All amounts in Rs. Mn unless otherwise stated)**

	31 March 2022		31 March 2021	
13(iv) Other Financial liabilities	**Current**	**Non- Current**	**Current**	**Non- Current**
Capital creditors	100	-	134	-
Unclaimed dividend	20	-	17	-
Financial liability for future acquisition (Refer note 32)	-	2,908	708	-
Other employee benefits payable	1,955	-	1,515	-
Interest accrued but not Due	289	-	-	-
Derivatives				-
Foreign exchange forward contracts	34	-	61	-
Total other financial liabilities	**2,398**	**2,908**	**2,435**	**-**

(a) There are no amounts due for payment to the Investor Education and Protection Fund under Section 125(2)(c) of the Companies Act, 2013 as at the year end.

Note: Following previous year numbers have been reclassified to conform to current years classification:

Other financial liabilities, earlier classified as Other current liabilities 1,515

14 Provisions				
Provisions for customer contracts	-	-	3	-
	-	**-**	**3**	**-**
15 Employee benefit obligations				
Leave Obligations (i)	226	440	159	348
Gratuity (ii)	90	607	63	348
Total employee benefit obligations	**316**	**1,047**	**222**	**696**

(i) Leave Obligations

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as undiscounted liability at the balance sheet date.

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date.

The following amounts reflect leave that is expected to be taken or paid within next 12 months

	31 March 2022	31 March 2021
Current leave obligations expected to be settled within next 12 months	226	159

(ii) Defined contribution plans

The Group makes contribution towards Superannuation Fund, Pension Fund, Employee State Insurance Fund and Overseas Plans (related to the Branches in the United States of America, Ireland, Belgium and Switzerland), being defined contribution plans for eligible employees. The Group has charged the following amount in the Statement of Profit and Loss:

Amount recognized in the Statement of Profit and Loss	**31 March 2022**	**31 March 2021**
Superannuation fund paid to the Trust	14	16
Contribution plans (outside India)	1197	978
Employees state insurance fund paid to the authorities	15	5
Pension fund paid to the authorities	268	125
Provident fund paid to authorities	112	29
Total	**1,606**	**1,153**

Defined benefit plans

Employees Provident Fund contributions are made to a Trust administered by the Group. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of the year. Actuarial losses/ gains are recognized in the Statement of Profit and Loss in the year in which they arise. The contributions made to the trust are recognized as plan assets. The defined benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation as reduced by the fair value of plan assets.

The expense recognized during the period towards defined benefit plan is as follows:

Amount recognized in the Statement of Profit and Loss	**31 March 2022**	**31 March 2021**
Group contribution to the Trust	318	150

Consolidated Notes to the financial statements (All amounts in Rs. Mn unless otherwise stated)

		31 March 2022	31 March 2021
(a)	**Amount of obligation as at the year end is determined as under**		
	Description		
	Present value of obligation as at the beginning of the year	3,798	3,209
	Interest cost	350	292
	Current service cost	295	244
	Benefits paid	(495)	(425)
	Plan Participant's Contributions	461	445
	Transfer In	376	156
	Actuarial gain on obligation	(43)	(122)
	Present value of obligation as at the end of the year	**4,742**	**3,798**
(b)	**Change in Plan Assets :**		
	Description		
	Plan assets at beginning at fair value	3,798	3,209
	Return on plan assets	350	292
	Employer contributions	295	244
	Benefits paid	(495)	(425)
	Plan Participant's Contributions	461	445
	Transfers In	376	156
	Actuarial loss on plan assets	(43)	(122)
	Plan assets at year end at fair value	**4,742**	**3,798**
(c)	**Amount of the obligation recognised in Balance Sheet :**		
	Description		
	Present value of the defined benefit obligation as at the end of the year	4,742	3,798
	Fair value of plan assets at the end of the year	4,742	3,798
	Liability/(Assets) recognized in the Balance Sheet	**-**	**-**

As the funded status is in surplus there is no need for any specific provision as at 31st March 2022 towards the Provident Fund by the Group. Hence the net liability to be recognised in the balance sheet is Rs. Nil

		31 March 2022	31 March 2021
(d)	**Principal actuarial assumptions at the Balance Sheet date**		
	Discount Rate	7.22%	6.87%
	Return on Assets for Exempt PF Fund	6.64%	6.72%
	Long term EPFO Rate	8.10%	8.50%
	Expected Contribution to the fund in the next year	330	248

(iii) Gratuity

The Group 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 Group makes contributions to recognized funds in India.

Changes in the defined benefit obligation and fair value of plan assets as at 31 March 2021

Consolidated Notes to the financial statements

(All amounts in Rs. Mn unless otherwise stated)

	Present Value of Obligation	Fair Value of Plan Assets	Net Amount
1 April 2020	**570**	**(270)**	**300**
Current Service Cost	123	-	123
Interest expense/ (income)	40	(18)	22
Total amount recognized in profit or loss	**163**	**(18)**	**145**
Remeasurements			
Actuarial changes arising from changes in demographic assumptions	8	2	10
Actuarial changes arising from changes in financial assumptions	15	-	15
Experience adjustments	(11)	-	(11)
Exchange differences	-	(1)	(1)
Total amount recognized in other comprehensive income	**11**	**1**	**12**
Employer's Contributions	-	(7)	(7)
Benefit payments	(122)	83	(39)
31 March 2021	**622**	**(211)**	**411**

Changes in the defined benefit obligation and fair value of plan assets as at 31 March 2022

	Present Value of Obligation	Fair Value of Plan Assets	Net Amount
1 April 2021	**622**	**(211)**	**411**
Grautity from acquired entity	138	(6)	132
Current Service Cost	171	-	171
Interest expense/ (income)	45	(16)	29
Total amount recognized in profit or loss	**216**	**(16)**	**200**
Remeasurements			
Actuarial changes arising from changes in demographic assumptions	(7)	-	(7)
Actuarial changes arising from changes in financial assumptions	(33)	-	(33)
Experience adjustments	24	3	27
Exchange differences	-	2	2
Total amount recognized in other comprehensive income	**(16)**	**5**	**(11)**
Employer's Contributions	-	(17)	(17)
Benefit payments	(132)	114	(18)
31 March 2022	**828**	**(131)**	**697**

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

	31 March 2022			31 March 2021		
	India	Outside India	Total	India	Outside India	Total
Present value of defined benefit obligation	719	-	719	532	-	532
Fair value of plan assets	(131)	-	(131)	(211)	-	(211)
Net defined benefit obligation	**588**	**-**	**588**	**321**	**-**	**321**
Unfunded plans	-	109	109	-	90	90
Total defined benefit obligation	**588**	**109**	**697**	**321**	**90**	**411**

Consolidated Notes to the financial statements (All amounts in Rs. Mn unless otherwise stated)

Post employment benefits
The significant actuarial assumptions were as follows:

	31 March 2022		31 March 2021	
	India	Others	India	Others
Discount rate	6.79% to 7.35%	1.95% to 5.18%	6.49% to 6.90%	1.7% to 2.8%
Future salary increase	5% to 12%	2% to 5%	5% to 10%	2% to 5.25%
Life expectancy	6.49 to 26.08 Years	6 to 13.12 Years	3.5 to 11.78 Years	8.23 to 13.18 Years
Rate of return on plan assets	6.79% to 7.35%	-	6.49% to 6.90%	-

Sensitivity analysis
The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Change in assumptions		Impact on defined benefit obligation			
			Increase in assumption		Decrease in assumption	
	31 March 22	31 March 21	31 March 22	31 March 21	31 March 22	31 March 21
Discount rate	50 Basis Points	50 Basis Points	(40)	(28)	43	25
Salary growth rate	50 Basis Points	50 Basis Points	43	27	(40)	(28)

The sensitivity analysis 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. The sensitivity analysis are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analysis may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

The major categories of plan assets are as follows:

	31 March 2022			31 March 2021		
	Quoted	Total	%	Quoted	Total	%
Insurance Companies product	131	131	100%	211	211	100%

The following payments are expected contributions to the defined benefit plan in future years:

	Less than a year	Between 1 - 2 years	Between 2 - 5 years	Over 5 years	Total
31 March 2022	58	48	247	1,221	1,574
31 March 2021	44	43	182	525	794

16		31 March 2022		31 March 2021	
	Other liabilities	Current	Non- Current	Current	Non- Current
	Advances from customers	22	-	57	-
	Payroll taxes	159	-	150	145
	Statutory dues including provident fund and tax deducted at source	1,605	-	1,406	-
	Contract liabilities	538	51	479	36
	Total other liabilities	**2,324**	**51**	**2,092**	**181**

Consolidated Notes to the financial statements **(All amounts in Rs. Mn unless otherwise stated)**

		Year ended 31 March 2022	Year ended 31 March 2021
17	**Revenue from operations**		
	Sales of products	2,333	3,636
	Sale of services	61,987	42,992
	Total revenue from operations	**64,320**	**46,628**
	Timing of revenue recognition		
	Goods transferred at a point in time	2,333	3,636
	Services transferred over time	61,987	42,992
	Total revenue from contracts with customers	**64,320**	**46,628**
	Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price		
	Revenue as per contracted price	64,600	47,201
	Hedge (loss) / gain	224	(31)
	Volume and other discount	(504)	(542)
	Total Revenue from contract with customers	**64,320**	**46,628**

Note : The Group deals in number of software and hardware items whose selling price vary from item to item. In view of voluminous data information relating to major items of sales have not been disclosed in the consolidated financial statements.

Majority of the Group's revenue involve payment terms less than one year from the date of satisfaction of performance obligation. However, in case of contracts for grant of right of use for license, payments are due over license period. In these cases, the Group has identified that the contract contains significant financing component.

Disclosures related to revenue from contract with customers

a. **Disaggregate revenue information**

Refer note 31 for geographical revenue disaggregation. In addition the Group maintain revenue by verticals:

The table below presents disaggregated revenues from operations by verticals:

Vertical	**Year ended 31 March 2022**	**Year ended 31 March 2021**
Banking and financial services	16,420	8,135
Insurance	18,187	15,135
Travel, transportation and hospitality	12,220	8,989
All Others	17,493	14,369
Total Revenue	**64,320**	**46,628**

Revenue by Service line	**Year ended 31 March 2022**	**Year ended 31 March 2021**
Application Development and Maintenance	15,970	12,496
Cloud and Infrastructure Management	11,495	9,652
Business Process Management	6,853	793
Product Engineering	7,698	7,321
Data and Integration	13,405	9,372
Intelligent Automation	8,899	6,994
Total Revenue	**64,320**	**46,628**

Revenue by Project type	**Year ended 31 March 2022**	**Year ended 31 March 2021**
Time-and-material	28,159	21,449
Fixed-price*	36,161	25,179
Total Revenue	**64,320**	**46,628**

*Comprises fixed capacity, fixed monthly, transaction based and licensed related contract.

Consolidated Notes to the financial statements (All amounts in Rs. Mn unless otherwise stated)

Particulars pertaining to contract assets [Refer note 8]	Year ended 31 March 2022	Year ended 31 March 2021
Balance at the beginning	**629**	**1,072**
Contract assets classified to trade receivable upon billing to customer out of opening contract assets	616	1,026
Also refer note 6(a) for trade receivables and note 16 for contract liability		

Particulars pertaining to contract liability (Refer note 16)	Year ended 31 March 2022	Year ended 31 March 2021
Balance at the beginning	**515**	**403**
Revenue recognized during the year from opening contract liability	515	403

Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Group expects to recognize these amounts in revenue. Applying the practical expedient as given in IndAS115, the Group has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis, fixed monthly / fixed capacity basis and transaction basis. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, and adjustment for revenue that has not materialized and adjustments for currency.

The aggregate value of performance obligations that are completely or partially unsatisfied as of 31 March 2022, other than those meeting the exclusion criteria mentioned above, is Rs. 3,789 Mn (31 March 2021 Rs. 4,254 Mn). Out of this, the Group expects to recognize revenue of around Rs. 2,033 Mn(31, March 2021 Rs. 2,128 Mn) within the next one year and the remaining thereafter. This includes contracts that can be terminated for convenience without a substantive penalty. Generally, customers have not terminated contracts without cause.

Payment terms

Majority of the Group's revenue involve payment terms less than one year from the date of satisfaction of performance obligation. However, in case of contracts for grant of right of use for license, payments are due over license period. In these cases, the Group has identified that the contract contains significant financing component.

18	**Other Income**		
	Dividend income from investment in mutual funds	2	-
	Interest Income from financial assets at amortised cost	110	109
	Gain on sale of Investments in mutual funds	3	-
	Income on Financial Investments at fair value through profit and loss - mutual funds	-	8
	Finance income	115	117
	Government incentives	170	52
	Gain on exchange fluctuations (net)	161	-
	Profit on sale of asset	6	-
	Miscellaneous income	66	157
	Total other income	**518**	**326**
19	**Employee benefits expense**		
	Salaries, wages and bonus	35,561	26,062
	Contribution to provident (and other) funds	1,924	1,303
	Employee share-based payment expense (Refer note 36)	382	464
	Gratuity	200	145
	Staff welfare expenses	279	184
	Total employee benefit expense	**38,346**	**28,158**

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(All amounts in Rs. Mn unless otherwise stated)

		Year ended 31 March 2022	Year ended 31 March 2021
20	**Depreciation and amortization expense**		
	Depreciation of property, plant and equipment (Refer note 3)	812	638
	Depreciation of right of use assets (Refer note 35)	411	291
	Amortisation of intangible assets (Refer note 4)	1,049	907
	Total depreciation and amortization expense	**2,272**	**1,836**
21	**Other expenses**		
	Rent	231	182
	Rates and taxes	20	11
	Electricity and water	139	124
	Communication expenses	341	229
	Legal and professional	960	816
	Travelling and conveyance	272	197
	Recruitment expenses	628	227
	Insurance premium	117	78
	Repairs and maintenance		
	- Plant and machinery	633	391
	- Buildings	60	9
	- Others	158	130
	Loss on exchange fluctuations (net)	-	106
	Allowance for doubtful debts - trade receivables and unbilled revenue	16	205
	Lease rentals	9	4
	Loss on sales of assets (net)	-	16
	Expenditure towards corporate social responsibilities activities	104	81
	Advertisement and publicity expenses	141	105
	Business promotion expenses	50	17
	Professional charges	6,572	3,845
	Equipment hiring	21	40
	Other production expenses (incl. third party license cost)	2,352	1,660
	Miscellaneous expenses	407	267
	Total other expenses	**13,231**	**8,740**
22	**Finance costs**		
	Interest on borrowings	479	15
	Bank and financial charges	41	36
	Unwinding of discounts	130	92
	Total finance costs	**650**	**143**
23	**Exceptional Item**		
	Total	**-**	**180**

Consequent to COVID-19 assessment, the Group's operations have been adversely impacted primarily in travel and hospitality sectors. The Group has reviewed and recorded impairment on accounts receivables amounting to Rs 180 Mn and disclosed the same as an exceptional item during the previous year.

Consolidated Notes to the financial statements **(All amounts in Rs. Mn unless otherwise stated)**

		Year ended 31 March 2022	Year ended 31 March 2021
24	**Income tax expense**		

This note provides an analysis of the Group's income tax expense, shows amounts that are recognized directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Group's tax positions.

	Year ended 31 March 2022	Year ended 31 March 2021
(a) Income tax expense		
Current tax		
Current tax on operating profits of the period	2,762	1,712
Adjustments for current tax of prior periods	(91)	24
Decrease (increase) in MAT	(897)	(128)
Total current tax expense	**1,774**	**1,608**
Deferred tax		
(Increase) decrease in deferred tax assets (Employee benefits, provisions and others)	(157)	(101)
(Decrease) in deferred tax liabilities (PPE)	17	(103)
(Decrease) in deferred tax liabilities (intangible assets)	(166)	(102)
Total deferred tax benefit	**(306)**	**(306)**
Income tax expense	1,468	1,302
(b) Amount recognised directly in equity outside profit or loss		
Deferred tax asset	382	-
(c) Tax Losses		
Unused tax losses for which no deferred tax asset has been recognised due to no reasonable certainty of realisation	670	394
Potential tax benefit	188	118

Above includes additions due to business combination (refer note 32) of unused tax losses amounting to INR 372 Mn and potential tax benefits amounting to INR 99 Mn.

(d) Unrecognised temporary differences

Certain subsidiaries of the Group have undistributed earnings, which are expected to be distributed as dividend. The group follows policy of further distributing dividend received from subsidiaries to its shareholders. The Indian Income Tax Act allows the parent company credit for taxes paid by its subsidiaries on dividend. Accordingly, no deferred tax liability has been recorded on such undistributed earnings.

	Year ended 31 March 2022	Year ended 31 March 2021
(f) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
Profit from continuing operations before income tax expense	8,615	5,962
Tax at the Indian tax rate of 34.944% (for FY 2020-21: 34.944%)	3,010	2,083
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Impact of deductions		
Effect of tax holiday benefits and exemptions	(749)	(443)
Taxes paid by branches - net of credits	208	27
Others	2	(4)
Impact of permanent differences		
Effect of tax holiday benefits*	22	20
Taxes pertaining to branches - net of credits	(91)	24
Others	(74)	46
Others		
Effect of differential tax rates	(860)	(451)
Income tax expense	**1,468**	**1,302**

*The Group is availing benefits of various tax incentives in the form of tax holidays and exemptions provided by the Government of India.

Consolidated Notes to the financial statements

(All amounts in Rs. Mn unless otherwise stated)

25 Fair value measurements

The carrying value and fair value of financial instruments by categories as of 31 March 2022 and 31 March 2021 were as follows:

	31 March 2022				
	FVPL	**FVTOCI**	**Amortized Cost**	**Carrying amount**	**Fair value**
Financial assets					
Trade receivables	-	-	1,691	1,691	1,691
Derivative instruments	-	162	-	162	162
Other long-term financial assets	-	-	421	421	421
Total Financial assets	**-**	**162**	**2,112**	**2,274**	**2,274**
Financial liabilities					
Non current borrowings	-	-	3,365	3,365	3,365
Non controlling interest *	-	-	-	2,908	2,908
Trade payable	-	-	364	364	364
Derivative instruments	-	34	-	34	34
Total Financial liabilities	**-**	**34**	**3,729**	**6,671**	**6,671**

	31 March 2021				
	FVPL	**FVTOCI**	**Amortized Cost**	**Carrying amount**	**Fair value**
Financial assets					
Investments in Mutual funds	124	-	-	124	124
Trade receivables	-	-	1,584	1,584	1,584
Derivative instruments	-	167	-	167	167
Other long-term financial assets	-	-	245	245	245
Total Financial assets	**124**	**167**	**1,829**	**2,120**	**2,120**
Financial liabilities					
Non current borrowings	-	-	3	3	3
Non controlling interest *	-	-	-	708	708
Trade payable	-	-	325	325	325
Derivative instruments	-	61	-	61	61
Total Financial liabilities	**-**	**61**	**328**	**1,097**	**1,097**

Financial liability for future acquisition amounting to Rs. 2,908 Mn (31 March 2021: Rs. 708 Mn) has been measured through fair valuation by other equity. Also refer note 32.

The carrying amounts of current portion of trade receivables, trade payables, capital creditors, security deposits, unpaid dividend account, deposits with bank, cash and cash equivalents, short term borrowings, trade and other payables, capital creditors, unclaimed dividend are considered to be the same as their fair values, due to their short term nature.

(i) 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 group has classified its financial instruments into the three levels prescribed under the accounting standard.

An explanation of each level follows underneath the table.

Consolidated Notes to the financial statements **(All amounts in Rs. Mn unless otherwise stated)**

Financial assets and liabilities measured at fair value - recurring fair value measurements at 31 March 2022	Level 1	Level 2	Level 3	Total
Financial assets				
Derivatives designated as hedges				
Derivative Financial Assets	-	162	-	162
Financial assets at amortised costs	-			
Trade receivables	-	1,691	-	1,691
Other long-term financial assets	-	421	-	421
Total financial assets	**-**	**2,274**	**-**	**2,274**
Financial Liability				
Derivatives designated as hedges				
Derivative Financial Liability	-	34	-	34
Other financial liabilities				
Future acquisition liability	-	-	2,908	2,908
Financial liabilities at amortised costs				
Borrowings	-	3,365	-	3,365
Trade payable	-	364	-	364
Total financial Liability	**-**	***3,763***	***2,908***	**6,671**

Financial assets and liabilities measured at fair value - recurring fair value measurements at 31 March 2021	Level 1	Level 2	Level 3	Total
Financial assets				
Financial Investments at FVPL				
Mutual funds	124	-	-	124
Financial Investments at OCI				
Derivatives designated as hedges				
Derivative Financial Assets	-	167	-	167
Financial assets at amortised costs				
Trade receivables	-	1,584	-	1,584
Other long-term financial assets	-	245	-	245
Total financial assets	**124**	**1,996**	**-**	**2,120**
Financial Liability				
Derivatives designated as hedges				
Derivative Financial Liability	-	61	-	61
Other financial liabilities				
Financial liability for future acquisition	-	-	708	708
Financial liabilities at amortised costs				
Borrowings	-	3	-	3
Trade payable	-	325	-	325
Total financial Liability	**-**	**389**	**708**	**1,097**

There is also a financial liability for future acquisition measured at fair value using level 3 inputs.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

The Group's policy is to recognize transfers into and transfers out of fair value hierarchy levels at the end of reporting period. There has been no transfer during the period.

Consolidated Notes to the financial statements

(All amounts in Rs. Mn unless otherwise stated)

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:
- The use of quoted market prices for similar instruments.
- Derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the marketplace.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

Inputs used in the valuation models

(a) Financial liability for future acquisition-

(i) Revenue inputs - Based on past performance and management's expectations of market development. \

(ii) Budgeted operating margin - Based on past performance and management's expectations for the future.

(iii) Pre-tax discount rates - Reflect specific risks relating to the relevant geography in which they operate.

hence classified under Level 3 hierarchy

Quantitative details of input used in valuation of financial liability for future acquisition

	31 March 2022	31 March 2021
Revenue (% annual growth rate)	10%	10%
Budgeted operating margin (%)	23.50%	25%
Pre-tax discount rate (%)	13.5%	19.5%

If the revenue/ budgeted operating margin unobservable inputs used in the valuation of Level 3 financial liability for future acquisition had been 1% change than management's estimates at 31 March 2021, does not have significant impact in its value and other equity.

(iii) NCI Put Option liability

Liability for call and put options issued to non-controlling interests which do not grant present access to ownership interest to us is recognized at the present value of the redemption amount and is reclassified from equity. At the end of each reporting period, the non-controlling interests subject to the put option is derecognized and the difference between the amount derecognized and present value of the redemption amount, which is recorded as a financial liability, is accounted for as an equity transaction. Considering the call and put option granted, the carrying amount of financial liability recognised at 31 March 2022 is Rs. 2,908 Mn (31 March 2021: Rs. 708 Mn).

(iv) Movement of Financial liability for future acquisition

Particulars	31 March 2022	31 March 2021
Opening future acquisition liability	708	1,994
Addition on account of acquisition	1,117	-
Additional stake acquisition payout	(729)	(1,427)
Fair value through other equity	1,812	141
Closing future acquisition liability	**2,908**	**708**

26 (i) Hedging activities and derivatives

The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency) and the Group's net investments in foreign subsidiaries. The Group 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 into for the purpose of being a hedge, the Group 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 Group 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 Group is holding the following foreign exchange forward contracts (highly probable forecasted sales)

As at 31 March 2022

Particulars	Less than 1 month	1 to 3 months	3 to 6 months	6 to 9 months	9 to 12 month	Total
USD /INR						
Notional amount (INR)	1,029	2,003	2,686	2,335	1,982	10,034
Average forward rate	76.68	76.45	77.09	78.29	78.29	77.43
GBP /INR						
Notional amount (INR)	201	502	607	549	486	2,346
Average forward rate	106.45	106.32	105.41	105.18	104.60	105.47
EUR /INR						
Notional amount (INR)	42	82	108	84	68	384
Average forward rate	92.42	91.66	90.78	89.96	89.51	90.73
AUD /INR						
Notional amount (INR)	46	92	121	107	93	458
Average forward rate	57.03	56.49	55.81	56.72	57.17	56.55

Consolidated Notes to the financial statements **(All amounts in Rs. Mn unless otherwise stated)**

As at 31 March 2021

Particulars	Less than 1 month	1 to 3 months	3 to 6 months	6 to 9 months	9 to 12 month	Total
USD /INR						
Notional amount (INR)	590	1,149	1,448	1,366	1,193	5,746
Average forward rate	78	78	77	77	76	76.95
GBP /INR						
Notional amount (INR)	165	477	592	521	446	2,201
Average forward rate	97	98	100	102	105	101
EUR /INR						
Notional amount (INR)	37	86	110	96	84	413
Average forward rate	88	89	91	82	93	91
AUD /INR						
Notional amount (INR)	17	47	60	57	51	232
Average forward rate	54	55	56	57	59	56

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

Foreign exchange forward contracts	Notional amount	Carrying amount	Line item in the statement of financial position	Change in fair value used for measuring ineffectiveness for the period
At 31 March 2022	13,222	128	Derivative instruments under current financial assets / liabilities	
At 31 March 2021	8,592	106	Derivative instruments under current financial assets / liabilities	-

Impact of hedging activities

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

Type of hedge and risks	31-March-2022			31-March-2021		
	Carrying amount of hedging instrument		Maturity period	Carrying amount of hedging instrument		
	Assets	Liabilities		Assets	Liabilities	
Cash flow hedge Foreign exchange risk Foreign exchange forward contracts	162	34	April 2022 to March 2023	167	61	April 2021 to March 2022

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

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 the reclassification	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Cash flow hedge						
Foreign exchange risk	18	274	224	(31)	Revenue	Revenue

*The resultant impact on the cash flow hedge reserve for the year ended March 31, 2022 and March 31, 2021; on account of changes in the fair value has been reconciled in Note No. 11.

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.

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27 Financial risk management

The Group's principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables. The borrowing of the Group constitute mainly Non Convertible Bonds (NCB). All the repayments are made out of internal accruals. The Group's principal financial assets include trade and other receivables, cash and short-term deposits that derive directly from its operations. The Group also enters into derivative transactions.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Group. The financial risk committee provides assurance to the Group's senior management that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken and derivatives are used exclusively for hedging purposes. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

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 loans and borrowings, deposits, fair value through profit and loss investments and derivative financial instruments.

-Interest rate risk

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

The Group has issue non-convertible bonds during the year with fixed interest rate for the next 2 years and accordingly there is no significant concentration of interest rate risk (Refer note 22).

- 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.

Unhedged foreign currency exposure

Non-derivative foreign currency exposure as of 31 March, 2022 and 31 March 2021 in major currencies is as below:

Currencies	Net financial Assets		Net financial Liabilities	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
USD/INR	2,225	1,161	189	61
GBP/INR	1,501	762	11	-
EURO/INR	78	186	0	-
AUD/INR	162	151	-	1

a) Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and the impact on other components of equity arises from foreign forward exchange contracts designated as cash flow hedges.

Currencies	Impact on Profit after Tax		Impact on other components of equity	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
USD Sensitivity				
INR/USD - Increase by 1% (31 March 2021 - 1%)*	14	4	0	1
INR/USD - Decrease by 1% (31 March 2021 - 1%)*	(14)	(4)	(0)	(1)
EUR Sensitivity				
INR/EUR - Increase by 1% (31 March 2021 - 1%)*	1	3	0	0
INR/EUR - Decrease by 1% (31 March 2021 - 1%)*	(1)	(3)	(0)	(0)
GBP Sensitivity				
INR/GBP - Increase by 1% (31 March 2021 - 1%)*	15	8	1	(1)
INR/GBP - Decrease by 1% (31 March 2021 - 1%)*	(15)	(8)	(1)	1
AUD Sensitivity				
INR/AUD - Increase by 1% (31 March 2021 - 1%)*	2	1	(0)	(0)
INR/AUD - Decrease by 1% (31 March 2021 - 1%)*	(2)	(1)	0	0

*Holding all other variables constant

Consolidated Notes to the financial statements (All amounts in Rs. Mn unless otherwise stated)

b) Credit Risk

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 Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade Receivables

The customers of the Group are primarily corporations based in the United States of America and Europe and accordingly, trade receivables are concentrated in the respective countries. The Group periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivables. The Group 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 calculating expected credit loss, the Group has also taken into account estimates of possible effect from the pandemic relating to COVID -19 and has recorded provison of Rs. Nil Mn (Previous year Rs. 180 Mn) and Nil (Previous year Rs. Nil) against outstanding receivables and unbilled revenue respectively against one of its customer related to travel industry.

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

	31 March 2022	31 March 2021
Balance at the beginning	993	783
Impairment loss recognized (net)	16	205
Expenses Recognised in Exceptional Item	-	180
Transfer to provision for customer contract/ other expense	49	87
Amounts written off	-	(262)
Balance at the end *	**1,058**	**993**

* Closing balance includes allowance for doubtful - trade receivable Rs. 960 (31 March 2021 Rs. 905 Mn) and contract assets Rs. 98 Mn (31 March 2021 (Rs. 88 Mn).

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Group's Finance Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

c) Liquidity Risk

The Group's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Group's corporate treasury department is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Group's net liquidity position through rolling forecasts based on the expected cash flows.

d) Maturities of financial liabilities

The table below provides details regarding the contractual maturities of significant financial liabilities as of 31 March 2022:-

Particulars	Less than 1 Year	1-2 Years	2-4 Years	More than 4 years	Total
Borrowings	180	-	3,365	-	3,545
Trade Payables	6,160	244	67	53	6,524
Lease Liability	414	211	178	548	1,351
Other Financial Liabilities (excluding Borrowings)	2,398	2,830	78	-	5,306
	9,152	**3,285**	**3,688**	**601**	**16,726**

The table below provides details regarding the contractual maturities of significant financial liabilities as of 31 March 2021:-

Particulars	Less than 1 Year	1-2 Years	2-4 Years	More than 4 years	Total
Borrowings	7	3	-	-	10
Trade Payables	3,398	206	44	75	3,723
Lease Liability	268	198	233	117	816
Other Financial Liabilities (excluding Borrowings)	2,435	-	-	-	2,435
	6,108	**407**	**277**	**192**	**6,984**

Consolidated Notes to the financial statements

(All amounts in Rs. Mn unless otherwise stated)

28 Capital Management

a) Risk management

For the Group's capital management, capital includes issued equity share capital, securities premium and all other equity reserves attributable to the shareholders. The primary objectives of the Group's capital management are to maximise the shareholder value and safeguard their ability to continue as a going concern. The Group has outstanding Non Convertible Bonds (NCB) and working capital limits from banks (refer note 13). The Group has complied with the financial covenants attached with above stated borrowings throughout the reporting period. The funding requirements are generally met through operating cash flows generated. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2022 and 31 March 2021.

b) Dividends

	31 March 2022	31 March 2021
Equity Shares		
During the year the directors have recommended the payment of Interim dividend.	2,367	687
Dividends not recognised at the end of reporting period		
In addition to the above dividends, the directors have recommended the payment of Interim dividend of Rs. 13 per fully paid up equity share each on 12 May 2022 (31 March 2021 Rs. 11 per share)	792	788

29 Related parties where control exists

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.

Sr. No.	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						
1	Coforge SmartServe Limited (erstwhile NIIT SmartServe Limited)	India	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
2	Coforge Services Limited (erstwhile NIIT Technologies Services Limited)	India	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
3	Coforge U.K. Limited (erstwhile NIIT Technologies Limited)	United Kingdom	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
4	Coforge Pte Limited (erstwhile NIIT Technologies Pacific Pte Limited)	Singapore	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
5	Coforge DPA Private Limited (erstwhile NIIT Incessant Private Limited)	India	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
6	Coforge GmbH (erstwhile NIIT Technologies GmbH)	Germany	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
7	Coforge Inc. (erstwhile NIIT Technologies Inc)	USA	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
8	Coforge Airline Technologies GmbH (erstwhile NIIT Airline Technologies GmbH)	Germany	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
9	Coforge FZ LLC (erstwhile NIIT Technologies FZ LLC)	Dubai	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
10	NIIT Technologies Philippines Inc (under liquidation)	Philippines	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
11	Coforge SF Private Limited (erstwhile Whishworks IT Consulting Private Limited)	India	100	81	-	19	Information Technology/ Information Technology Enabled Services ("IT / ITES")
12	Coforge Business Process Solutions Private Limited (Erstwhile SLK Global Solutions Pvt Limited) w.e.f. April 28, 2021	India	60	-	40	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
	Stepdown subsidiaries						

Consolidated Notes to the financial statements

(All amounts in Rs. Mn unless otherwise stated)

Sr. No.	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	
13	Coforge BV (erstwhile NIIT Technologies BV) (Wholly owned by Coforge U.K. Ltd.)	Netherlands	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
14	Coforge Limited (erstwhile NIIT Technologies Ltd) (Wholly owned by Coforge Pte Ltd., Singapore)	Thailand	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
15	Coforge Technologies (Australia) Pty Limited (erstwhile NIIT Technologies Pty Ltd) (Wholly owned by Coforge Pte Ltd., Singapore)	Australia	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
16	Coforge Advantage Go (erstwhile NIIT Insurance Technologies Limited) (Wholly owned by Coforge U.K. Ltd., UK)	United Kingdom	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
17	Coforge S.A. (erstwhile NIIT Technologies S.A.) (Wholly owned by Coforge U.K. Ltd.)	Spain	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
18	Coforge BPM Inc. (erstwhile RuleTek LLC) (80% owned Coforge DPA Private Limited, India and 20% by Coforge DPA NA Inc. USA)	USA	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
19	Coforge DPA UK Ltd. (erstwhile Incessant Technologies. (UK) Limited) (Wholly owned by Coforge DPA Private Ltd.)	United Kingdom	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
20	Coforge DPA Ireland Limited (erstwhile Incessant Technologies (Ireland) Ltd., (Ireland) (Wholly owned by Coforge DPA Private Ltd.)	Ireland	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
21	Coforge DPA Australia Pty Ltd. (erstwhile Incessant Technologies (Australia) Pty Ltd.) (Wholly owned by Coforge DPA Private Ltd.)	Australia	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
22	Coforge DPA NA Inc. USA (erstwhile Incessant Technologies NA Inc.) (Wholly owned by Coforge DPA Private Ltd.)	USA	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
23	Coforge SF Limited, UK (Erstwhile Whishworks Limited, UK) (Wholly owned by Coforge SF Private Limited India)	United Kingdom	100	81	-	19	Information Technology/ Information Technology Enabled Services ("IT / ITES")
24	Coforge SPÓŁKA Z OGRANICZONA ODPOWIEDZIALNOSCIA (erstwhile NIIT Technologies Spółka Z Ograniczona Odpowiedzialnoscia) (Wholly owned by Coforge U.K. Ltd., UK,	Poland	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
25	Coforge S.R.L., Romania (erstwhile NIIT Technologies S.R.L.) (Wholly owned by Coforge U.K. Limited,)	Romania	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
26	Coforge A.B. Sweden (erstwhile NIIT Technologies A.B.) (wholly owned by Coforge U.K. Limited,)	Sweden	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
27	Coforge SDN. BHD. Malaysia (Erstwhile NIIT Technologies SDN. BHD), (Wholly owned by Coforge Pte Ltd., Singapore,)	Malaysia	100	100	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
28	Coforge SpA, Chile (Wholly owned by Coforge U.K. Ltd., UK)	Chile	100	-	-	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
29	SLK Global Philippines Inc, Philippines (wholly owned subsidiary of Coforge Business Process Solutions Private Limited w.e.f. April 28, 2021)	Philippines	60	-	40	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
30	Coforge BPS America Inc. (Erstwhile SLK Global Solutions America Inc., USA) (wholly owned subsidiary of Coforge Business Process Solutions Private Limited w.e.f. April 28, 2021)	USA	60	-	40	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
31	SLK Global North Carolina LLC, USA (wholly owned subsidiary of Coforge Business Process Solutions Private Limited w.e.f. April 28, 2021)	USA	60	-	40	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")
32	Coforge Healthcare Digital Automation LLC (Subsidiary of Coforge BPM Inc. w.e.f. January 21, 2022)	USA	55	-	45	-	Information Technology/ Information Technology Enabled Services ("IT / ITES")

Consolidated Notes to the financial statements

(All amounts in Rs. Mn unless otherwise stated)

30 Related party transactions

Coforge Limited's principal related parties consist of Investor with significant influence i.e Hulst B.V., Netherlands, its own subsidiaries and key managerial personnel. The Group's material related party transactions and outstanding balances are with related parties with whom the Group routinely enter into transactions in the ordinary course of business.

Transactions and balances with its own subsidiaries are eliminated on consolidation.

Ultimate Holding Company

Baring Private Equity Asia Holding (till 15 December 2021)

Holding Company

Hulst B.V., Netherlands (till 15 December 2021)

Investor with significant influence

Hulst B.V., Netherlands (w.e.f. 16 December 2021)

Interest in Subsidiaries

Refer note 29

A List of related parties with whom the Group has transacted:

a) Key Managerial personnel

Sudhir Singh, Chief Executive Officer

Ajay Kalra, Chief Financial Officer

Lalit Kumar Sharma, Company Secretary & Legal Counsel (till July 31, 2021)

Barkha Sharma, Company Secretary (w.e.f. August 1, 2021)

Non Executive Director

Patrick John Cordes

Kenneth Tuck Kuen Cheong

Hari Gopalakrishnan

Ashwani Puri

Basab Pradhan

Holly J. Morris

Kirti Ram Hariharan

b) Parties in which the key managerial personnel or the relatives of the key managerial personnel are interested

Titan Company Limited

c) List of other related parties

Particulars	Country	Nature of relationship
Coforge Limited Employees Provident Fund Trust (erstwhile NIIT Technologies Limited Employees Provident Fund Trust)	India	Post-employment benefit plan
Coforge Limited Employees Group Gratuity Scheme (erstwhile NIIT Technologies Limited Employees Group Gratuity Scheme)	India	Post-employment benefit plan
Coforge Limited Employees Superannuation Scheme (erstwhile NIIT Technologies Superannuation Scheme)	India	Post-employment benefit plan

Refer to Note 15 for information and transactions with post-employment benefit plans mentioned above

Consolidated Notes to the financial statements

(All amounts in Rs. Mn unless otherwise stated)

B Details of transaction with related parties carried out on an arms length basis:

Nature of Transactions	Holding Company/ Investor with significant influence	Parties in which Key Managerial Personnel of the Group are interested	Total
Rendering of Services	-	2	2
	-	(5)	(5)
Dividend Paid	1,666	-	1,666
	(482)	-	(482)

Figures in parenthesis represent Previous Year's figures

C Key management personnel compensation

Commission & sitting fees	Year ended 31 March 2022	Year ended 31 March 2021
Short term employee benefits**	151	108
Commission & sitting fees	32	21
Post employment benefits*	5	3
Remuneration paid	**188**	**132**
Share based payment transactions	234	242
Total of compensation	**422**	**374**

*As gratuity and compensated absences are computed for all the employees in aggregate, the amounts relating to the key managerial personnel can not be individually identified.

** At each reporting period, the Group accrues employee bonuses for all the employees in aggregate, which are individually identified in the subsequent financial year. Accordingly, the current year figures includes bonus pertaining to March 2021 paid during the current year.

Outstanding balances with related parties:

Particulars	Receivables as at 31 March 2022	Payables as at 31 March 2022	Receivables as at 31 March 2021	Payables as at 31 March 2021
Parties in which the key managerial personnel or the relatives of the key managerial personnel are interested	-	-	2	-

There is no allowance account for impaired receivables in relation to any outstanding balances, and no expense has been recognised in respect of impaired receivables due from related parties.

Key Managerial Personnel interests in the Senior Executive Plan

Share options held by Key Managerial Personnel of the Company's Stock Option Plan 2005 to purchase Equity shares have the following expiry dates and exercise prices:

			Closing option as at	
Grant date	**Expiry date**	**Exercise price**	**31 March 2022**	**31 March 2021**
FY 17-18	31-Dec-21	10	-	40,000
FY 18-19	22 May 22 to 22 May 24	1,049	15,030	15,030
FY 19-20	31 Dec 2022 to 30 Sept 30	10	540,402	655,221
FY 20-21	31 Dec 2021 to 31 Dec 24	10	-	17,275
FY 21-22	31-Dec-22	10	10,000	-
Total			**565,432**	**727,526**

No share options have been granted to the non-executive members of the Board of Directors under this scheme.

Refer to note 36 for further details on the scheme.

Consolidated Notes to the financial statements

(All amounts in Rs. Mn unless otherwise stated)

31 Segment Reporting

(a) Description of segments and principal activities

The Group delivers services around the world directly and through its network of subsidiaries and overseas branches. The Group is rendering Information Technology solutions and is engaged in Application Development and Maintenance, Managed Services, Cloud Computing and Business Process Outsourcing to organizations in a number of sectors viz. Financial Services, Insurance, Travel, Transportation and Logistics, Manufacturing and Distribution and Government.

The Chief Executive Officer of the Group being identified the Chief Operating Decision Maker (CODM), reviews the Group's performance both from a products/ services and geographic perspective. However, CODM takes its decision for allocating resources of the entity and assessing its performance on the basis of the geographical presence of the Group across the globe and has identified four reportable segments of its business:

1. Americas
2. Europe, Middle East and Africa (EMEA)
3. Asia Pacific (APAC)
4. India

The Chief Operating Decision Maker i.e., the Chief Executive Officer (CEO), primarily uses a measure of revenue and adjusted Earnings before Interest, Tax, Depreciation and Amortisation (Adjusted EBITDA) to assess the performance of the operating segments. For this purposes, the Group calculated EBITDA by adding depreciation/ amortisation, finance costs and foreign exchange loss and reducing other income (including foreign exchange gain) from profit before income taxes. Earnings before Interest, Tax, Depreciation and Amortisation is further adjusted for event based impairments/recoveries to arrive at Adjusted EBITDA. The Group's expenses/ income, viz., depreciation/ amortisation, finance costs, foreign exchange gain/loss, event-based impairment/ recoveries, finance income and other income and income taxes are managed on a Group basis and are not allocated to operating segments. Assets and liabilities used in the Group's business are not identified to any of the reportable segments, as these are used interchangeably between segments. Accordingly, the CEO does not review assets and liabilities at reportable segments level. Management believes that it is currently not practicable to provide segment disclosures relating to total assets and liabilities since a meaningful segregation of the available data is onerous.

As per Ind As 108, 'Operating Segments', the Group has disclosed the segment information only as part of the consolidated financial statements.

(b) Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA)

Interest income and finance cost are not allocated to segments, as this type of activity is driven by the central treasury function, which manages the cash position of the group.

Particulars	**Year ended 31 March 2022**	**Year ended 31 March 2021**
Revenue from Operations		
Americas	33,288	22,236
Europe, Middle East and Africa	22,771	17,181
Asia Pacific	5,439	4,036
India	2,822	3,175
Total	**64,320**	**46,628**
Earning before Interest, Tax, Depreciation and Amortization (EBITDA)		
Americas	6,056	3,866
Europe, Middle East and Africa	4,706	3,604
Asia Pacific	590	408
India	(198)	(13)
Total	**11,154**	**7,865**
Depreciation and Amortization	2,272	1,836
Other Income (net)	-267	113
Profit before exceptional items and tax	**8,615**	**6,142**
Exceptional items	-	180
Profit Before Tax	**8,615**	**5,962**
Provision for tax	1,468	1,302
Profit after tax	**7,147**	**4,660**

(c) There is no customer from which the company derived more than 10% of the revenue. (31 March 2021 Rs. 4,454 Mn these revenues are attributed to Americas segment).

(d) Information about major customers

Information regarding revenues from external customers for each product and service is disclosed in note 17.

Consolidated Notes to the financial statements (All amounts in Rs. Mn unless otherwise stated)

32 Business combinations

(A) Summary of acquisition- SLK Global Solutions Private Limited, currently known as Coforge Business Process Solutions Private Limited

During the year, the Group made a strategic investment in M/s SLK Global Solutions Private Limited, currently known as Coforge Business Process Solutions Private Limited (the "Investee Company", ""SLK Global"") and its subsidiaries on April 12, 2021, and entered into the Share Purchase Agreement and Shareholders Agreement to acquire 80% equity shares over a period of two years from the existing shareholders of the Investee Company. The purpose of this acquisition is to further strengthen the financial services vertical and scales the BPM operations.

35% stake of the Investee Company was purchased on April 12, 2021 and additional stake of 25% was purchased on April 28, 2021, aggregating to 60% of the total share capital of the Investee Company and accordingly obtained control. Both these transactions are linked transactions and the Group has determined April 28, 2021 as the date of acquisition of control. As per the terms of the agreement, the Group will acquire the remaining stake of 20% after two years from the date of acquisition with consideration payable as multiple of earnings and accordingly it has recorded put liability for future acquisition of 20% stake.

Details of purchase consideration, net assets acquired and goodwill are as follows:

Purchase consideration	**Amount**
Cash paid for acquisition of 60% stake along with profit during step up acquisition period	9,201
Total purchase consideration	**9,201**

The Group funded the above transaction partially through redeemable Non-Convertible Bonds amounting to Rs. 3,400 Mn and balance through internal accruals. These bonds having face value of Rs. 1,000,000 each are non-convertible and unsecured with maturity upto five years from the date of allotment i.e. April 26, 2021 bearing effective interest rate for first three years at 8.39%- 9.34%.

The assets and liabilities recognised as a result of the acquisition are as follows:

	Fair value
Identified tangible assets	
Property, plant and equipment	761
Right of Use Asset	325
Other Assets	157
Net Current assets	1,068
Cash and bank balances	739
Acquired liabilities	(135)
Lease Liability	(358)
Deferred tax assets	92
Identified intangible assets	
Customer Contract and related Relationships	3,130
Non-compete fees	48
Deferred tax liabilities	(702)
Net identifiable assets acquired	**5,125**

Calculation of goodwill	**Fair value**
Net identified Tangible and Intangible Assets acquired	5,125
Non Controlling Interest determined on the basis of proportionate share of net assets acquired	2,050
Total purchase consideration	9,201
Goodwill	**6,126**

The goodwill is attributable to the workforce and expected synergies of acquired business, which are not separately recognised. Goodwill is allocated to Americas segments, for impairment testing. None of the goodwill recognised is expected to be deductible for income tax purposes.

No material contingent liabilities have been acquired as part of business combination.

The acquisition related cost recognised in consolidated statement of profit and loss and other comprehensive income is Rs. 269 Mn.

Consolidated Notes to the financial statements

(All amounts in Rs. Mn unless otherwise stated)

(i) Acquired receivables

The Group has acquired receivables having gross contractual amount and net carrying amount of Rs. 590 Mn. No adjustments have been made to acquired trade receivables, i.e., their fair value is the same as the carrying amount. It is expected that the full contractual amounts of receivables can be collected.

(ii) Revenue and profit contribution

The acquired business contributed revenues and profits to the Group for the period 31 March 2022 as follows:

(a) Revenue of Rs. 6,108 Mn and profit after tax of Rs. 973 Mn (net of amortisation of Rs. 305 Mn on intangible assets arising out of acquisition) for the period 28 April 2021 to 31 March 2022.

(b) If the acquisitions had occurred on 1 April 2021, consolidated pro-forma revenue and profit after tax for the period ended 31 March 2022 would have been increased/(decreased) by Rs. 543 Mn and Rs. 74 Mn respectively.

(a) Purchase consideration - cash outflow

	Amount
Outflow of cash to acquire subsidiary, net of cash acquired	
Cash consideration	9,183
Less: balances acquired	
Cash and Bank	739
Net outflow of cash – investing activities	**8,444**

(b) Deferred tax liability

The deferred tax liability mainly comprises the tax effect of the accelerated depreciation for tax purposes of tangible and intangible assets.

(c) Fair value of future acquisition liability

The movement of future acquisition liability of SLK Global is as follows:

Particular	**Amount**
Proportionate share of net assets acquired	2,050
Add : Non-controlling share in the results for the period	516
Less: Dividend paid	(596)
Proportionate share of net assets as at 31 March 2022	**1,970**

Of the above, NCI subject to put option amounting to Rs 983 Mn (20%) has been derecognised and recorded at fair value of Rs 2,792 Mn as financial liability. The difference of Rs 1,809 Mn is accounted for as equity transaction.

(d) Post acquisition, SLK Global has paid dividend amounting to Rs 1,489 Mn.

(B) Summary of acquisition- Coforge Healthcare Digital Automation LLC

On 21 January 2022 the Group entered into Limited Liability Company agreement and incorporated M/s Coforge Healthcare Digital Automation LLC ('Healthcare'). The group infused Rs. 113 Mn in a newly incorporated Healthcare.

The Group paid a consideration of Rs. 113 Mn and 45% stake to sellers in lieu of customer contracts as well as certain employees. The above arrangement has been recorded as business combination in accordance with IFRS 3. Accordingly, the Group recorded a goodwill of Rs. 173 Mn and customer relationship of Rs. 45 Mn and non compete fees of Rs. 2 Mn. As per the terms of the agreement, the Group will acquire the remaining stake of 45% over a period of three years. The put option to acquire remaining 45% has been fair valued at Rs 116 mn.

(C) During the period, the group acquired balance 18.6% stake in Coforge SF Private Limited (erstwhile Whishworks IT Consulting Private Limited) making it wholly owned subsidary w.e.f. 5 October 2021 for a consideration of Rs. 729 million.

Consolidated Notes to the financial statements

(All amounts in Rs. Mn unless otherwise stated)

33 Contingent liabilities and contingent assets

(a) Contingent liabilities

The Group had contingent liabilities in respect of:

		31 March 2022	31 March 2021
i)	Claims against the Group not acknowledged as debts		
	Income tax matters pending disposal by the tax authorities	877	368
	Others	254	-
	Total	**1,131**	**368**

ii) **Notes**

(A) It is not practicable for the Group to estimate the timing of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

(B) The Group does not expect any reimbursements in respect of the above contingent liabilities.

Income tax

Claims against the Group not acknowledged as debts as on 31 March 2022 include demand from the Indian Income tax authorities on certain matters relating to availment of tax holiday

The Group is contesting these demands and the management including its tax and legal advisors believe that its position will more likely be upheld in the appellate process. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Group's financial position and results of operations.

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 Group 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.

(b) Contingent assets

The Group does not have any contingent assets as at 31 March 2022 and 31 March 2021.

34 Commitments

(a) Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Particulars	**31 March 2022**	**31 March 2021**
Property, plant and equipment	220	24
Intangible assets	0	52
Total	**220**	**76**

35 Leases

Following are the notes related to Leases

Particulars	**Year ended 31 March 2022**				**Year ended 31 March 2021**			
	Category of ROU asset				**Category of ROU asset**			
	Buildings	**Vehicles**	**Leasehold Land**	**Total**	**Buildings**	**Vehicles**	**Leasehold Land**	**Total**
Balance at beginning	613	1	304	918	789	3	259	1,051
Additions	793	-	-	793	162	-	49	211
Additions through business combination	325	-	-	325	-	-	-	-
Deletions	(149)	-	-	(149)	(52)	-	-	(52)
Depreciation	(406)	(1)	(4)	(411)	(285)	(2)	(4)	(291)
Translation difference	-	-	-	-	(1)	-	-	(1)
Balance at the end	**1,176**	**-**	**300**	**1,476**	**613**	**1**	**304**	**918**

The following is the movement in lease liabilities

Particulars	**Year ended 31 March 2022**	**Year ended 31 March 2021**
Balance at the beginning	816	977
Additions	793	211
Additions through business combination	358	-
Deletions	(152)	(5)
Finance cost accrued during the period	77	64
Payment of lease liabilities	(546)	(425)
Translation difference	5	(6)
Balance at the end	**1,351**	**816**

The following is the break-up of current and non-current lease liabilities

Particulars	**As at 31 March 2022**	**As at 31 March 2021**
Current lease liabilities	414	268
Non-current lease liabilities	937	548
Total	**1,351**	**816**

Consolidated Notes to the financial statements **(All amounts in Rs. Mn unless otherwise stated)**

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at 31 March 2022	As at 31 March 2021
Less than one year	474	314
One to five years	683	552
More than five years	688	68
	1,845	**934**

The following are the amounts recognised in profit or loss:

Particulars	As at 31 March 2022	As at 31 March 2021
Depreciation expense of right-of-use assets	411	291
Interest expense on lease liabilities	77	64
Expense relating to short-term leases and leases of low-value assets (included in other expenses)	240	186
	728	**541**

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases and leases of low-value assets was Rs. 240 Mn (Previous period Rs. 186 Mn) for the period ended 31 March 2022.

The Group had total cash outflows for principal portion of leases of Rs. 386 Mn in (Previous year Rs. 312 Mn).

The aggregate depreciation on ROU assets has been included under depreciation and amortisation expense in the consolidated Statement of Profit and Loss.

36 Share-based stock payments

(a) Employee stock option plan

The establishment of the Coforge Employee Stock Option Plan 2005 (formerly NIIT Technologies Employee Stock Option Plan 2005) (ESOP 2005) was approved by the shareholders in the annual general meeting held on 18 May, 2005. The ESOP 2005 is designed to offer and grant share-based payments for the benefit of employees of the Company and its subsidiaries, who are eligible under Securities Exchange Board of India (SEBI) Guidelines (excluding promoters). The ESOP 2005 allowed grant of options of the Group in aggregate up to 3,850,000 in one or more tranches. This limit was increased by 1,690,175 and further by 900,000 additional option in the existing ESOP plan over and above earlier options issued by the Company. Under the plan, participants are granted options which vest upon completion of such terms and conditions as may be fixed or determined by the Board in accordance with the provisions of law or guidelines issued by the relevant authorities in this regard. Participation in the plan is at the board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits. As per the plan each option is exercisable for one equity share of face value of Rs 10 each fully paid up on payment to the Group for such shares at a price to be determined in accordance with ESOP 2005. Hence, the plan is equity settled for the Group.

Set out below is a summary of options granted under the plan:

	31 March 2022		31 March 2021	
	Average exercise price per share	Number of options	Average exercise price per share	Number of options
Opening balance	50.02	1,574,493	69.02	1,719,230
Granted during the year	10.00	302,000	10.00	32,875
Exercised during the year *	157.72	320,803	315.56	54,080
Forfeited/ lapsed during the year	10.00	214,868	187.62	123,532
Closing balance	**21.65**	**1,340,822**	**50.02**	**1,574,493**
Vested and exercisable		115,727		261,303

* The weighted average share price at the date of exercise of these options during the year ended 31 March 2022 was Rs. 5,312.64 (31 March 2021 - INR 1976.04)

The weighted average remaining contractual life for the share options outstanding as at 31 March 2022 was 1.94 years (31 March 2021: 3.31 years).

The weighted average fair value of options granted during the year was Rs. 3,452 (31 March 2021: Rs. 1,681).

The range of exercise prices for options outstanding at the end of the year was Rs. 10 to 1,048.9 (31 March 2021: Rs. 10 to Rs. 1,048.9).

Consolidated Notes to the financial statements (All amounts in Rs. Mn unless otherwise stated)

ii) Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant Year	Vesting conditions	Vesting Date	Expiry date	Exercise price	Fair Value at the grant date	Share options outstanding as at	
						31 March 2022	31 March 2021
2017-18	Service	23-Jun-18 to 23-Jun-21	23-Jun-21 to 23-Jun-24	10 to 706.05	175.54 to 667.05	-	68,000
2018-19	Service	23-May-19 to 23-May-21	23-May-22 to 23-May-24	10 to 1364.4	296.72 to 1319.16	15,030	48,720
2019-20	Service and service/ performance	31-Mar-21 to 30- Sept-25	31-Dec-21 to 29-Mar-30	10	879.3 to 1,183.04	1,022,550	1,424,898
2020-21	Service and service/ performance	30-Sept-21 to 30-Sept-25	31-Dec-21 to 31-Dec-25	10	915.67 to 2,571.87	24,237	32,875
2021-22	Service and service/ performance	31st July 22 to 30-Sep-25	31st Dec 22 to 30-Sep-30	10	3,040 to 5,811	279,002	-
Total						**1,340,819**	**1,574,493**

(i) Fair value determination of options granted
The fair value at grant date is determined using the Black Scholes Model as per an independent valuer's report, having taken into consideration the market price being the latest available closing price prior to the date of the grant, exercise price being the price payable by the employees for exercising the option and other assumptions as annexed below:

Grant Year	Market Price at the grant date	Fair Value at grant date	Exercise Price	Volatility*	Average Life of the Options (in Years)	Risk Less Interest Rate	Dividend yield rate
FY 2020-21	1,101.85 to 2,554.45	915.67 to 2,571.87	10	34.67% to 49.93%	1.5 to 5	3.76% to 6.25%	2.12% to 2.74%
FY 2021-22	3107.65 to 5931.15	3,040 to 5,811	10	43.39% to 58.42%	0.94 to 4.48	3.84% to 6.33%	0.33% to 0.58%

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

(b) Stock appreciation rights
In financial year 2018-19, the Group issued the stock appreciation rights, liability for which is measured initially and at the end of each reporting period until settled, at the fair value of the SARs by applying a black Scholes model, taking into account the terms and conditions on which the SARs were granted and the extent to which the employees have rendered services to date. The carrying amount of the liability relating to the SARs at 31 March 2022 was Rs 50 Mn (31 March 2021: Rs 43 Mn) and expense recognised during the year Rs 35 Mn (31 March 2021: Rs 34 Mn). During the year 11,970 (31 March 2021 : NIL) stock appreciation rights have been vested."

(c) Expense arising from share-based payment transactions
Total expenses arising from share-based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

	31 March 2022	31 March 2021
Expense arising from equity-settled share-based payment transactions	382	464

Consolidated Notes to the financial statements

(All amounts in Rs. Mn unless otherwise stated)

37. Additional information required by Schedule III

Name of the entity in the Group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent								
Coforge Limited								
31 March 2022	20.94	6,333	40.31	2,881	81.57	216	41.79	3,097
31 March 2021	44.69	11,020	36.82	1,716	50.00	275	38.21	1,991
Subsidiaries								
Indian								
Coforge SmartServe Limited (erstwhile NIIT SmartServe Limited)								
31 March 2022	2.14	648	2.11	151	0.13	0	2.04	151
31 March 2021	0.78	193	2.66	124	0.00	-	2.38	124
Coforge Services Limited (erstwhile NIIT Technologies Services Limited)								
31 March 2022	0.11	33	0.01	1	-	-	0.01	1
31 March 2021	0.13	32	0.02	1	-	-	0.02	1
Coforge DPA Private Limited (erstwhile NIIT Incessant Private Limited)								
31 March 2022	6.66	2,015	22.37	1,599	6.25	17	21.80	1,616
31 March 2021	7.38	1,821	23.54	1,097	11.82	65	22.30	1,162
Coforge SF Private Limited (erstwhile Whishworks IT Consulting Private Limited)								
31 March 2022	4.29	1,298	4.42	316	1.10	3	4.30	319
31 March 2021	3.57	879	3.73	174	3.82	21	3.74	195
Coforge Business Process Solutions Private Limited (Erstwhile SLK Global Solutions Pvt Limited)								
31 March 2022	15.45	4,672	7.25	518	17.37	46	7.61	564
31 March 2021								
Foreign								
Coforge Inc. (erstwhile NIIT Technologies Inc)								
31 March 2022	10.73	3,247	7.36	526	-	-	7.10	526
31 March 2021	12.34	3,044	7.66	357	(10.36)	-57	5.76	300
Coforge U.K. Limited (erstwhile NIIT Technologies Limited)								
31 March 2022	10.52	3,183	2.92	209	-	-	2.82	209
31 March 2021	9.76	2,406	(4.96)	-231	28.73	158	(1.40)	-73
Coforge Pte Limited (erstwhile NIIT Technologies Pacific Pte Limited)								
31 March 2022	1.51	458	0.77	55	-	-	0.74	55
31 March 2021	1.73	426	0.52	24	1.45	8	0.61	32
Coforge BV (erstwhile NIIT Technologies BV)								
31 March 2022	0.19	57	(0.28)	(20)	-	-	(0.27)	-20
31 March 2021	1.02	252	0.52	24	-	-	0.46	24
Coforge Limited, Thailand (erstwhile NIIT Technologies Ltd)								
31 March 2022	1.33	402	0.48	34	-	-	0.46	34
31 March 2021	1.58	389	(0.32)	-15	2.73	15	-	-
Coforge Technologies (Australia) Pty Limited (erstwhile NIIT Technologies Pty Ltd)								
31 March 2022	1.28	388	0.95	68	-	-	0.92	68
31 March 2021	0.84	207	0.54	25	9.45	52	1.48	77
Coforge GmbH(erstwhile NIIT Technologies GmbH)								
31 March 2022	0.46	138	(0.14)	(10)	-	-	(0.13)	-10
31 March 2021	0.49	122	0.62	29	0.91	5	0.65	34

Consolidated Notes to the financial statements

(All amounts in Rs. Mn unless otherwise stated)

Name of the entity in the Group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Coforge Advantage Go (erstwhile NIIT Insurance Technologies Limited)								
31 March 2022	7.40	2,238	1.93	138	-	-	1.86	138
31 March 2021	7.48	1,845	19.29	899	8.55	47	18.16	946
Coforge Airline Technologies GmbH (erstwhile NIIT Airline Technologies GmbH)								
31 March 2022	0.35	105	0.43	31	-	-	0.42	31
31 March 2021	0.26	64	0.30	14	1.45	8	0.42	22
Coforge FZ LLC(erstwhile NIIT Technologies FZ LLC)								
31 March 2022	1.83	555	0.74	53	-	-	0.72	53
31 March 2021	2.03	501	1.14	53	(1.82)	-10	0.83	43
Coforge S.A. (erstwhile NIIT Technologies S.A.)								
31 March 2022	0.69	207	0.13	9	-	-	0.12	9
31 March 2021	1.27	312	(0.15)	-7	1.64	9	0.04	2
NIIT Technologies Philippines Inc								
31 March 2022	0.04	11	(0.06)	(4)	-	-	(0.05)	-4
31 March 2021	0.07	17	(0.17)	(8)	0.36	2	(0.12)	(6)
Coforge BPM Inc. (erstwhile RuleTek LLC)								
31 March 2022	7.16	2,166	0.62	44	-	-	0.59	44
31 March 2021	3.89	959	6.05	282	(9.82)	(54)	4.38	228
Coforge SPÓŁKA Z OGRANICZONA ODPOWIEDZIALNOSCIA (erstwhile NIIT Technologies Spółka Z Ograniczona Odpowiedzialnoscia)								
31 March 2022	(0.10)	(31)	0.27	19	-	-	0.26	19
31 March 2021	(0.13)	-31	(0.09)	-4	0.18	1	(0.06)	-3
Coforge SDN. BHD. Malaysia (Erstwhile NIIT Technologies SDN. BHD)								
31 March 2022	0.12	36	0.03	2	-	-	0.03	2
31 March 2021	-	-	0	-	-	-	0	2
Coforge A.B. Sweden (Erstwhile NIIT Technologies A.B.)								
31 March 2022	0.00	1	-	-	-	-	-	-
31 March 2021	-	-	-	-	-	-	-	-
Coforge S.R.L., Romania (Erstwhile NIIT Technologies S.R.L.)								
31 March 2022	0.00	0	-	-	-	-	-	-
31 March 2021	-	-	-	-	-	-	-	-
Coforge SpA, Chile								
31 March 2022	0.03	10	(0.01)	(1)	-	-	(0.01)	-1
31 March 2021	-	-	-	-	-	-	-	-
Coforge Healthcare Digital Automation LLC								
31 March 2022	0.48	146	(0.02)	(2)	-	-	(0.02)	-2
31 March 2021	-	-	-	-	-	-	-	-
Non controlling interest in all subsidiaries								
Coforge Business Process Solutions Private Limited (Erstwhile SLK Global Solutions Pvt Limited)								
31 March 2022	6.18	1,869	7.43	531	(6.42)	-17	3.04	226
31 March 2021								
Foreign								
Coforge Healthcare Digital Automation LLC								
31 March 2022	0.22	66	(0.02)	-1	-		(0.01)	-1
31 March 2021	-	-	-	-		-	-	-
Total								
31 March 2022	100	30,250	100	7,147	100	265	100	7,412
31 March 2021	100	24,458	100	4,554	100	545	100	5,099

Consolidated Notes to the financial statements

(All amounts in Rs. Mn unless otherwise stated)

38 Earnings per Share

		Year ended March 31, 2022	Year ended March 31, 2021
(a)	Basic earnings per equity share of Rs 10 each		
	Attributable to the equity holders of the Company (Rs. Per share)	109.02	74.68
(b)	Diluted earnings per equity share of Rs 10 each		
	Attributable to the equity holders of the Company (Rs. Per share)	106.52	73.29
(c)	Reconciliations of earnings used in calculating earnings per share		
	Basic earnings per share		
	Profit attributable to the equity holders of the Company used in calculating basic earnings per share:	6,617	4,556
	Diluted earnings per share		
	Profit attributable to the equity holders of the Company used in calculating diluted earnings per share	6,617	4,556
(d)	Weighted average number of shares used as the denominator		
	Weighted average number of equity shares used as the denominator in calculating basic earnings per share (numbers)	60,694,760	61,007,773
	Adjustments for calculation of diluted earnings per share:		
	Stock Options outstanding (numbers)	1,424,394	1,158,187
	Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share (numbers)	62,119,154	62,165,960

(e) Information concerning the classification of securities
Stock Options outstanding
Options granted to employees under the Employee stock option plan 2005 are considered to be potential equity shares. They have been included in the determination of diluted earnings per share to the extent to which they are dilutive. The options have not been included in the determination of basic earnings per share. Details relating to the options are set out in note 36.

39 Subsequent events

There were no significant reportable subsequent events that occurred after the balance sheet date but before financial statements were issued.

40 Other Statutory Information

The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

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

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

41 Previous year figures have been reclassified to conform to current year's classification.

As per our report of even date

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

Yogender Seth
Partner
Membership No.094524
UDIN: 21094524AAAACA7829
Place : Gurugram
Date : 12 May 2022

Sudhir Singh
CEO & Executive Director
DIN- 07080613
Place : New Jersey USA
Date : 12 May 2022

Ajay Kalra
Chief Financial Officer
Place : Gurugram
Date : 12 May 2022

Hari Gopalakrishnan
Director
DIN- 03289463
Place : Mumbai
Date : 12 May 2022

Barkha Sharma
Company Secretary
Place : Gurugram
Date : 12 May 2022

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS

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UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

Coforge Limited (the "Company") is a global enterprise information technology solutions and services company offering its clients comprehensive capabilities in product engineering services, intelligent automation services, data and integration services, cloud and infrastructure management services, software engineering services and business process management services.

Cigniti Technologies Limited ("Cigniti") is an Indian company headquartered in Hyderabad, India and through a mix of on-shore and off-shore capabilities Cigniti offers (i) quality engineering services, (ii) digital engineering services, and (iii) digital assurance services. Cigniti also offers advisory and transformation consultancy, and these offerings include test tooling advisory, test benchmarking, automation advisory, maturity advisory, development operational consulting services, AI strategizing, data architecture advisory, among others.

On May 2, 2024, our Company entered into: (i) a share purchase agreement with Cigniti and the promoters of Cigniti ("**Cigniti Promoters**") to acquire 8,945,295 equity shares ("**Cigniti Promoter Shares**"), constituting 32.77% of the paid up share capital of Cigniti and 32.47% of the expanded voting share capital of Cigniti ("**SPA 1**"); and (ii) a share purchase agreement with certain identified public shareholders of Cigniti ("**Identified Public Shareholders**") to acquire 4,884,796 equity shares ("**Identified Public Shareholder Shares**") constituting 17.89% of the paid up share capital of Cigniti and 17.73% of the expended voting share capital of Cigniti ("**SPA 2**", and together with SPA 1, the "**SPAs**"). Our Company has agreed to acquire 14,875,358 equity shares of Cigniti ("**Cigniti Equity Shares**") at ₹ 1,415 per Cigniti Equity Share. The completion of the acquisition of Cigniti ("**Acquisition**") is subject to the satisfaction of certain conditions precedent, including the receipt of prior written approvals from/ under: (i) the Competition Commission of India, and (ii) the Hart-Scott-Rodino Antitrust Improvements Act of 1976 ("**Mandatory Statutory Approvals**").

Pursuant to the execution of SPAs to acquire in excess of 25% of the Cigniti Equity Shares and control over Cigniti, our Company is required to make an open offer to the public shareholders of Cigniti in terms of Regulation 3(1) and 4 of the Takeover Regulations ("**Open Offer**"). The total consideration for the Open Offer, assuming full acceptance, is ₹ 10,135 Million ("**Maximum Consideration**"). Our Company has opened an escrow account with an escrow bank and the escrow bank has provided a bank guarantee of ₹ 1,773 million and our Company has made a cash deposit of ₹ 101 million, being 1% of the Maximum Consideration. In terms of Regulation 22(2) and the proviso to Regulation 22(2A) of the Takeover Regulations, subject to our Company depositing in the open offer escrow account, cash of an amount equal to 100% of the Maximum Consideration, our Company may, after the expiry of 21 days from date of the DPS, subject to fulfilment or waiver of the conditions set forth in the SPAs, complete the Initial Promoter Closing and the closing under SPA 2 and appoint its directors on the board of Cigniti pursuant to the SPAs.

Upon (a) the receipt of the Mandatory Statutory Approvals and the completion of the conditions precedent under the SPAs, (b) the completion of 21 workings days, as defined in the SPA, from the date of the detailed public statement in terms of Regulations 3(1) and 4 read with Regulations 13(4), 14(3), 15(2) and other applicable regulations of the Takeover Code to the public shareholders of Cigniti ("**DPS**") pursuant to the Open Offer, and (c) subject to the completion of the qualified institutional placement of equity shares of our Company, our Company will complete the acquisition of 10% of the expanded voting share capital from the Cigniti Promoters ("**Initial Tranche Closing**").

Upon completion of the Open Offer, if the shareholding of our Company in Cigniti does not exceed 54.00% of the expanded voting share capital and 54.49% of the paid up share capital of Cigniti, our Company will acquire such further number of Cigniti Equity Shares from the Cigniti Promoters, such that the shareholding of our Company does not exceed 54.00% of the expanded voting share capital and 54.49% of the paid up share capital of Cigniti ("**Final Tranche Closing**").

The Company proposes to undertake the Acquisition in two tranches – initially, the Company will acquire 2,754,696 equity shares of Cigniti, representing 10.00% of the share capital of Cigniti, as the initial acquisition tranche, at a price of ₹ 1,415/- per equity share, aggregating to ₹ 3,897.89 million from the promoters of Cigniti. Subsequently, and subject to the shareholding of our Company not reaching 54% of the share capital of Cigniti following an Open Offer, the Company will purchase the remaining of the equity shares from the members of the promoter and promoter group of Cigniti. While the Company has announced the Acquisition and has entered into the SPAs, the consummation of the Acquisition remains subject to completion of customary conditions and receipt of approvals.

In terms of SPA 1, our Company and Cigniti have agreed in principle for a potential merger of Cigniti into our Company ("**Merger**"). Towards this end, our Company and Cigniti have agreed to convene a meeting of their board of directors within 45 business days of the Open Offer closing date or the Final Tranche Closing to consider the Merger.

The unaudited pro forma combined financial statements are based on the respective historical consolidated financial statements of the Company and Cigniti as adjusted to give effect to the acquisition and merger and the related changes to equity. The unaudited pro forma condensed combined statements of profit and loss is for the year ended March 31, 2024 to give effect to these transactions as if they had occurred on April 1, 2023. The unaudited pro forma condensed combined balance sheet as of March 31, 2024 gives effect to these transactions as if they had occurred on March 31, 2024.

The assumptions and estimates underlying the unaudited adjustments to the pro forma condensed combined financial statements are described in the accompanying notes, which should be read together with the pro forma condensed combined financial statements. The unaudited pro forma combined financial statements should be read together the historical consolidated financial statements of the Company and Cigniti in the Preliminary placement document.

Proforma Condensed combined Balance Shee Amount in Rs Million

Particulars	Consolidated balance sheet of Coforge Limited as on March 31, 2024 Historical	Consolidated balance sheet of Cigniti Technologies Limited as on March 31, 2024 Historical	Proforma Adjustments	Proforma Adjustments on account of Reclassification	Notes	Proforma Condensed combined Balance Sheet
	A	B	C	D		E=A+B+C+D
ASSETS						
Non-current assets						
Property, plant and equipment	4,470	230	-			4,700
Right-of-use assets	2,927	175	-			3,102
Capital work-in-progress	232	-	-			232
Goodwill	11,738	740	26,075		3	38,553
Other intangible assets	4,395	68	8,179		4	12,642
Intangible assets under development	-	-	-			-
Financial assets			-			-
Investments	-	28	-			28
Trade receivables	1,464	-	-			1,464
Other financial assets	590	96	-			686
Income tax assets (net of provisions)	285	91	-			376
Deferred tax assets (net)	5,583	91	-			5,674
Other non-current assets	3,368	-	-			3,368
Total non-current assets	**35,052**	**1,519**	**34,254**	**-**		**70,825**
Current assets						
Contract assets	1,791		-			1,791
Financial assets	-		-			-
Investments	-	2,471	-			2,471
Trade receivables	18,039	3,186	-			21,225
Cash and cash equivalents	3,213	1,040	(42)	(3)	1, 11 (a)	4,208
Other bank balances	139	565	-	3	1, 11 (a)	707
Other financial assets	178	1,048	-			1,226
Other current assets	2,665	230	-			2,895
Total current assets	**26,025**	**8,540**	**(42)**	**-**		**34,523**
TOTAL ASSETS	**61,077**	**10,059**	**34,212**	**-**		**105,348**
EQUITY AND LIABILITIES						
Equity						
Equity share capital	618	273	(189)		1	702
Other equity	35,648	7,108	31,431		1	74,187
Equity attributable to owners of Coforge Limite	**36,266**	**7,381**	**31,242**	**-**		**74,889**
Non-controlling interests ("NCI")	1,003	-	-	-	1	1,003
TOTAL EQUITY	**37,269**	**7,381**	**31,242**	**-**		**75,892**
Liabilities						
Non-current liabilities						
Financial liabilities						
Borrowings	3,399		-			3,399
Lease liabilities	2,317	86	-			2,403
Trade payables	627		-			627
Other financial liabilities	253	-	563		1	816
Employee benefit obligations	1,304	241	-			1,545
Deferred tax liabilities	466		2,051		4	2,517
Other non-current liabilities	127		-			127
Total non- current liabilities	**8,493**	**327**	**2,614**	**-**		**11,434**
Current liabilities						
Financial liabilities						
Borrowings	967	349	-			1,316
Lease liabilities	577	137	-			714
Trade payables	8,062	1,139	-	(272)	11 (b)	8,929
Other financial liabilities	2,375	80	355	272	7, 11 (b)	3,082
Employee benefit obligations	417	189	-			606
Other current liabilities	2,917	299	-			3,216
Current tax liabilities (net)	-	158	-			158
Total current liabilities	**15,315**	**2,351**	**355**	**-**		**18,021**
TOTAL LIABILITIES	**23,808**	**2,678**	**2,969**	**-**		**29,455**
TOTAL EQUITY AND LIABILITIES	**61,077**	**10,059**	**34,212**	**-**		**105,348**

Proforma Condensed combined Statement of Profit and Loss Amount in Rs Million, unless otherwise stated

Particulars	Consolidated statement of profit and loss of Coforge Limited for the year ended March 31, 2024 Historical	Consolidated statement of profit and loss of Cigniti Technologies Limited for the year ended March 31, 2024 Historical	Proforma Adjustments	Proforma Adjustments on account of Reclassification	Notes	Proforma condensed combined statement of profit and loss for the year ended March 31, 2024
	A	**B**	**C**	**D**		**E=A+B+C+D**
Revenue from operations	91,790	18,150	-			109,940
Other income	614	331	-			945
Total income	**92,404**	**18,481**	**-**	**-**		**110,885**
Expenses						
Purchases of stock-in-trade / contract cost	94	-	-			94
Employee benefits expense	55,069	11,242	-			66,311
Hired contractors costs	-	2,861	-	(2,861)	11 (c)	-
Finance costs	1,256	41	-			1,297
Depreciation and amortisation expense	3,186	303	901		4	4,390
Other expenses	22,350	1,830	945	2,861	7,11(c)	27,986
Total expenses	**81,955**	**16,277**	**1,846**	**-**		**100,078**
Profit before tax	**10,449**	**2,204**	**(1,846)**	**-**		**10,807**
Income tax expense:						
Current tax	2,493	580	-			3,073
Deferred tax	(400)	(32)	(224)		4	(656)
Total tax expense	**2,093**	**548**	**(224)**	**-**		**2,417**
Profit for the year	**8,356**	**1,656**	**(1,622)**	**-**		**8,390**
Profit is attributable to:						
Owners of Coforge Limited	8,080	1,656	(1,622)			8,114
Non-controlling interests	276	-	-			276
	8,356	**1,656**	**(1,622)**	**-**		**8,390**
Earnings per equity share (of Rs 10 each) attributable to owners of Coforge Limited						
Basic earnings per share (Rs.)	131.6	60.7				116.2
Diluted earnings per share (Rs.)	129.6	60.4				114.6

Basis of Preparation

The historical consolidated financial statements have been adjusted in the pro forma condensed combined financial statements to give effect to pro forma events that (a) are directly attributable to the Merger and (b) are factually supportable.

Historical financial information as stated in condensed consolidated financial position as at March 31, 2024 and condensed consolidated statement of profit and loss for the year then ended, has been prepared based on audited consolidated financial statement of the respective companies prepared in accordance with Indian Accounting Standards (Ind AS) notified under the companies (Indian Accounting Standards) Rules, 2015.
The historical financial of Cigniti has been adjusted to match the classification of the historical financial information of the Company, as at and for the year ended March 31, 2024.

The combined pro forma financial information has been prepared by the management of the Company considering the acquisition method as per the principles Ind AS 103 – Business combination. Accordingly, we have provisionally allocated the purchase consideration and fair value of non controlling interest to the estimated fair value of assets acquired and liabilities assumed and recognised the difference between aggregate of purchase consideration and fair value of non controlling interest vis-a-viz net assets as goodwill in the proforma consolidated combined balance sheet as at March 31, 2024.

The combined pro forma financial information does not reflect the adjustment arising on account of any expected cost savings or other synergies from the acquisition of Cigniti and other planned cost savings initiatives following the completion of the business combination.

The adjustments made to the proforma financial statement are included in the following sections.

The proforma financial statement is based on:

a) the consolidated Balance Sheet and consolidated Statement of Profit and Loss of the Company as at and for the year ended March 31, 2024; and
b) the consolidated Balance Sheet and consolidated Statement of Profit and Loss of Cigniti as at and for the year ended March 31, 2024
c) Acquisition related adjustments
d) Inter group elimination / reclassification adjustments
e) Adjustment to recognise the impact of allocation of PC paid/payable

The assumptions and estimates underlying the unaudited adjustments to the unaudited proforma financial statement are described in the accompanying notes, which should be read together with the unaudited proforma financial statement. The unaudited proforma financial statement should be read together with the historical audited consolidated financial statements of the Company and Cigniti in the Preliminary Placement Document.

These pro forma financial statements are not in accordance with article 11 of the SEC regulations.

Proforma adjustments

The proforma adjustments are based on our preliminary estimates and assumptions that are subject to change:

Acquisition related adjustments:

The acquisitions have been recorded on the basis of Ind AS 103 Business Combinations.

1. The purchase price of INR 21,091 as on the date of acquisition had been allocated to the acquired assets and liabilities based on purchase price allocation ("PPA") available with the Company as at March 31, 2024 assessed on a provisional basis as follows:

Particulars	Amount Rs. Mn
Purchase consideration for 54.00% stake	21,091
Fair value of Non-controlling interest determined on the basis of proportionate share (46.00%)	17,930
Total consideration (A)	**39,021**
Tangible Assets acquired (B)	9,251
Liabilities assumed (C)	(3,241)
Fair value of identified intangibles acquired (refer Note 4 below) (D)	8,247
Deferred tax liability on intangibles (refer Note 5 below) (E)	(2,051)
Goodwill (F=A-B-C-D-E)	26,815

Total purchase consideration of Rs. 21,091 to be settled through banking channels to be paid to various selling shareholders.

Goodwill and intangible assets have been calculated on the basis of allocation of purchase consideration to assets acquired and liabilities assumed by the Group based on their respective fair values as at March 31, 2024, on provisional basis.

Liability assumed includes Rs 563 on account of contingent liabilities, which the Company believes would get crystalised basis the preliminary assessment.

The goodwill of Rs 26,815 is inclusive of goodwill of Rs 740 as per historical financial statement of Cigniti as at March 31, 2024.

Adjustment in Equity Share capital and other equity as at March 31, 2024

Particulars	Equity Share Capital	Other Equity
Issuance of equity share for QIP proceeds (Refer Note 5)	46	21,003
Issuance of equity shares for the shareholder of Cigniti as share swap (Refer Note 9)	38	17,892
Elimination of share capital and other equity of Cigniti to give effect to merger accounting	(273)	(7,108)
Impact of transaction related expenses and other acquisition related expenses (Refer Note 7)		(355)
Total Adjustments	**189**	**31,431**

Adjustment in cash and cash equivalents as at March 31, 2024

Particulars	Cash and cash equivalents
Proceeds from QIP (Refer Note 5)	21,049
Payment to the shareholders of Cigniti for 54% acquisition (Refer Note 1) [including commission of Rs 42 Mn]	(21,091)
Total Adjustments	**(42)**

2. Investment amounting to Rs 21,091 being the consideration for acquiring 14,875,358 equity shares for 54.00% stake in Cigniti paid to various shareholders. The consideration has been computed basis the open offer and acquisition from promotors made on May 2, 2024 at a share price of Rs. 1,415 per share.

(All amounts in Rs million, unless otherwise stated)

It has been assumed that the open offer shall be successful and the Company shall be able to acquire 54% through the same.

3. Goodwill of Rs. 26,815 has been recognised as at March 31, 2024, being the excess of the aggregate of the estimated purchase consideration and fair value of non-controlling interest determined on the basis of proportionate share (46%) over the value of net assets (including intangibles) acquired.

4. Customer relationship amounting to Rs. 7,921, and non-compete fees amounting to Rs. 326 valued by an independent valuer cumulatively amounting to Rs. 8,247, has been recognized under the head 'Other Intangible assets' in the proforma balance sheet as at March 31, 2024.

   Further, the Group has estimated following useful life of the identifiable intangibles.

Intangibles	Years
Customer relationship	10
Non – Compete fees	3

   Deferred tax Liability amounting to Rs. 2,051 has been recorded as at March 31, 2024 on the identified fair value of intangibles as above.

   The cumulative amortisation expense amounting to Rs. 901 for the year ended March 31, 2024 has been included in the proforma statement of profit and loss for the year ended March 31, 2024. Further, reversal of deferred tax liability of Rs. 224 relating to amortisation of intangibles has been considered for in the proforma statement of profit and loss for the year ended March 31, 2024.

   The goodwill and other acquisition related adjustments computed in case of acquisition of the above business are based on purchase price allocation ("PPA") available with the Company as at March 31, 2024 assessed on a provisional basis. The final PPA will be determined when the Company has completed detailed valuations and necessary calculations. The final allocation could differ materially from the provisional allocation used in proforma adjustments. The final allocation may include (1) changes in allocations to specified intangible assets as well as goodwill and (2) other changes to assets and liabilities. Adjustment, resulting from changes in PPA, shall be carried out in the consolidated financial statements of the Company for the year ending March 31, 2025.

5. Issuance of 4,645,061 number of equity shares at value of Rs 4,531.4/- (being the floor price basis average two weeks preceding to the May 21, 2024 at National Stock Exchange, India) (face value of Rs 10) through Qualified Institutional Placement (QIP) for settlement of purchase consideration (refer para1). Accordingly, Rs 46 and Rs 21,003 has been recorded under equity share capital and other equity respectively in the proforma balance sheet as at March 31, 2024. Further, the shareholders have also approved a discount of up to 5% of the floor price. The actual issue price for the QIP may vary and may be different from the price considered herein, which is solely for the purposes of the proforma adjustments. The actual issue price for the QIP will be determined on closure of the QIP.

6. The funds so raised in QIP above has been utilised to pay Rs 21,091 for payment of purchase consideration to the selling shareholders, as referred in note 1 and related acquisition and QIP expenses.

7. The transaction cost relating to QIP amounting to Rs. 355 has been recorded as reduction to equity and other expenses amounting to Rs. 945 related to the acquisition of Cigniti has been recorded in the proforma statement of profit and loss.

8. The Goodwill computed in case of acquisition of Acquired business is based on provisional purchase price allocation ("PPA") available with the Group as at March 31, 2024. While performing the provisional PPA, the Group has considered the fair value of assets and liabilities acquired to be equal to their respective book values except for intangibles amounting to Rs. 68 that have been considered as part of overall PPA and certain contingent liabilities of Rs. 563 which the Company believes would get

(All amounts in Rs million, unless otherwise stated)

crystalised basis the preliminary assessment. Deferred tax asset of Rs 91 of Cigniti are added to PPA for computation of goodwill.

Merger related adjustment:

9. In terms of SPA 1, Coforge Limited and Cigniti have agreed in principle to approve the merger of Cigniti into Coforge Limited ("Merger"). Towards this end, the Company and Cigniti have agreed to convene a meeting of their board of directors within 45 business days of the Open Offer closing date or the Final Tranche Closing to consider the Merger. Accordingly, effect of merger has been considered for preparation of these proforma financial statement. It is assumed that the Company will issue 3,791,018 equity shares of the Company to the shareholders of Cigniti. For such share swap transaction, the share price of the Company has been considered Rs. 4,730/- (being closing share price as on May 18, 2024 at National Stock Exchange, India) (face value of Rs 10) and the share price of Cigniti has been considered Rs. 1,415/- equivalent to offer price. Accordingly, Rs 38 and Rs 17,892 has been recorded under equity share capital and other equity respectively in the proforma balance sheet as at March 31, 2024.

Intragroup elimination adjustments:

10. There are no Intragroup transactions and balances for the year ended March 31, 2024.

Reclassification adjustments:

11. There are certain reclassification adjustments recorded in Cigniti's financial statements to align with the groupings done by the Group.

    Balance sheet reclassification as at March 31, 2024:

    (a) Reclassification of unpaid dividend of Rs 3 from Cash & cash equivalent to other bank balances to reflect the classification as per the Company.

    (b) Reclassification of payable to employees of Rs 272 from Trade payable to Other financial liabilities to reflect the classification as per the Company.

    Statement of profit and loss account for the year ended March 31, 2024:

    (c) Reclassification of Hired contractor cost of Rs 2,861 to other expenses to reflect the classification as per the Company.

Earnings per share (EPS):

Proforma EPS calculation for the year ended March 31, 2024 has been based on proforma statement of profit and loss of respective year /period and the assumption that the 8,436,079 equity shares issued as part of both the transactions were in issue for the whole year for which proforma financial statement have been presented.

Calculation of EPS adjusted for one time transaction related expenses

Particulars	**Amount in INR**
Profit is attributable to Owners of Coforge Limited (Rs. In Mn)	8,114
Adjustment on profit for acquisition related expenses considered in proforma financial statement (Rs. In Mn)	945
Profit without considering the impact of above acquisition related expenses attributable to Owners of Coforge Limited (Rs. In Mn)	9,059
Basic earnings per share (adjusted for one time transaction related expenses)	130.0/-

GENERAL INFORMATION

1. Our Company was originally incorporated on May 13, 1992, under the Companies Act, 1956 as '*NIIT Investments Private Limited*', pursuant to a certificate of incorporation issued by the Registrar of Companies, Delhi and Haryana at New Delhi. The name of our Company was changed to '*NIIT Investments Limited*' pursuant to a fresh certificate of incorporation consequent to change of name issued by the Registrar of Companies, N.C.T of Delhi and Haryana at New Delhi on January 15, 2004. The name of our Company was further changed to '*NIIT Technologies Limited*' pursuant to a fresh certificate of incorporation consequent to change of name issued by the Registrar of Companies, N.C.T. of Delhi and Haryana at New Delhi on May 14, 2004. Subsequently, the name of our Company was changed to '*Coforge Limited*' pursuant to a fresh certificate of incorporation consequent to change of name issued by the Registrar of Companies, Delhi and Haryana at New Delhi on August 3, 2020. For further details regarding changes in the name and the Registered Office of our Company, please refer to the section titled "*Organisational Structure of our Company*" on page 209.

2. The Registered Office of our Company was changed from B-234, Okhla Phase 1, New Delhi – 110 020, Delhi, India to 8, Balaji Estate, First Floor, Guru Ravi Das Marg, Kalkaji, New Delhi – 110 019 with effect from January 1, 2013. Our Registered Office was further changed to 8, Balaji Estate, Third Floor, Guru Ravi Das Marg, Kalkaji, New Delhi – 110 019, India with effect from February 15, 2020.

3. The Corporate Office of our Company was changed from H-7, Sector 63, Noida – 201 301, Uttar Pradesh, India to Plot No. TZ-2 & 2A, Sector Tech Zone, Yamuna Expressway, Greater Noida – 201 308, Uttar Pradesh India with effect from November 15, 2019.

4. The CIN of our Company is L72100DL1992PLC048753.

5. The Equity Shares of our Company have been listed on BSE and NSE since August 30, 2004.

6. Our Company has received in-principle approvals to list the Equity Shares to be issued pursuant to the Issue from BSE and NSE, each on May 21, 2024 under Regulation 28(1) of the SEBI Listing Regulations.

7. The website of our Company is www.coforge.com.

8. The authorised share capital of our Company is ₹ 770,000,000 comprising of 77,000,000 Equity Shares of face value of ₹ 10 each. As on the date of this Preliminary Placement Document, the issued, subscribed and paid-up capital of our Company is ₹ 618,209,920 comprising 61,820,992 Equity Shares of face value of ₹ 10 each.

9. The Issue was authorised and approved by the Board pursuant to the resolution dated March 16, 2024 and by our Shareholders' pursuant to the special resolution passed at the extra-ordinary general meeting held on April 12, 2024.

10. In compliance with Regulation 173A of the SEBI ICDR Regulations, our Company has appointed CRISIL Ratings Limited, for monitoring the utilisation of the proceeds in relation to the Issue. The Monitoring Agency will submit its report to us on a quarterly basis in accordance with the SEBI ICDR Regulations. Our Company shall, within 45 days from the end of each quarter, upload the report of the Monitoring Agency on our website and also submit the same to the Stock Exchanges.

11. Copies of our Memorandum of Association and Articles of Association will be available for inspection between 9:30 am to 5:30 pm on any weekday (except Saturdays and public holidays) at our Registered Office.

12. Our Company has obtained all necessary consents, approvals and authorisations as may be required in connection with the Issue.

13. Except as disclosed in this Preliminary Placement Document, there has been no material change in the financial or trading position of our Company since March 31, 2024, the last date of the Audited Consolidated Financial Statements prepared in accordance with applicable accounting standards included in this Preliminary Placement Document.

14. Except as disclosed in this Preliminary Placement Document, there are no material litigation or arbitration proceedings against or affecting us, or our assets or revenues, nor are we aware of any pending or threatened litigation or arbitration proceedings, which are or might be material in the context of this Issue. For further details, please refer to the section titled "*Legal Proceedings*" on page 264.

15. The Issue will not result in a change in control of our Company.

16. Our Company is in compliance with the minimum public shareholding requirements as required under the SEBI Listing Regulations and Rule 19A of the SCRR.

17. The Floor Price is ₹ 4,531.40 per Equity Share, calculated in accordance with the provisions of Chapter VI of the SEBI ICDR Regulations. Our Company may offer a discount of not more than 5% on the Floor Price in accordance with the approval of our Board resolution dated March 16, 2024, and a special resolution passed by our Shareholders at the extra-ordinary general meeting held on April 12, 2024 and Regulation 176(1) of the SEBI ICDR Regulations.

18. Our Company and the BRLMs accept no responsibility for statements made otherwise than in this Preliminary Placement Document and anyone placing reliance on any other source of information, including websites of our Company and our Subsidiaries, would be doing so at their own risk.

19. Barkha Sharma is the Company Secretary and Compliance Officer of our Company. Her details are as follows:

    Barkha Sharma
    Plot No. TZ-2 & 2A, Sector Tech Zone
    Yamuna Expressway, Greater Noida – 201 308
    Uttar Pradesh, India
    Tel: +91 011 4102 9297
    E-mail: Barkha.Sharma@coforge.com

DETAILS OF PROPOSED ALLOTTEES

In compliance with the requirements of Chapter VI of the SEBI ICDR Regulations, Allotment of the Equity Shares pursuant to this Issue shall be made by our Company, in consultation with the BRLMs, to Eligible QIBs, on a discretionary basis. The names of the proposed Allottees and the percentage of post-Issue capital that may be held by them is set forth below. These details of the proposed Allottees, assuming that the Equity Shares are Allotted to them pursuant to the Issue, will be included in the Placement Document to be sent to such proposed Allottees.

S. No.	Name of the proposed Allottees#	Percentage of the post-Issue share capital held (%)(1)(2)
1.	[●]	[●]
2.	[●]	[●]
3.	[●]	[●]
4.	[●]	[●]

(1) *Based on beneficiary position as on [●] (adjusted for Equity Shares Allocated in the Issue).*

(2) *The post-Issue shareholding (in percentage terms) of the proposed Allottees will be disclosed on the basis of their respective PAN, except in case of Mutual Funds, insurance companies, and Eligible FPIs (investing through different sub accounts having common PAN across such sub accounts) wherein their respective DP ID and Client ID will be considered.*

#The details of the proposed Allottees have been intentionally left blank and will be filled in before filing the Placement Document with the Stock Exchanges and issuing the Placement Document to such proposed Allottees.

DECLARATION

The Company certifies that all relevant provisions of Chapter VI read with Schedule VII of the SEBI ICDR Regulations have been complied with and no statement made in this Preliminary Placement Document is contrary to the provisions of Chapter VI and Schedule VII of the SEBI ICDR Regulations and that all approvals and permissions required to carry on the Company's business have been obtained, are currently valid and have been complied with. The Company further certifies that all the statements in this Preliminary Placement Document are true and correct.

For and on behalf of the Board of Directors, signed by:

____

Authorised Signatory

Name: Sudhir Singh
Designation: Chief Executive Officer and Executive Director
DIN: 07080613

Date: May 21, 2024
Place: Greater Noida

DECLARATION

We, the Board of Directors of the Company, certify that:

(i) The Company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder;

(ii) the compliance with the Companies Act, 2013 and the rules made thereunder does not imply that payment of dividend or interest or repayment of preference shares or debentures, if applicable, is guaranteed by the Central Government; and

(iii) the monies received under the Issue shall be used only for the purposes and objects indicated in this Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4).

For and on behalf of the Board of Directors, signed by:

____

Authorised Signatory

Name: Sudhir Singh
Designation: Chief Executive Officer and Executive Director
DIN: 07080613

Date: May 21, 2024
Place: Greater Noida

I am authorized by the Fund Raising Committee of the Board, *vide* resolution dated May 21, 2024, to sign this form and declare that all the requirements of the Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoter subscribing to the Memorandum of Association and the Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

Signed by:

Name: Sudhir Singh
Designation: Chief Executive Officer and Executive Director
DIN: 07080613

Date: May 21, 2024
Place: Greater Noida

COFORGE LIMITED

Registered Office	Corporate Office
8, Balaji Estate, Third Floor Guru Ravi Das Marg Kalkaji – 110 019 New Delhi, India	Plot No. TZ-2 & 2A Sector Tech Zone, Yamuna Expressway Greater Noida – 201 308 Uttar Pradesh, India

Telephone: +91 011 4102 9297
E-mail: investors@coforge.com
Website: www.coforge.com
CIN: L72100DL1992PLC048753

Contact Person
Barkha Sharma, Company Secretary and Compliance Officer
Address: Plot No. TZ-2 & 2A, Sector Tech Zone, Yamuna Expressway
Greater Noida – 201 308, Uttar Pradesh, India
Telephone: +91 011 4102 9297
E-mail: Barkha.Sharma@coforge.com

BOOK RUNNING LEAD MANAGERS

IIFL Securities Limited	HSBC Securities and Capital Markets (India) Private Limited
24th Floor, One Lodha Place Senapati Bapat Marg, Lower Parel (West) Mumbai – 400 013 Maharashtra, India	52/60, Mahatma Gandhi Road Fort, Mumbai – 400 001 Maharashtra, India

STATUTORY AUDITORS OF OUR COMPANY

M/s. S.R. Batliboi & Associates LLP, Chartered Accountants
67, Institutional Area
Sector 44, Gurugram – 122 003
Haryana, India

LEGAL COUNSEL TO OUR COMPANY AS TO INDIAN LAW

As to Indian Law

J. Sagar Associates
One Lodha Place, 27th Floor
Senapati Bapat Marg
Lower Parel, Mumbai – 400 013
Maharashtra, India

LEGAL COUNSELS TO THE BOOK RUNNING LEAD MANAGERS

As to Indian law	*As to United States law*
Khaitan & Co 3rd floor, Embassy Quest 45/1 Magrath Road Bengaluru – 560 025 Karnataka, India	**Hogan Lovells Lee & Lee** 50 Collyer Quay #10-01 OUE Bayfront Singapore 049321

SAMPLE APPLICATION FORM

"An indicative form of the Application Form is set forth below:"

(Note: The format of the Application Form included herein above is indicative and for illustrative purposes only and no Bids in this Issue can be made through the sample Application Form. The Company, in consultation with the BRLMs, shall identify Eligible QIBs and circulate serially numbered copies of this Preliminary Placement Document and the Application Form, specifically addressed to such Eligible QIBs. Any application to be made in the Issue should be made only upon receipt of serially numbered copies of this Preliminary Placement Document and the Application Form and not on the basis of the indicative format below.)

Coforge	SAMPLE APPLICATION FORM
Coforge Limited (*Incorporated in the Republic of India under the provisions of the Companies Act, 1956*) **Registered Office**: 8, Balaji Estate, Third Floor, Guru Ravi Das Marg, Kalkaji, New Delhi – 110 019, India **Contact Person**: Barkha Sharma, Company Secretary and Compliance Officer **Tel**: +91 011 4102 9297; **E-mail**: Barkha.Sharma@coforge.com; **Website**: https://www.coforge.com **CIN**: L72100DL1992PLC048753 **LEI**: 3358004YL9JGBNP4KF72; **ISIN**: INE591G01017	Name of Bidder: ___________________________ Form No.: __________________________ Date: ____

QUALIFIED INSTITUTIONS PLACEMENT OF [●] EQUITY SHARES OF FACE VALUE ₹ 10 EACH (THE "EQUITY SHARES") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A PREMIUM OF ₹ [●] PER EQUITY SHARE ("ISSUE PRICE") AGGREGATING TO APPROXIMATELY ₹ [●] MILLION ON UNDERTAKEN IN ACCORDANCE WITH CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS") AND IN RELIANCE UPON SECTION 42 OF THE COMPANIES ACT, 2013, AS AMENDED (THE "COMPANIES ACT"), READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE "PAS RULES"), AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT AND THE RULES MADE THEREUNDER BY COFORGE LIMITED (THE "COMPANY") (HEREINAFTER REFERRED TO AS THE "ISSUE"). THE APPLICABLE FLOOR PRICE OF THE EQUITY SHARES IS ₹ [●] AND OUR COMPANY MAY OFFER A DISCOUNT OF UP TO 5% ON THE FLOOR PRICE, AS APPROVED BY THE SHAREHOLDERS.

Only Qualified Institutional Buyers ("QIBs"), as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations, which (a) are not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; (b) are not prohibited or debarred by any regulatory authority for buying or selling or dealing in securities or restricted from participating in the Issue under the SEBI ICDR Regulations and other applicable laws, including foreign exchange related laws; (c) hold a valid and existing registration under the applicable laws in India (as applicable); and (d) are eligible to invest in the Issue and submit this Application Form, and (ii) are residents in India or Eligible FPIs (as defined herein below) participating through Schedule II of the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 ("FEMA Rules"), or a multilateral or bilateral development financial institution eligible to invest in India under applicable law, including the FEMA Rules; can submit this Application Form.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state of the United States and unless so registered, may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws. Accordingly, the Equity Shares offered in the Issue are being offered and sold (a) in the United States only to persons who are qualified institutional buyers (as defined in Regulation 144A under the U.S. Securities Act) ("U.S. QIBs") pursuant to Section 4(a)(2) or another available exemption from registration under the U.S. Securities Act, and (b) outside the United States in "offshore transactions", as defined in and in reliance on Regulation S under the U.S. Securities Act ("Regulation S") and the applicable laws of the jurisdictions where such offers and sales are made. The Equity Shares are transferable only in accordance with the restrictions described in the sections titled "*Selling Restrictions*" and "*Purchaser Representations and Transfer Restrictions*" on pages 232 and 241, respectively, in the accompanying preliminary placement document dated [●] (the "PPD").

ELIGIBLE NON-RESIDENT QIBs CAN PARTICIPATE IN THE ISSUE IN COMPLIANCE WITH THE FEMA RULES. ELIGIBLE FPIs ARE PERMITTED TO PARTICIPATE IN THIS ISSUE, THROUGH PORTFOLIO INVESTMENT SCHEME AND SCHEDULE II OF THE FEMA RULES, SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND SUCH THAT THE SHAREHOLDING OF ELIGIBLE FPIs DO NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAWS IN THIS REGARD. PURSUANT TO PRESS NOTE NO. 3 (2020 SERIES), DATED APRIL 17, 2020, ISSUED BY THE DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE, GOVERNMENT OF INDIA, AND RULE 6 OF THE FEMA RULES, INVESTMENTS BY AN ENTITY OF A COUNTRY WHICH SHARES A LAND BORDER WITH INDIA OR WHERE THE BENEFICIAL OWNER OF SUCH INVESTMENT IS SITUATED IN OR IS A CITIZEN OF SUCH COUNTRY, MAY ONLY BE MADE THROUGH THE GOVERNMENT APPROVAL ROUTE, AS PRESCRIBED UNDER THE FEMA RULES. ALLOTMENTS MADE TO AIFS AND VCFs IN THE ISSUE SHALL REMAIN SUBJECT TO THE RULES AND REGULATIONS APPLICABLE TO EACH OF THEM RESPECTIVELY, INCLUDING THE FEMA RULES. OTHER ELIGIBLE NON-RESIDENT QIBS SHALL PARTICIPATE IN THE ISSUE UNDER SCHEDULE I OF FEMA RULES. FVCIs ARE NOT PERMITTED TO PARTICIPATE IN THE ISSUE.

To,
The Board of Directors
COFORGE LIMITED
Registered Office: 8, Balaji Estate, Third Floor
Guru Ravi Das Marg, Kalkaji
New Delhi – 110 019 India
Dear Sirs,

On the basis of the serially numbered PPD of the Company and subject to the terms and conditions contained therein, and in this Application Form, we hereby submit our Application Form for the Allotment of the Equity Shares in the Issue, at the terms and price indicated below. We confirm that we have a valid and existing registration under applicable laws and regulations of India, and undertake to acquire, hold, manage or dispose of any Equity Shares that are Allotted to us in accordance with Chapter VI of the SEBI ICDR Regulations and undertake to comply with the SEBI ICDR Regulations, and all other applicable laws, including any reporting obligations and the terms and conditions mentioned in the PPD and

STATUS (Please ✓)			
FI	Scheduled Commercial Banks and Financial Institutions	**AIF**	Alternative Investment Fund*
MF	Mutual Funds	**IF**	Insurance Funds
FPI	Foreign Portfolio Investors**	**NIF**	National Investment Fund
VCF	Venture Capital Funds**	**SI-NBFC**	Systemically Important Non-Banking Financial Companies
IC	Insurance Companies	**OTH**	Others ________________ (Please specify)

** Sponsor and Manager should be Indian owned and controlled.*
*** Foreign portfolio investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended, other than individuals, corporate bodies and family offices who are not allowed to participate in the Issue*

this Application Form. We confirm that we are an Eligible QIB as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and are not: (a) excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; and (b) restricted from participating in the Issue under the applicable laws, including SEBI ICDR Regulations. We are not a Promoter of the Company (as defined in the SEBI ICDR Regulations), and this Application Form does not directly or indirectly represent the Promoter or Promoter Group, or persons or entities related to the Promoter. Further, we confirm that we do not have any right under a shareholders' agreement or voting agreement entered into with the Promoter, veto rights or right to appoint any nominee director on the board of directors of the Company. We confirm that we are either a QIB which is resident in India, or an Eligible FPI, participating through Schedule II of the FEMA Rules or a multilateral or bilateral development financial institution eligible to invest in India under applicable law. We specifically confirm that our Bid for the Allotment of the Equity Shares is not in violation to the amendment made to Rule 6(a) of the FEMA Rules by the Central Government on April 22, 2020. We confirm that we are neither an AIF or VCF whose sponsor and manager is not Indian owned and controlled in terms of the FEMA Rules, nor an FVCI. We confirm that the signatory is authorized to apply on behalf of the Bidder and the Bidder has all the relevant approvals for applying in the Issue.

We confirm that the Bid size / aggregate number of the Equity Shares applied for by us, and which may be Allocated to us thereon will not exceed the relevant regulatory or approved limits under applicable law and further confirm that our Bid will not result in triggering an open offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "**Takeover Regulations**"). We confirm that, in relation to our application, each foreign portfolio investor ("**FPI**") as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended (other than individuals, corporate bodies and family offices), and including persons who have been registered under these regulations (such FPIs, "**Eligible FPIs**"), have submitted a separate Application Form, and asset management companies or custodians of mutual funds have specified the details of each scheme for which the application is being made along with the Bid Amount and number of shares to be Allotted under each scheme. We undertake that we will sign all such documents, provide such documents and do all such acts, if any, necessary on our part to enable us to be registered as the holder(s) of the Equity Shares that may be Allotted to us. We confirm that the signatory is authorized to apply on behalf of the Bidder and the Bidder has all the relevant approvals for applying in the Issue. We note that the Company is entitled, in consultation with IIFL Securities Limited and HSBC Securities and Capital Markets (India) Private Limited (the "**BRLMs**"), in their absolute discretion, to accept or reject this Application Form without assigning any reason thereof.

We hereby agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD, Placement Document (when issued) and the CAN, when issued, and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below, subject to receipt of the Application Form and Bid Amount towards the Equity Shares that may be allocated to us. The amount payable by us as Bid Amount for the Equity Shares applied for has been/will be remitted to the designated bank account set out in this Application Form through electronic mode, along with this Application Form prior to the Bid/Issue Closing Date and such Bid Amount has been /will be transferred from a bank account maintained in our name, and in case we are joint holders, from the bank account of the person whose name appears first in the Application Form. We acknowledge and agree that we shall not make any payment in cash or cheque. We are aware that (i) Allocation and Allotment in the Issue shall be at the sole discretion of the Company, in consultation with the BRLMs; and (ii) in the event that Equity Shares that we have applied for are not Allotted to us in full or at all, and/or the Bid Amount is in excess of the amount equivalent to the product of the Equity Shares that will be Allocated to us and the Issue Price, or the Company is unable to issue and Allot the Equity Shares offered in the Issue or if there is a cancellation of the Issue, or in case of rejection of Bids or non-allocation of Equity Shares or the listing of the Equity Shares does not occur in the manner described in the PPD, the Placement Document (when issued), the SEBI ICDR Regulations and other applicable laws, the Bid Amount or a portion thereof, as applicable, will be refunded to the same bank account from which the Bid Amount was paid by us. Further, we agree to comply with the rules and regulations that are applicable to us, including in relation to the lock-in and transferability requirements. In this regard, we authorize the Company to issue instructions to the depositories for such lock-in and transferability requirements, as may be applicable to us.

We acknowledge and agree that (i) our names, addresses, nationalities, contact details, email IDs, PAN, bank account details and the number of Equity Shares Allotted, along with other relevant information as may be required, will be recorded by the Company in the format prescribed in terms of the PAS Rules; (ii) in the event that any Equity Shares are Allocated to us in the Issue, we are aware pursuant to the requirements under Form PAS-4 of the PAS Rules that our names (as proposed Allottees) and the percentage of our post-Issue shareholding in the Company will be disclosed in the Placement Document, and we are further aware that disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the discretion of the Company, in consultation with the BRLMs; and (iii) in the event that Equity Shares are Allotted to us in the Issue, the Company will place our name in the register of members of the Company as a holder of such Equity Shares that may be Allotted to us and in the Form PAS-3 filed by the Company with the Registrar of Companies, Delhi and Haryana at New Delhi (the "**RoC**") as required in terms of the PAS Rules. Further, we are aware and agree that if we, together with any other QIBs belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares in the Issue, the Company shall be required to disclose our name, along with the names of such other Allottees and the number of Equity Shares Allotted to us and to such other Allottees, on the websites of BSE Limited and National Stock Exchange of India Limited (together, the "**Stock Exchanges**") and we consent to such disclosures. Further, we agree to comply with the rules and regulations that are applicable to us, including in relation to the lock-in and restriction on transferability. In this regard, we authorize the Company to issue instructions to the depositories for such lock-in and restriction on transferability, as may be applicable to us. In addition, we confirm that we are eligible to invest in Equity Shares under the SEBI ICDR Regulations, circulars issued by the Reserve Bank of India ("**RBI**") and other applicable laws.

By signing and submitting this Application Form, we hereby confirm and agree that the representations, warranties, acknowledgements and agreements as provided in the sections titled "*Notice to Investors*", "*Representations by Investors*", "*Issue Procedure*", "*Selling Restrictions*" and "*Purchaser Representations and Transfer Restrictions*" of the PPD and the terms, conditions and agreements mentioned herein are true and correct and acknowledge and agree that these representations and warranties are given by us for the benefit of the Company and the BRLMs, each of whom is entitled to rely on, and is relying on, these representations warranties, acknowledgements and agreements in consummating the Issue.

By signing and submitting this Application Form, we hereby represent, warrant, acknowledge and agree as follows: (1) we have been provided with a serially numbered copy of the PPD along with the Application Form, have read it in its entirety including in particular, the section titled "*Risk Factors*" therein and we have relied only on the information contained in the PPD and not on any other information obtained by us either from the Company, the BRLMs or from any other source, including publicly available information; (2) we will abide by the PPD and the Placement Document (when issued), this Application Form, the confirmation of allocation note ("**CAN**"), when issued, and the terms, conditions and agreements contained therein; (3) that if Equity Shares are Allotted to us pursuant to the Issue, we shall not sell such Equity Shares otherwise than on the floor of a recognised stock exchange in India for a period of one year from the date of Allotment; (4) we will not have the right to withdraw our Bid or revise our Bid downwards after the Bid/Issue Closing Date; (5) we will not trade in the Equity Shares credited to our beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchange; (6) Equity Shares shall be Allocated and Allotted at the discretion of the Company, in consultation with the BRLMs, and the submission of this Application Form and payment of the corresponding Bid Amount by us does not guarantee any Allocation or Allotment of Equity Shares to us in full or in part; (7) in terms of the requirements of the Companies Act, upon Allocation, the Company will be required to disclose names and percentage of our post-Issue shareholding of the proposed Allottees in the Placement Document; however, disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the BRLMs; (8) the number of Equity Shares Allotted to us pursuant to the Issue, together with other Allottees that belong to the same group or are under common control as us, shall not exceed 50% of the Issue and we shall provide all necessary information in this regard to the Company and the BRLMs; (9) if we are participating in the Issue as an Eligible FPI, we are not an individual, corporate body, or family office. For the purposes of this representation: The expression 'belong to the same group' shall derive meaning from Regulation 180(2) of the SEBI ICDR Regulations, i.e., entities where (i) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (ii) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (iii) there is a common director, excluding nominee and independent directors, among the Eligible QIBs, its subsidiary or holding company and any other QIB; and 'control' shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the Takeover Regulations; (10) agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD and the Placement Document (when issued), this Application Form, the CAN upon its issuance and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below; (11) we have such knowledge and experience in financial and business matters that we are capable of evaluating the merits and risks of the prospective investment in the Equity Shares and we understand the risks involved in making an investment in the Equity Shares; (12) no action has been taken by us or any of our affiliates or representatives to permit a public offering of the Equity Shares in any jurisdiction; (13) we satisfy any and all relevant suitability standards for investors in the Equity Shares, have the ability to bear the economic risk of our investment in the Equity Shares, have adequate means of providing for our current and contingent needs, have no need for liquidity with respect to our investment in the Equity Shares and are able to sustain a complete loss of our investment in the Equity Shares; (14) we acknowledge that once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Bid Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Issue Closing Date; and (15) in case Bids are being made on behalf of the Eligible QIB and this Application Form is unsigned, we confirm that we are authorized to submit this Application Form and provide necessary instructions for transfer of the Bid Amount to the Escrow Account on behalf of the Eligible QIB.

By signing and/or submitting this Application Form, we acknowledge that the Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state of the United States and unless so registered, may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws. We hereby represent that we are either (a) a qualified institutional buyer (as defined in Regulation 144A under the U.S. Securities Act) pursuant to Section 4(a)(2) or another available exemption from registration under the U.S. Securities Act, or (b) located outside the United States and purchasing the Equity Shares in an "offshore transactions", as defined in and in reliance on Regulation S under the U.S. Securities Act and in accordance with the applicable laws of the jurisdictions where such offers and sales are made. We confirm that we have read and hereby make the representations, warranties, acknowledgments and agreements contained in the sections titled "*Selling Restrictions*" and "*Purchaser Representations and Transfer Restrictions*" of the PPD.

BIDDER DETAILS (in Block Letters)			
NAME OF BIDDER*			
NATIONALITY			
REGISTERED ADDRESS			
CITY AND CODE			
COUNTRY			
TELEPHONE NO.		**FAX. NO.**	
EMAIL ID			
LEI No.			
FOR ELIGIBLE FPIs**	**SEBI FPI Registration Number:**	**For AIFs***/ MFs/ VCFs***/SI-NBFCs/ ICs/Ifs**	**SEBI AIF / MF/ VCF Registration Number / RBI Registrations details for SI-NBFCs / IRDAI Registration details for ICs**

**Name should exactly match with the name in which the beneficiary account is held. Bid Amount payable on Equity Shares applied for by joint holders shall be paid from the bank account of the person whose name appears first in the application. Mutual Fund Bidders are requested to provide details of the Bids made by each scheme of the Mutual Fund. Each Eligible FPI is required to fill a separate Application Form. Further, any discrepancy in the name as mentioned in this Application Form with the depository records would render the application invalid and liable to be rejected at the sole discretion of the Company and the BRLMs.*

*** In case you are an FPI holding a valid certificate of registration and eligible to invest in the Issue, please mention your SEBI FPI Registration Number.*

**** Allotments made to AIFs and VCFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. AIFs and VCFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.*

ESCROW ACCOUNT - BANK ACCOUNT DETAILS FOR PAYMENT OF AMOUNT THROUGH ELECTRONIC FUND TRANSFER REMITTANCE BY WAY OF ELECTRONIC FUND TRANSFER	
BY 2.00 P.M. (IST), [●], 2024	
Name of the Account	[●]
Name of the Bank	[●]
Address of the Branch of the Bank	[●]
Account Type	[●]
Account Number	[●]
LEI Number	[●]
IFSC	[●]
Tel No.	[●]
E-mail	[●]

The Bid Amount should be transferred pursuant to the Application Form. All payments must be made only by way of electronic funds transfer, in favour of "COFORGE LIMITED-QIP-ESCROW ACCOUNT". Payment of the entire Bid Amount should be made along with the Application Form on or before the closure of the Bid/Issue Period, i.e., prior to the Bid/Issue Closing Date. The payment for subscription to the Equity Shares Allotted in the Issue shall be made only from the bank account of the person subscribing to the Equity Shares and in case of joint holders, from the bank account of the person whose name appears first in the Application Form.

DEPOSITORY ACCOUNT DETAILS																									
Depository Name(Please ✓)	National Security Depository Limited									Central Depository Services (India) Limited															
Depository Participant Name																									
DP – ID	I	N																							
Beneficiary Account Number										(16-digit beneficiary account. no. to be mentioned above)															
The Demographic details like address, bank account details etc., will be obtained from the Depositories as per the beneficiary account given above. **However, for the purpose of refund, if any, only the bank details as mentioned below, from which remittance towards subscription has been made, will be considered.**																									

The Bidders are responsible for the accuracy of the bank account details mentioned below and acknowledge that the successful processing of refunds if, any, shall be dependent on the accuracy of the bank account details provided by them. The Company and the BRLMs shall not be liable in any manner for refunds that are not processed due to incorrect bank account details.

RUPEE BANK ACCOUNT DETAILS (FOR REMITTANCE)			
Bank Account Number		IFSC Code	
Bank Name		Bank Branch Address	
NO. OF EQUITY SHARES BID		**PRICE PER EQUITY SHARE (RUPEES)**	
(In figures)	(In words)	(In figures)	(In words)
BID AMOUNT (RUPEES)			
(In figures)		(In words)	

DETAILS OF CONTACT PERSON			
NAME			
ADDRESS			
TEL. NO.		**FAX NO.**	
EMAIL			

OTHER DETAILS	
PAN*	
Date of Application	
Signature of Authorised Signatory (may be signed either physically or digitally)**	

ENCLOSURES ATTACHED
Attested/ certified true copy of the following:
☐ Copy of PAN Card or PAN allotment letter
☐ Copy of FPI Registration Certificate /MF Registration certificate / SEBI certificate of registration for AIFs/VCF/SI-NBFC/IC/IF
☐ Certified copy of the certificate of registration issued by the RBI as an SI-NBFC/ a Scheduled Commercial Bank
☐ Copy of notification as a public financial institution
☐ FIR
☐ Copy of IRDAI registration certificate
☐ Intimation of being part of the same group
☐ Certified true copy of Power of Attorney
☐ Other, please specify

**It is to be specifically noted that the Bidder should not submit the GIR Number or any other identification number instead of the PAN as the applications are liable to be rejected on this ground, unless the Bidder is exempted from the requirement of obtaining a PAN number under the Income-tax Act, 1961.*
***A physical copy of the Application Form and relevant documents as required to be provided along with the Application Form shall be submitted as soon as practicable.*

Note:

(1) Capitalized terms used but not defined herein shall have the same meaning as ascribed to them in the PPD, unless specifically defined herein.
(2) The Application Form is liable to be rejected if any information provided is incomplete or inadequate at the discretion of the Company in consultation with the BRLMs.
(3) This Application Form, the PPD and the Placement Document sent to you/ be sent to you, either in physical form or both, are specific to you and you may not distribute or forward the same and are subject to disclaimer and restrictions contained in or accompanying these documents.
(4) The duly filed Application Form along with all enclosures shall be submitted to the BRLMs either through electronic form at the email mentioned in the PPD or through physical delivery at the address mentioned in PPD.

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