

September 3, 2023

BSE Limited
Corporate Relation Dept.
P. J. Towers, Dalal Street
Mumbai - 400 001.

National Stock Exchange of India Ltd.
"Exchange Plaza",
Bandra Kurla Complex, Bandra (E)
Mumbai - 400 051.

Scrip Code: 532859

Symbol: HGS

Dear Sirs,

Sub: Submission of Annual Report for Financial Year 2022-23 and Notice of 28th Annual General Meeting ('AGM')

Pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith copy of Annual Report for the Financial Year 2022-23 and the Notice of 28th AGM being sent to the shareholders of the Company. The Annual Report is also available at the website of the Company at www.hgs.cx.

We request you to note that the said AGM will be held on Wednesday, September 27, 2023 at 4.00 p.m. IST through Video Conference ('VC') and Other Audio Visual Means ('OAVM').

Further to inform you that:

- The Company has fixed Wednesday, September 20, 2023 as the cut-off date to determine the eligibility of members to vote by electronic means (i.e., remote e-voting) and e-voting during the AGM; and
- The remote e-voting commences at 9.00 a.m. IST on Saturday, September 23, 2023 and ends at 5.00 p.m. IST on Tuesday, September 26, 2023. The facility of casting votes by Members using remote e-voting and voting during the AGM will be provided by KFin Technologies Limited, Registrar & Transfer Agent of the Company.

You are requested to kindly take the above on record.

Thanking you,

For **Hinduja Global Solutions Limited**

Narendra Singh
Digitally signed
by Narendra
Singh
Date: 2023.09.03
00:06:05 +05'30'

Narendra Singh
Company Secretary
F4853

Encl: As above

HINDUJA GLOBAL SOLUTIONS LIMITED.

Regd. Office: Hinduja House, No. 171, Dr. Annie Besant Road, Worli, Mumbai - 400 018. India. Telephone: 91-22-2496 0707 Fax: 91-22-2497 4208 Website: www.hgs.cx
Corporate Office: Gold Hill Square Software Park, No. 690, 1st Floor, Hosur Road, Bommanahalli, Bengaluru - 560 068. India. Telephone: 91-80-4643 1000 / 4643 1222
Corporate Identity Number.L92199MH1995PLC084610



Champion Every Moment

In line with our vision to be the world's leading expert in transforming customer experiences (CX) for the most admired brands across industries, HGS continues to innovate, optimize and grow our clients' businesses with the perfect balance of people and technology. We do this by ensuring that every interaction our clients and customers have with us is prompt, personal and positive – be it from a CX, technology, HRO or digital media services perspective.

Every day, we deliver millions of winning interactions at scale... we showcase what amazing CX looks like... our people go above and beyond to provide exactly what clients need... we offer world-class digital media experiences... and we drive better results faster. In other words, we champion every moment and help create the right impact with speed, precision and empathy.



Shri Srichand Parmanand Hinduja

Nov 28, 1935 – May 17, 2023

Principles made your core
Values shaped your bold vision
Patriot at heart
Saw beyond horizons
Benevolent in outlook
Fearless in action

**You leave behind memories to cherish and values to guide.
You shall remain the source of our inspiration and be missed forever.**



HINDUJA



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LATE SHRI PARMANAND DEEPCHAND HINDUJA
FOUNDER - HINDUJA GROUP

WORK TO GIVE

ACT LOCAL, THINK GLOBAL

WORD IS A BOND

ADVANCE FEARLESSLY

PARTNERSHIP FOR GROWTH

The five principles, distilled from the lifetime experiences of the Founder of the Hinduja Group, Late Shri Parmanand D. Hinduja, serve as the cultural cornerstones of the businesses of the Group, leading to a synergistic and creative partnership of professional management and entrepreneurship among the Group companies.

OUR VISION

Be the world's leading expert in transforming customer experiences for the most admired brands.

OUR MISSION

Innovate, optimize, and grow our clients' businesses with the perfect balance of people and technology.

OUR VALUES :

Based on the five principles established by our Group Founder, HGS has created Five Values that weave the different cultures across HGS and its subsidiaries into one fabric.

We deliver on our promises every time.

Our word is our bond.



Integrity



Excellence

We raise the bar higher and higher.

Continuous innovation is in our DNA.

Your success is our success.

We align everyone and everything needed to achieve our shared goals together.



Collaboration



Sustainability

We work to give.

We care for our planet as well as our communities, people, clients, and partners.

Together, we progress.

We embrace differences and foster an environment of mutual trust, respect, and equality.



Inclusivity

HGS AT A GLANCE

A global leader in business process management (BPM) and optimizing the customer experience lifecycle, HGS is helping make its clients more competitive every day. HGS combines technology-powered services in automation, analytics and digital with domain expertise focusing on back-office processing, contact centers and HRO solutions to deliver transformational impact to clients. HGS takes a true “globally local” approach, with our employees making a difference to some of the world’s leading brands across nine key verticals.

HGS' Presence

Digital-led, people-driven organization that is transforming customer experiences (CX).



Notes: *Number of delivery centers is as of March 31st, 2023 | **Australia and UAE – Sales Offices

HGS AT A GLANCE



Revenues:
US\$ 621.5 million



Global delivery centres **35**



Employees
20K+



Global gender ratio of over
50% women



Countries
09



Technology partners
55+



Digital Transformation Consultants
1K+

HGS CSR active global outreach

4,330 volunteers engaged for various **CSR** activities

CSR Volunteering hours:
6K+

Equal to **250**
working days (~8 months)

BOARD OF DIRECTORS

Hinduja Global Solutions Limited



Mr. Ashok P. Hinduja

Chairman
w.e.f. December 19, 2022



Mr. Anil Harish

Independent Director



Mr. Sudhanshu Tripathi

Non-executive Director



Ms. Bhumika Batra

Independent Director



Dr. Ganesh Natarajan

Independent Director



Mr. Pradeep Udhas

Independent Director
w.e.f. August 25, 2022



Mr. Paul Abraham

Non-Executive Director
w.e.f. August 25, 2022



Mr. Munesh Khanna

Independent Director
w.e.f. December 19, 2022



Mr. Partha DeSarkar

Whole-time Director



Mr. Vynsley Fernandes

Whole-time Director
w.e.f. November 14, 2022

CHAIRMAN'S MESSAGE

Greetings to all the Shareholders and your families! I take immense pleasure in interacting with you all.

Fiscal year 2023 was marked by significant global uncertainty, as the world emerged from the pandemic's shadow. During the past 12 months, we have been forced to face and manage challenges related to the ongoing war in Ukraine, a rapidly changing geo-political landscape, increased cost of living and of doing business, and rising inflation – all resulting in a global slowdown of growth. In contrast, India has stood out as the land of hope and opportunities with its economic resilience, thereby, providing a good business hedge against global slowdown. However, the current period since the pandemic has been witness to technology upgrades every few months, and strong digital content uptake.

In light of these trends, the progress your Company has made in FY2023 is all the more impressive. Your Company reported robust growth in top-line and bottom-line across its business segments – customer experience (CX) and digital media services (NXTDIGITAL), and across geographies. The messages ahead from the two Whole time Directors would share the details of their respective businesses.

Future Outlook

Today, digital technology is the key driver for economic growth globally. Old economy businesses are revamping themselves for the digital age, which continues to open newer horizons of opportunities for your company, all seeking to serve and delight customers in ways that have never been seen before and in newer, diverse sectors.

Today, your Company is very clear about its vision and how to get there. Your Company is evolving rapidly toward its goal of “becoming the world’s leading expert in transforming customer experiences



“

I would like to express my “Bhavpurna Shradhanjali / भावपूर्ण श्रद्धाजलि” to my elder brother Shri. Srichand Parmanand Hinduja on behalf of the TeamHGS family. His passing away in May 2023 has left a big void in our family and the Group. A visionary and voice of reason, his legacy will stand as an example to all of us to persist in our pursuit of progress. He shall always remain the source of our inspiration and be missed.

”

through cutting-edge digital solutions.” Your Company has been committed to expanding its services to newer clients across newer geographies with enhanced capability spread to improve the customer experience in the most effective way. Investments in new-age technologies are on the anvil across geographies, particularly in India, the US, and the UK, both onshore and offshore. Towards it, a couple of

CHAIRMAN'S MESSAGE

acquisitions have already been made. The aim is to deliver superior customer experiences at scale in every area of its business, which will lead to significant revenue and profit streams soon.

Your company sought to bring all digital businesses under one roof to have both India play and the global business suite complement each other. During FY2023, your Company successfully concluded the acquisition of the digital media business of **NXTDIGITAL** Ltd (NDL), which has enabled the establishment of a direct-to-consumer practice for HGS. As part of the Scheme of Merger, 1.0689 crore shares were allotted to NDL shareholders on November 25, 2022, while the share capital of HGS increased from Rs. 417.9 million to Rs. 524.8 million and NDL shareholders were allotted around 20.4% of shares of HGS.

NXTDIGITAL's merger boosts HGS' digital presence in India, adding over 1,200 people, higher India-originated revenue, a presence in over 4,500 pin codes and an opportunity to be right in the centre of the world's biggest digital transformational market. This is the first of the many advantages to follow as the synergies between the two businesses increase over time.

Creating Shareholder Value

Your company's philosophy revolves around creating value for all stakeholders. Last year, when the healthcare business was divested, all shareholders were suitably rewarded through special dividends, Rights Issue, and a Share-Buyback worth Rs 10,200 million @ Rs 1,700/ share.

HGS continues to transform itself. With many initiatives underway as part of this transformation, I am confident that it would result in value accretion for all stakeholders resulting in more opportunities for shareholders to be rewarded at opportune times in the future.

I want to place on record my sincere appreciation of the unstinted support from all the shareholders, directors, management, employees, clients, partners, advisors and the government to the company all these years. Moving forward, we count on your continued support as your Company strives to progress further in its evolution towards becoming a digital-first CX organization.

I would conclude by wishing you all good health. May we all remain more connected!

Yours sincerely,

Ashok P. Hinduja
Chairman, HGS

Building our clients' businesses for
the future through the perfect balance
of people and technology



MESSAGE FROM PARTHA'S DESK

Dear Shareholders,

It feels wonderful to be able to come back to you again to talk about FY2023 - an extraordinary year where we were finally able to get ahead of the carnage caused by COVID. We survived, we thrived and finally we are spreading our wings again to rebuild our business, post the Healthcare divestment.

Right when the pandemic ended, we were faced with the uncertainties of the war in Europe, causing untold suffering to humanity and sucking in so many countries in its trail. Geopolitical tensions have been steadily rising; the East and the West today seem to be as far apart as they have ever been historically. Economically, we still have supply side constraints while the spectre of inflation and the dangers of recession lurk just around the corner because of the high interest rates regime of the Central Banks everywhere.

That to me is the most important message for FY2023 - the story of resilience in the face of great adversity and the ability to stay ahead of the various challenges.

The Healthcare divestment in January 2022 has probably been the most significant event in the history of HGS. Since then (up to June 2023), we have given Rs. 5,367.3 million as dividend payout, had a bonus issue of equity shares in the ratio of 1:1, and also returned Rs. 10,200 million as Buyback proceeds to shareholders. I am extremely proud to be able to reward our shareholders for their loyalty to HGS.

In the midst of all these global uncertainties, we have not been cowed down. I'm happy to state that your company has made significant strides. We have expanded to Australia, merged the **NXTDIGITAL** business into our portfolio, expanded our analytics capabilities by acquiring TekLink and consolidated our footprint in Latin America by setting up our own center in Barranquilla, Colombia.



“ The theme of this year’s annual report is “Champion Every Moment”, which I believe rightly encapsulates the evolution happening and our renewed purpose. Our ongoing digital transformation journey has compelled each one of us at HGS to scale up tremendously as we focus on innovating, optimizing and growing our clients’ businesses with the perfect balance of people and technology. Every day, we deliver millions of winning interactions at scale, showcasing what amazing CX looks like and driving better results faster for our stakeholders. In other words, we champion every moment and help create the right impact with speed, precision and empathy. ”

Post the Healthcare divestment, we have also changed the direction in which HGS is moving forward. We want to create a technology-led Customer Experience (CX) Company, building on our foundations of being the champions of Customer Experience for two decades and overlaying the Technology layer on top. Since the advent of Generative AI and Large Language Models late in 2022, the future looks much more exciting than it has ever been in the past, particularly for the CX industry. Our Leadership Team is in the midst of blueprinting

MESSAGE FROM PARTHA'S DESK

how we harness this new technology by building our own capabilities in the arena of Artificial Intelligence and investing in AI labs that embellish our core CX strength.

Today, we primarily work in the Customer Service segment, assisting and guiding our clients' customers who purchase or utilize their products or services. We do this in two ways:

- Through contact center services and back-office process management with heavy manpower deployment, where technology is seen as a job tool.
- Through core digital services that include app development, Cloud deployment/ migration, systems implementation, data engineering & analytics, cyber security and process automation.

We foresee a hybrid version of these two segments, which we like to call Digital Operations, as our future. The focus is to be an end-to-end customer experience management player, which comprises managing and sustaining interactions between clients and their customers during the entirety of their relationship. As clients across industries apply technology such as AI and LLM to re-platform their customer interactions, HGS will increase its technology deployment to build "AI-driven CX process management", creating both supported and unattended customer service, leveraging chat bots, HGS Agent X capability and analytics.

For example, a query starts online as an unattended autonomous experience through web or mobile, goes into the ecommerce portal as relevant and is converted as a transaction. It then shifts to the post sale phase with a strong self-service knowledge base available for customers' support even as we mine the backend CRM for real-time customer insights and regularly engage with them on social media and other channels.

In line with the shift, HGS is investing significantly in applying the 3As (AI, automation and analytics) in a

Cloud first model to internal processes too and bringing in new talent to augment the existing team to create capability for the future.

The theme of this year's annual report is "**Champion Every Moment**", which I believe rightly encapsulates the evolution happening and our renewed purpose. Our ongoing digital transformation journey has compelled each one of us at HGS to scale up tremendously as we focus on innovating, optimizing and growing our clients' businesses with the perfect balance of people and technology. Every day, we deliver millions of winning interactions at scale, showcasing what amazing CX looks like and driving better results faster for our stakeholders. In other words, we champion every moment and help create the right impact with speed, precision and empathy.

Looking ahead, while uncertainties persist in the global economic landscape, we are confident in our ability to navigate challenges and seize opportunities. We will remain agile and adaptive to market dynamics, ensuring that we are well-positioned to leverage emerging technologies and trends. I am confident that we will continue to deliver our best to our stakeholders, to create value, and to enhance our value proposition as a leading customer experience entity.

On behalf of TeamHGS, I would like to pay tribute to Late Shri. Srichand Parmanand Hinduja. He was a great leader, encouraging guide and well-wisher with a big heart. May his soul rest in peace!

Finally, I would like to thank all our stakeholders – the Chairman, the Board, the TeamHGS family, our clients, partners and shareholders – for your continued support to HGS.

Yours sincerely,

Partha DeSarkar

Group CEO and Whole-time Director
Hinduja Global Solutions (HGS)

MESSAGE FROM VYNS' DESK

It's my privilege to be writing to you all for the first time since the merger of **NXTDIGITAL** Ltd's (NDL) digital media business with HGS. I hope that all of you in the HGS family are in the best of health.

I would like to start by expressing my Shradhanjali to Shri. Srichand Parmanand Hinduja, who we lost in May. A doyen of the Indian industry on the global stage and a great visionary, he will be missed by all of us.

On to the year gone by

With the impact of the pandemic receding, the media and entertainment industry has been looking to build on the changes adopted in the past couple of years and push forward towards growth. Be it TV, over-the-top (OTT), digital advertising or personal communications, the industry has immense potential, led by pandemic-induced consumption in content, even as traditional media has seen a small dip. According to the annual Media and Entertainment report released by FICCI and consulting firm EY at the FICCI Frames event in May 2023, the overall Indian M&E sector is projected to have a healthy CAGR growth of 10% to touch \$35.4 billion by 2025.

For us at the Digital Media business, the past year has been a combination of consolidation and expansion in line with what's happening in the market. We continue to grow both our driver verticals – digital video and broadband, with a strong focus on retaining and cross-selling new services to existing customers even as we add new customers. Our strategy is to garner a greater share of the customer wallet across multiple services rather than focusing on ARPU growth of individual product verticals. We are also investing in newer emerging technology offerings like broadband-over-satellite.

Focus on integrated solution portfolio

Whilst there is a structural decline in linear television, the wired broadband market where OneOTT Entertainment Ltd. (OIL) - the broadband subsidiary of HGS has a significant presence as India's 4th largest private ISP, is expected to grow exponentially, led by the rapid expansion of the e-commerce industry and increased online entertainment spending.



“

Leveraging our expertise in technology and domain knowledge gained through the B2C business, we have recently forayed into the fast-growing enterprise networking solutions segment in India under the brand name - CelerityX. The new business of OIL will offer a bundle of tailor-made, personalised digital solutions for enterprise customers of any scale or strength. The portfolio of solutions includes cutting-edge BOS, Fiber and 5G MESH networks, as well as zero-touch digitally enabled industry solutions, across on-premises, cloud, and platform economy environments.

”

To cater to these changing consumer preferences, **NXTDIGITAL** is rapidly building out more relevant, integrated digital solutions. In October 2022, your Company launched ONEDigital – a premier integrated solution offering a myriad of digital services ranging from broadband with speeds up to 1,000Mbps, over 650 TV channels and OTT to Voice over IP/Intercom, WiFi and bespoke CCTV solutions. The all-in-one product has

MESSAGE FROM VYNS' DESK

seen great traction from customers, and we will continue to invest in making it more optimal for our audiences.

In line with our “Partnership for growth” philosophy, we had previously launched the award-winning concept of **NXTHUBs** in FY2022, thus ensuring that our last mile operators (LMOs) have access to new products and emerging technologies and to help them stay relevant and grow with us. Each **NXTHUB** is fitted with an ADDS (Advanced Digital Distribution System) and based on HITS or Headend-In-The-Sky technology that offers LMOs and customers twin advantages: firstly, the plug-and-play video solution is not constrained by weather, terrain or connectivity as it uses satellite technology; secondly it offers a slew of digital services including video, OTT and WiFi, backed by high-quality service levels. We expanded this network to 100+ **NXTHUBs** in FY2023, adding to our existing coverage of over 4,500 pin codes.

The KPIs across digital video (DTV) and broadband businesses have shown significant improvement. On the DTV side, while the subscriber base has declined marginally YoY, the 90-day net churn has improved to 1.7% at the end of March 2023. Broadband ARPUs have increased to a robust Rs. 292. The data showcases that our strategy to focus on quality of subscribers and services rather than just volumes is indeed paying dividends.

Technology is changing the game

Your Company has been investing heavily in leveraging the 3As (analytics, AI and automation) and other future technologies to achieve our goal of becoming an end-to-end digital services distribution business.

In June 2022, we signed an MoU with Thaicom, a global leader in satellite technology, to offer broadband-over-satellite (BOS) and related services in India. We are looking to facilitate digital inclusion across education, healthcare, information and entertainment segments, by extending satellite-based broadband connectivity and services to our customers and also to underserved markets. A case in point, we launched BOS services in Arunachal Pradesh, Nagaland and Kashmir in areas that are poorly connected, with a bundled offering that gives users access to services like interactive learning, digital movie on demand, OTT and other online solutions, rather than merely as a passive

Internet pipe. We have signed pacts with leading edutech and entertainment partners for the infotainment piece. Our plan is to gradually expand the BOS services pan-India for customers. We also plan to set up a Centre of Excellence to develop new satellite and related digital based technologies through artificial intelligence and analytics in the coming period.

Leveraging our expertise in technology and domain knowledge gained through the B2C business, we have recently forayed into the fast-growing enterprise networking solutions segment in India under the brand name - CelerityX. The new business of OIL will offer a bundle of tailor-made, personalised digital solutions for enterprise customers of any scale or strength. The portfolio of solutions includes cutting-edge BOS, Fiber and 5G MESH networks, as well as zero-touch digitally enabled industry solutions, across on-premises, cloud, and platform economy environments.

Having superior products is great but we also need a skilled team to drive success. Our NXT Sangram programme that we introduced in August 2022 to train digital services partners has been going on in full swing. In the nine months of operations in FY2023, we conducted 58 workshops to train over 1,500 last mile owners of franchisees, covering 2.31 lakh customers. This reskilling is critical as we need to work closely together to evolve to new technology and market trends.

Outlook for FY2024

The Digital Media business of HGS continues its transformation journey to be an “all-digital” services player with a comprehensive range of solutions for customers – both retail and enterprise. Technology is going to be the constant across our chosen verticals, and we are building further on the foundation put in place. We are also closely collaborating with HGS’ BPM business, especially in the enterprise networking solutions segment. Our overall focus remains on building a profitable, future-ready organization that is customer-centric and people-led.

Yours sincerely,

Vynsley Fernandes,
Whole-time Director, HGS
and Head of Digital Media Businesses

MANAGEMENT TEAM



Partha DeSarkar

Group CEO and
Whole-time Director, HGS



Srinivas Palakodeti

Global CFO, HGS



Vynsley Fernandes

Whole-time Director, HGS and Head
of the Digital Media Business



Venkatesh Korla

President and CEO,
HGS Digital and Chief Revenue
Officer, North America, HGS



Patrick Elliott

CEO, HGS UK



Pushkar Misra

President and CEO, HGS APAC



Natarajan Radhakrishnan

President and Chief Innovation
Officer, HGS



Giridhar GV

Global CHRO, HGS



Narendra Singh

Company Secretary, HGS



Andrew Kokes

Executive Vice President,
Global Head of Marketing, HGS



Shilpa Sinha Harsh

Senior Vice President
Global Corporate Communications,
CSR and DEI, HGS



Santanu Nandi

Senior Vice President, Global Business
Excellence and Head of Operations,
US, Jamaica and Colombia, HGS

MANAGEMENT TEAM



NK Rouse

Chief Operating Officer
NXTDIGITAL



Ru Ediriwira

Group Chief Technology Officer,
Media Group



Vaishali Thakur

Chief Human Resources Officer,
Media Group



Ajay Sharma

General Counsel, Media Group



Satyaprakash Singh

Chief Operating Officer
(North & East India)
ONEOTT ENTERTAINMENT LIMITED



Sanjeev Agarwal

Chief Operating Officer
(West & South India)
ONEOTT ENTERTAINMENT LIMITED



Sameer Kanse

Chief Business Officer, EBU
ONEOTT ENTERTAINMENT LIMITED



C S Lakshminarayanan

Chief Financial Officer
ONEOTT ENTERTAINMENT LIMITED

M&A UPDATES

HGS COMPLETES ACQUISITION OF NXTDIGITAL'S DIGITAL MEDIA BUSINESS



HGS completed acquisition
in November 2022;
effective date of merger
was February 1, 2022

Opens up
**fast-growing
direct-to-consumer
opportunity**
while also expanding
HGS' presence in India

HGS adds
1,200+ people,
gains a pan-India
reach with
presence in over
1,500 cities
and over
5 million
retail customers for
digital cable, broadband
and satellite services

Franchisee base of nearly
10,000
Digital Services Partners



M&A UPDATES

HGS COMPLETES THE ACQUISITION OF TEKLINK INTERNATIONAL

The acquisition strengthens HGS' digital solutions business by adding enhanced expertise in building data platforms, analytics, and financial planning. It also adds complementary digital workforce bench strength, with 275 seasoned technology and implementation professionals joining HGS as part of the transaction. HGS' digital solutions business currently employs over 1,000 core technology and digital marketing experts, primarily across the US and India, who are transforming customer experiences (CX) for leading brands.

HGS completed the acquisition of

100%

stake in **TekLink International** on March 1, 2023

Deal size of

US\$ 58.8 million

Acquisition

in line with our new vision to be a **technology-led CX company**

Headquartered in Warrenville, IL, USA

Presence in Europe and delivery centers in Hyderabad and Indore, India.

Provides impetus to

HGS Digital Data and Analytics practice

Recently named a

2022 Gartner® Peer Insights™ Customers Choice for Data & Analytics Service Providers

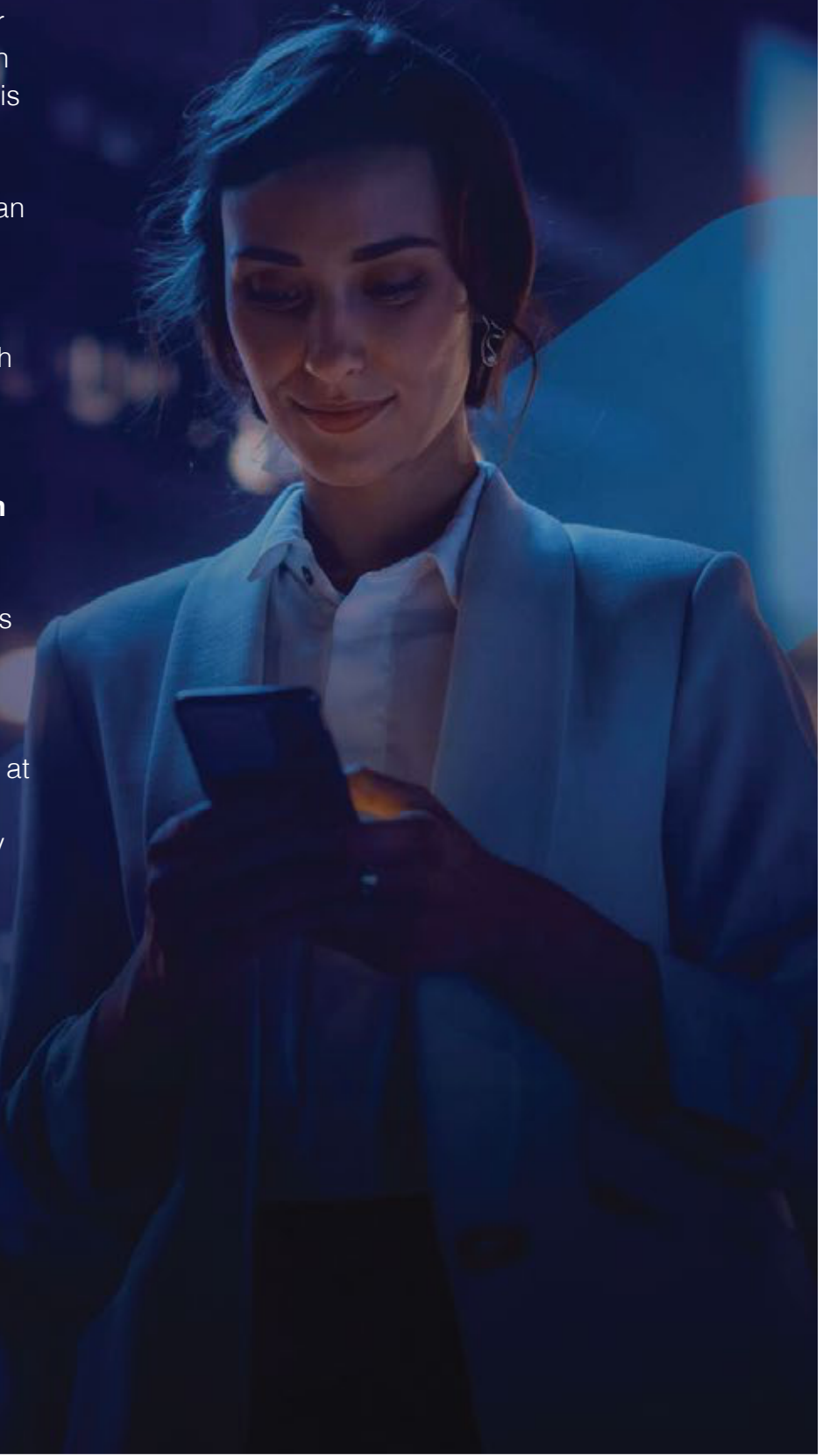
CHAMPION EVERY MOMENT

In December 2021, HGS re-launched itself as a digital-led CX company with the vision to become a leading expert in transforming customer experiences for the world's most admired brands, even as the pace of customer expectations is accelerating.

Every day we ask ourselves how we can stand out from the competition and exceed customer expectations. We believe that the answer lies in creating moments of joy in every interaction with every stakeholder.

In line with this, our new company purpose is that we exist to **"Champion Every Moment."** It means that we are dedicated to ensuring that every customer interaction that we manage is prompt, personal, and positive.

Our ongoing digital transformation journey has compelled each one of us at HGS to scale up tremendously. Every click, every scroll, every call and every email bears a heightened sense of purpose – to deliver the best to our stakeholders, to create value, and to enhance our value proposition as a leading customer experience entity.



CHAMPION EVERY MOMENT

WE'RE A DIGITAL CX LEADER DEDICATED TO DELIVERING WINNING CUSTOMER INTERACTIONS.

Speed

We deliver faster results. Equipped with best practices and proven solutions, we're accelerating the digital transformation experience.

Precision

We provide exactly what our clients want. We recommend the right talent and technologies to solve unique business problems, leveraging specific industry expertise, combined with insights across nine different verticals.

Empathy

Happy employees mean happy customers. We attract top talent, and support and empower our people.


As we continue to strengthen relationships with existing clients and forge partnerships with new ones, we strive to carry this renewed sense of purpose forth every day.

INDUSTRY RECOGNITION

At HGS, we have great stories to tell – be it the way we offer value and innovation to our clients every day or the proactive delivery support powered by our employees, which have been recognized by external organizations. In FY2023, HGS was honored with several awards and accolades, some of which are mentioned below:



Partha DeSarkar, Group CEO, HGS was the winner of the ‘**Executive of the Year**’ category at the **Big Awards for Business**



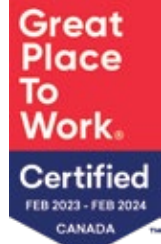
Winner of the ‘**Best use of Data & Insights in transformation project**’ category at the **Customer Fest Leadership Awards 2022**



Best CSR Initiative in the areas of Social welfare, Environment and Education and Best Practices for Recruitment & Selection at the **HR and CSR Excellence Awards 2022**



Winner in the ‘**Best Tech Talent Employer of the Year – Technology Sector**’ category at the **Transformance Forum’s Tech Talent Summit and Awards 2023**



HGS Canada is Great Place to Work Certified



Winner of the 2023 Training Apex Award, organized by **Training Magazine**



HGS Agent X won the 2022 Communications Solutions Products of the Year Award, organized by **TMC**



IAOP recognizes HGS & Twilio's partnership for demonstrating excellence in collaboration, innovation and outcomes at the **2022 IAOP Excellence in Strategic Partnership**

INDUSTRY RECOGNITION



HGS has been named a Winner in the Technology of the Year category at the 2022 Excellence in Customer Service Awards, presented by Business Intelligence Group for its **emergency roadside services (ERS) human centric bot Axle™**



HGS Agent X was the winner of the 2022 Best Robotic Processing Automation Company category at the 2022 **AI Breakthrough Awards**



HGS has been recognized as a **Bronze employer** at **IWEI 2022**



HGS Global WFM team won the Key Differentiator International WFM Award 2022, organized by **Global Workforce Management Forum (GWMF)**



- **Winner** in the Best Skill Development Programme Initiative Of the Year 2022 (Corporate) category at the **Indian CSR Awards 2022**
- **Shilpa Sinha Harsh** was recognized among the Best 5 CSR Professionals of the Year 2022

ANALYST RECOGNITION



- An "Aspirant" in Everest Group "Trust and Safety – Content Moderation Services PEAK Matrix® Assessment 2022".
- A "Top Riser" in the "Everest Group BPS Top 50 2022".
- A "Major Contender" In Everest Group "CXM in the Americas - Service Provider Landscape with Services PEAK Matrix® Assessment 2022".
- A "Major Contender" In Everest Group "CXM in EMEA - Service Provider Landscape with Services PEAK Matrix® Assessment 2022".
- An "Aspirant" in the "Everest Group Marketing Services PEAK Matrix® Assessment 2023".



- For the 13th year in a row, HGS has achieved Leader status in "IAOP 2023 Global Outsourcing 100®", honoring the top 100 outsourcing companies in the world.
 - Stars were awarded for
 - Awards & Certifications
 - Programs for Innovation
 - Programs for Corporate Social Responsibility
 - Recognized in the sub-lists for the following Outsourcing Services Areas
 - Customer Relationship Management
 - Industry-Specific Services
 - Transaction Processing



- Recognised/Featured in Quadrant Knowledge Solutions "SPARK Matrix™: Contact Center Outsourcing Services, 2022".
- Recognised/Featured in Quadrant Knowledge Solutions "SPARK Matrix™: CX Management Services, 2022".



- "Booming 15 in "ISG Index 1Q 2022 - Managed Services and As-a service Market Insights - Service & Technology Provider Standouts - Americas".
- "Leader" In ISG Provider Lens™ "Contact Center – Customer Experience Services 2022" Study – US & Global" in the following quadrants:
 - Digital Operations
 - AI & Analytics
 - Work from Home service
 - Social Media services



- Ranked in the Frost Radar™ CX N. America Outsourcing Service Market 2022

ENABLING BEST-IN-CLASS CX FOR EXEMPLARY OUTCOMES



WHAT OUR CLIENTS SAY ABOUT US

HGS takes pride in providing superior and seamless customer experiences to our clients globally. A good indicator of the value we add is their constructive feedback gained through customer dialogue. We have received several messages from our clients appreciating our contribution to their success in FY2023. Below is a sampling of them across geographies and verticals:

US based telecommunications company

HGS is a terrific partner, one that I have depended on for years to take the very best care of my customers. They are collaborative, flexible, customer driven, creative, loyal and a partner in every aspect of the word.

Vendor Manager
Delivery – Canada



India based financial services company

HGS ensures seamless and error free service delivery with incorporation of best practices that are identified mutually. They provide best-in-class advisory on the subject and responsiveness to clients.

Executive Vice President
Delivery – India



US based retail giant

The HGS team speaks in clear and accessible language about how we can innovate to surprise and delight customers. They have taken the time and effort to truly learn our customer, their behaviour, issues and provide solutions. We continue to find efficiencies to allow us to grow our scope.

Marketing Director
Delivery – US & India



Jamaican banking company

The HGS Team is extremely responsive which is commendable. Their leadership team is willing to enhance the experience of the customers by immediately addressing matters as they arise, whether at an agent level or at a more strategic level. They recommend new technologies to enhance the performance of the Centre.

Channel Manager
Delivery – Jamaica



Canadian telecommunications company

HGS responds to our business needs at a program level with frameworks and solutions that drive results. When a specific focus item is brought up, they implement strategies to ensure we're addressing it. They are very flexible when it comes to our staffing needs, and able to meet difficult changes in requirements.

Associate Director
Delivery – Canada



US based technology company

HGS has always been a great partner for us. From operational efficiencies, partnering on new processes, flexibility with change, to overall performance, HGS has been outstanding. They've consistently led Service Assurance in our performance for many years.

Senior Director
Delivery – India



WHAT OUR CLIENTS SAY ABOUT US

US based agri & biotechnology company

HGS continues to be a true business partner and demonstrates flexibility and agility with our business needs.

Commercial Business Lead
Delivery – US



US based energy company

HGS continues to show they have the desire to be a valuable partner and continuously look for ways to improve.

Senior Manager
Delivery – US



Canadian wireless company

The partnership with HGS is amazing. Their delivery on results have allowed us to be on top for a while now. They're quick to action and extremely flexible. The communication is open and transparent. Simply amazing team!

Vendor Manager
Delivery – Canada



UK based public sector organization

HGS focuses on service delivery rather than commercials. Their strong engagement models are very much an open book. They focus on the core agreed obligations and partner effectively with customer operational stakeholders.

Director
Delivery – UK



US based healthcare company

We have worked with a consistently high performing team who has learned our business well. The HGS team is very customer oriented and reliable. They never compromise on the quality of services they provide.

Director
Delivery – US & India



US based global technology company

HGS has a highly engaged and super responsive team. I don't have to go through multiple loops before I can get the help. They're always on our group chat and ready to jump in to help.

Technology Lead
Delivery – US



Leading US hospital

HGS provides cost-efficient high quality technology support. A big differentiator is also the professionalism of the HGS people we work with.

Manager
Delivery – US & India



US based financial services major

Teams at HGS are role models in how to manage a relationship. They are transparent, responsive and always make time to hear us out. We're always confident that they don't leave any stone unturned as we work through our various challenges.

VP, Global Partner Network Servicing
Delivery – US



KEY HAPPENINGS AT THE DIGITAL MEDIA BUSINESS

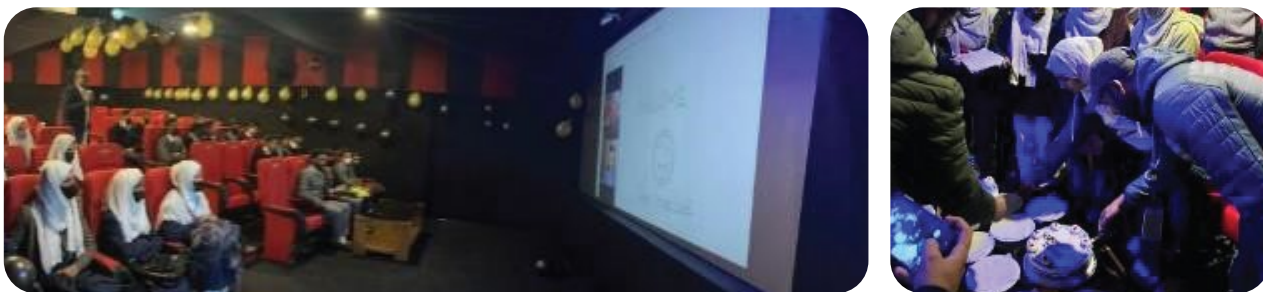
FY2023 was a busy year for the Digital Media business with lots of action across new launches, expansion of locations, event participation, etc. Here's a snapshot of important highlights.

BUSINESS

NXTDIGITAL launched "ONEDIGITAL" - the all-in-one combo giving customers broadband, OTT, Digital TV, Voice/Intercom, building wi-fi & CCTV solutions at SCAT India in October 2022.



NXTDIGITAL unveiled its Broadband-Over-Satellite solution "NXTSkyFi" during Diwali; the bundled offering including e-Learning & digital cinema commenced in Tawang, Arunachal Pradesh, Nagaland and Pulwama in Kashmir, and is set to expand to other remote locations in India.



NXTCONCLAVE 2022 was organized by NXTDIGITAL in December 2022, bringing together pan-India and independent leading digital platforms to discuss digital transformation trends and possible avenues of collaboration for the future.



KEY HAPPENINGS AT THE DIGITAL MEDIA BUSINESS

NXTDIGITAL participated in the 24th CABLE TV SHOW 2023, organized between January 11-13 at Science City, Kolkata. This annual event is organized by CTMA and is one of the biggest trade shows of the sector in the entire SAARC Region, having a footfall of more than 15,000 trade visitors from all over Eastern India, Bangladesh, Nepal & Bhutan.



NXTDIGITAL participated in the VIDEO AND BROADBAND SUMMIT in November 2022.



NXTDIGITAL team hosted a delegation from IBPAP, Philippines at its IN Centre Office in Mumbai. There was an exchange of ideas and processes between the participants.



EMPLOYEE AND OFFICE EVENTS

NXTDIGITAL employees celebrated various festivals and important occasions at the In Centre office.



OUR COMMUNITY INITIATIVES

HGS Corporate CSR Programs involve providing financial support to social initiatives that strive to enhance the overall well-being of individuals and communities. These programs are specifically tailored to address fundamental challenges that impede community development, with a particular emphasis on the following areas:

EDUCATION

HGS places great emphasis on providing children with the opportunity to access holistic education, while also focusing on enhancing their health and nutrition. Education remains a top priority in HGS' outreach efforts, and we have actively sponsored programs aimed at improving foundational literacy and numeracy skills of children. By empowering teachers through training and support, we enable them to effectively impart these crucial skills to the students. In addition to supporting the provision of mid-day meals in government schools, we have also extended our assistance to initiatives that promote English education. Through these combined efforts, over 17,000 children and more than 200 teachers have directly benefited, leading to a significant positive impact in the area.

SKILL DEVELOPMENT

Through our commitment to skill development, we have been able to make a positive impact on the lives of 530 individuals in this particular area. By providing vocational skills to Persons with Disabilities (PwDs) and supporting market-oriented skill training for underserved rural women, we have contributed to their self-reliance, financial independence, and improved livelihoods. Additionally, our 'Youth Livelihood Program' (YLP) has empowered disadvantaged youth by equipping them with employability skills, enabling them to pursue lucrative career opportunities. These combined efforts have directly influenced and improved the lives of 530 individuals, and their families, creating a lasting impact in the community.

HEALTHCARE

In order to strengthen the public health infrastructure, HGS maintained its investment in curative health programs, particularly by providing support for the enhancement of hospital infrastructure. Additionally, HGS extended its assistance by sponsoring the provision of free insulin to 155 underprivileged children, aged between 5 and 15 years, who are suffering from Type 1 Diabetes. It is important to note that Type 1 Diabetes can be a life-threatening condition if not properly managed. By facilitating access to vital medication, HGS aims to significantly improve the health outcomes and overall well-being of these vulnerable children.

WATER

In addition to supporting the two lake restoration projects at Bengaluru and Kutch, HGS also sponsored an agroforestry project aimed at making a positive impact on the environment and creating better livelihood opportunities for farming families. By implementing sustainable agroforestry practices, this project seeks to enhance soil quality and mitigate climate change. Moreover, it aims to empower farming communities by diversifying their income sources and improving their overall quality of life. Through these combined efforts, HGS is dedicated to both environmental conservation and socioeconomic development, ensuring a sustainable future for all. In addition, HGS has invested in establishing a knowledge dissemination platform and repository specifically dedicated to water.

OUR COMMUNITY INITIATIVES

In the fiscal year 2023, HGS embarked on a revitalized volunteering program with a goal of engaging 3,000 volunteers. However, we surpassed expectations, as over 4,330 volunteers dedicated more than 6,420 hours globally. Key highlights of the program include hosting 50+ volunteering events.

Key Highlights:

- Between April 2022 and March 2023, we held over 50+ volunteering events.
- It was the first year since the pandemic, where in-person volunteering surpassed virtual volunteering.
- Our volunteers supported skilling sessions at Samarpaka Seva Trust and Magic Bus to impact over 500 youth positively.
- HGS won the ‘Best Skill Development Programme Initiative of the year (Corporate)’ at the Indian CSR Awards in December 2022.
- HGS volunteers reached out to 2,000+ children across 17+ teaching activities that included chart-making, supporting virtual classes, art & crafts session etc.
- Tele-mentoring of underserved youth with Magic Bus Foundation continued. The sessions saw participation of 100+ youth.
- We fulfilled 200+ wishes of underserved children across four shelter homes in India through our Wishing Tree initiative.
- HGS Digital US team recorded motivational messages for young PwDs through sign language.
- HGS Canada team donated essentials and supplies to food banks during Hurricane Fiona.
- HGS Jamaica witnessed multiple donation drives and training initiatives at shelter homes and schools in Kingston.
- Volunteers at HGS Philippines conducted ‘Operation Elf’ to collect and donate essentials to over 200 families in the community
- Through the Helping Hearts initiative, employees from Diversify & HGS Philippines donated 60 units of blood that could potentially save 150 lives.
- Heart Race 2023 was a revival of our annual One HGS Run which was last held in 2019 in Manila, Philippines prior the pandemic. Over 100+ volunteers took part and the registration fees were donated towards local communities.



ENGAGING OUR EMPLOYEES

At HGS, we have always prided ourselves on how motivated our people are both at work and outside of it. Our diverse and global workforce is a highly energetic bunch, and many of our engagement activities, training and work prove that. Here's a glimpse of the fun activities our teams have put together in the year gone by.



DEI IS IN OUR DNA

HGS is a firm believer of a diverse and inclusive workplace. Among many aspects of Diversity, Equity & Inclusion (DEI), we strongly focus on Gender, LGBTQ+ and Persons with Disability (PwDs) to ensure equal opportunities are provided to everyone across the organization.

With a large team of around 20,000 people spread across 9 countries, we take immense pride in our culture of inclusion and diversity. Our people and our clients, as well as all of their customers, are at the heart of everything we do.

Our DEI Vision

To create an inclusive workplace where we can learn, grow, respect and embrace differences so that we progress together

Our DEI Mission

- Be recognized as an equal opportunity employer and make inclusion an integral part of everyday life, and our way of doing business. Embed inclusion in our DNA.
- Encourage employees to be their authentic selves and thus empower them to achieve their full potential.
- Work towards attracting, hiring, developing and advancing talent from all backgrounds and ensure inclusion through non-discriminatory policies and practices.

DEI IS IN OUR DNA

INCLUSION JOURNEY

Over
50% women representation globally

Exhaustive inclusion programs

focusing on Gender, People with Disabilities and LGBTQ+

Grade-wise

developmental programs for women

Accessible digital and physical infrastructure

for People with Disabilities (PwDs)

Impact sourcing

from marginalised sections

Inclusion champions

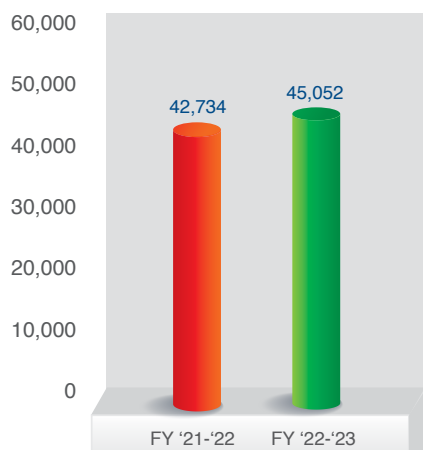
part of development process of employment policies and practices

Thought-provoking campaigns

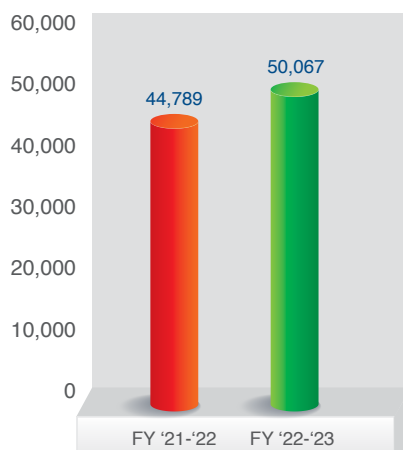
marking various days of significance

FINANCIAL & GENERAL HIGHLIGHTS

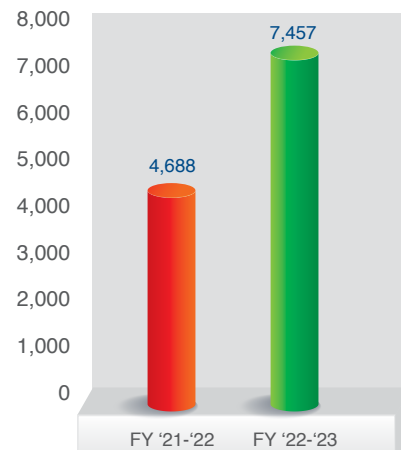
FY '21-'22 FY '22-'23



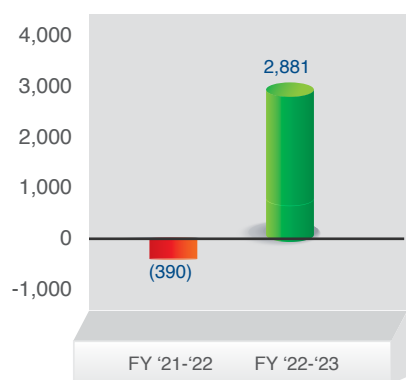
Operating Revenue (₹ million)



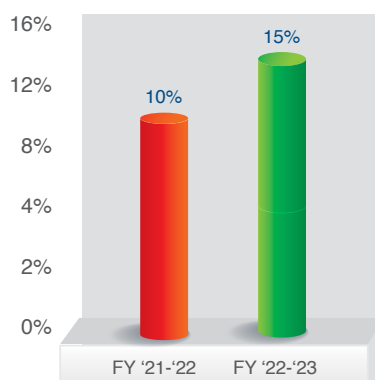
Total Income (₹ million)



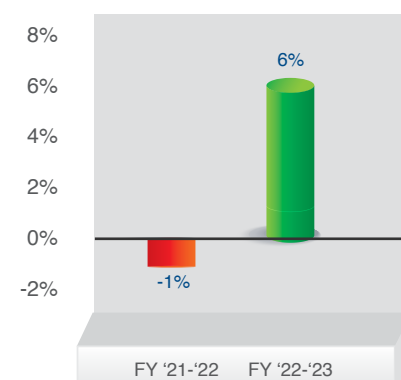
EBITDA (₹ million)



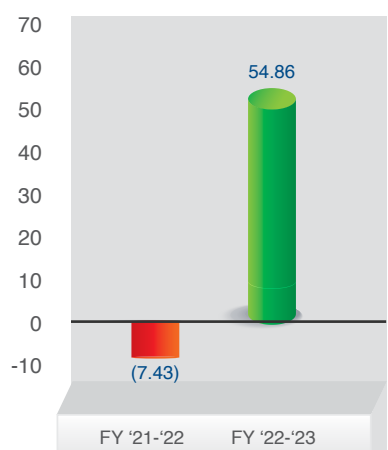
PAT (₹ million)



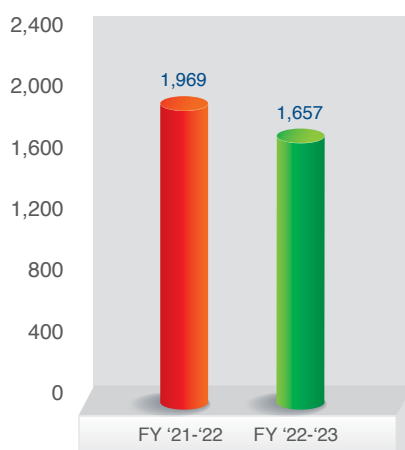
EBITDA/Total Income



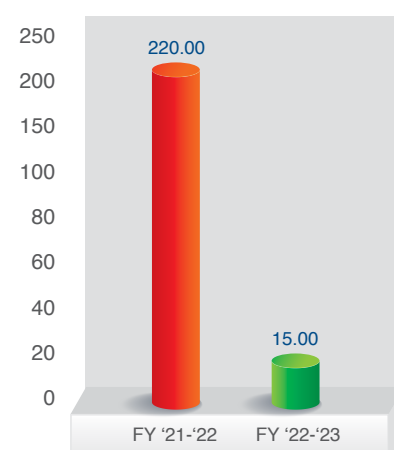
PAT/Total Income



Basic EPS (in ₹)



Book value per share (in ₹)

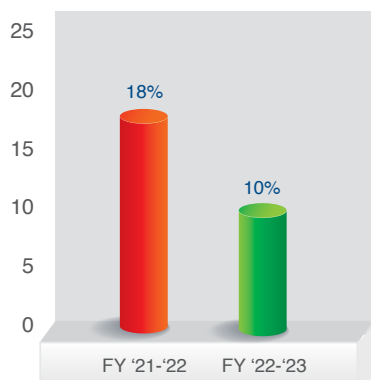


Dividend per share (in ₹)

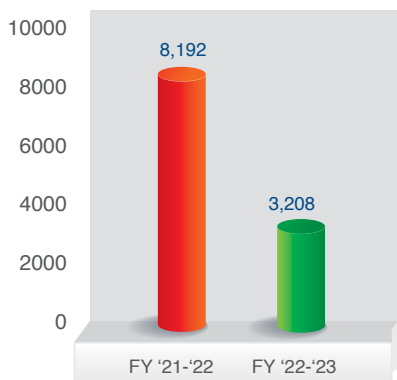
All numbers exclude the divested Healthcare Business and include Digital Media Business

FINANCIAL & GENERAL HIGHLIGHTS

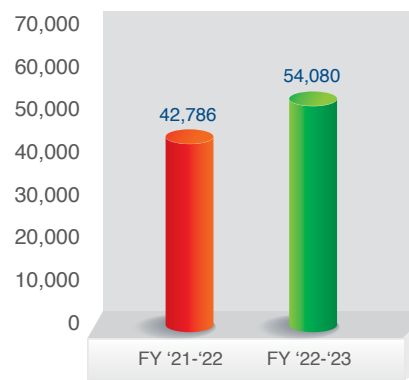
■ FY '21-'22 ■ FY '22-'23



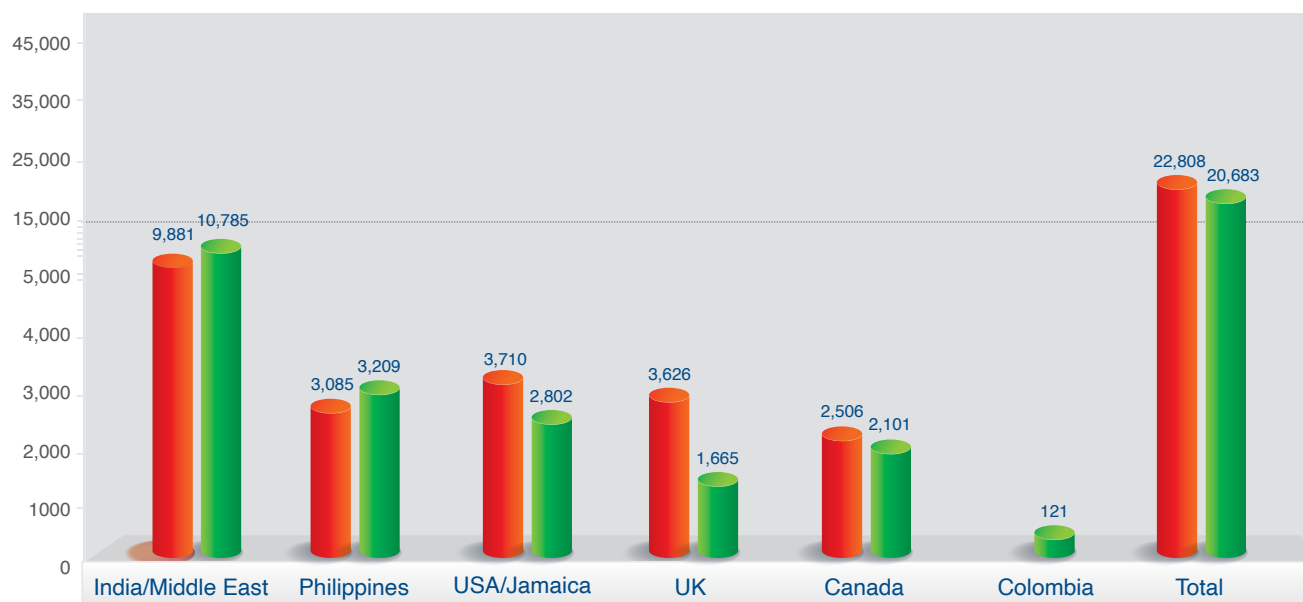
Cash and Bank Balances/
Total Assets



Total Gross Debt (₹ million)



Market Capitalisation
(₹ million)



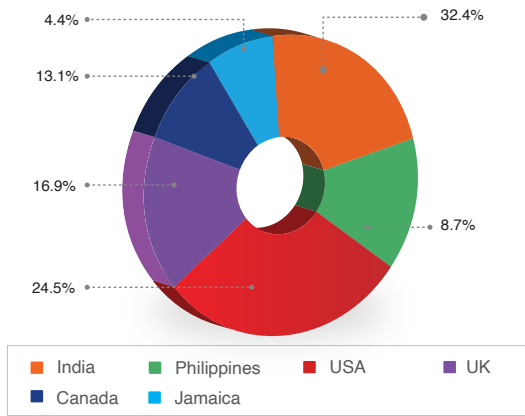
Headcount - by Geography

All numbers exclude the divested Healthcare Business and include Digital Media Business

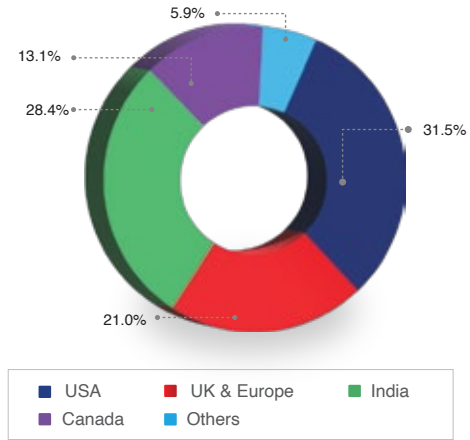
FINANCIAL & GENERAL HIGHLIGHTS

FY '22-'23

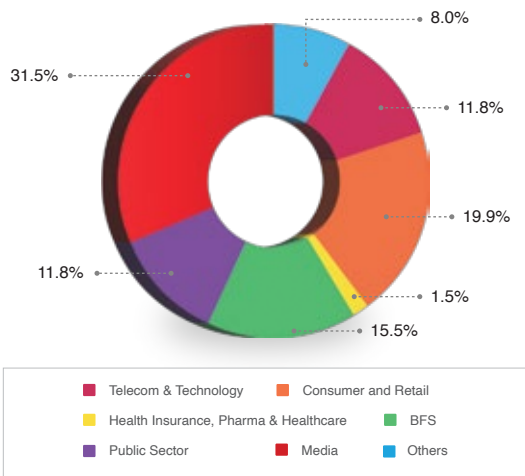
Operating Revenue Split - by Delivery Location



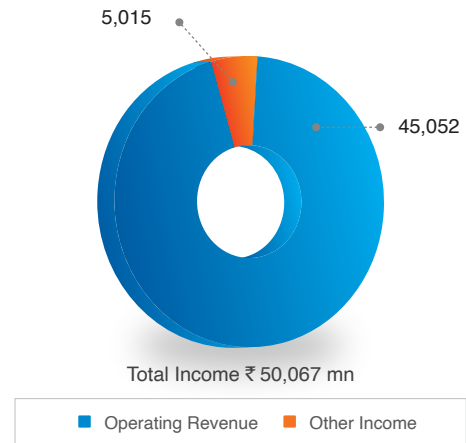
Operating Revenue by Origination



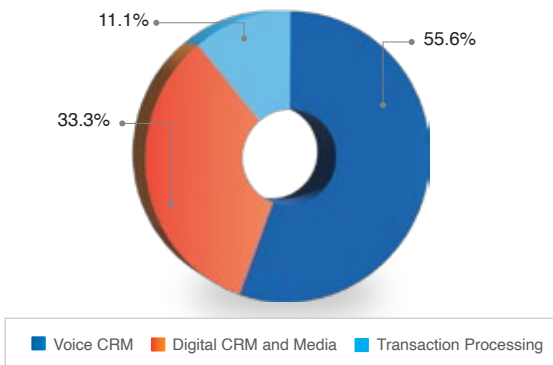
Operating Revenue Split - by Vertical



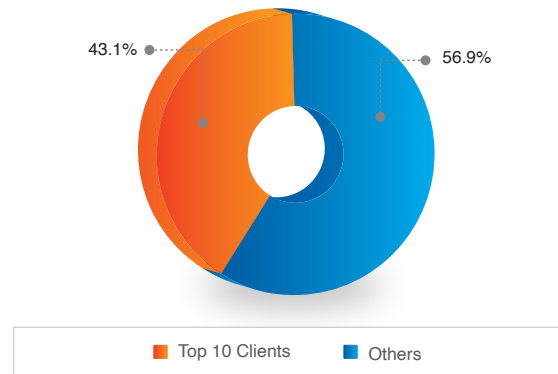
Total Income Split (₹ million)



Channel Mix

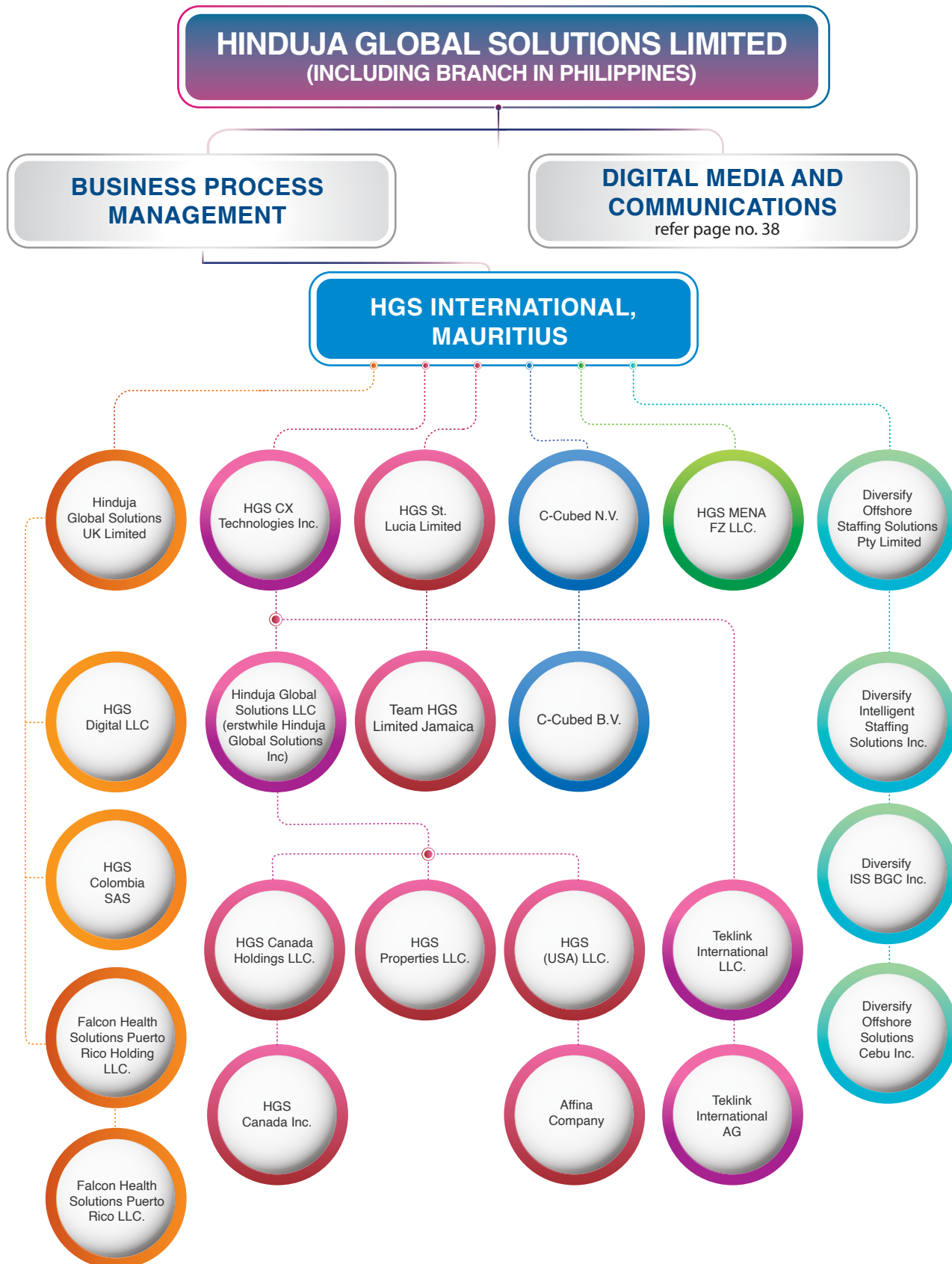


Client Concentration



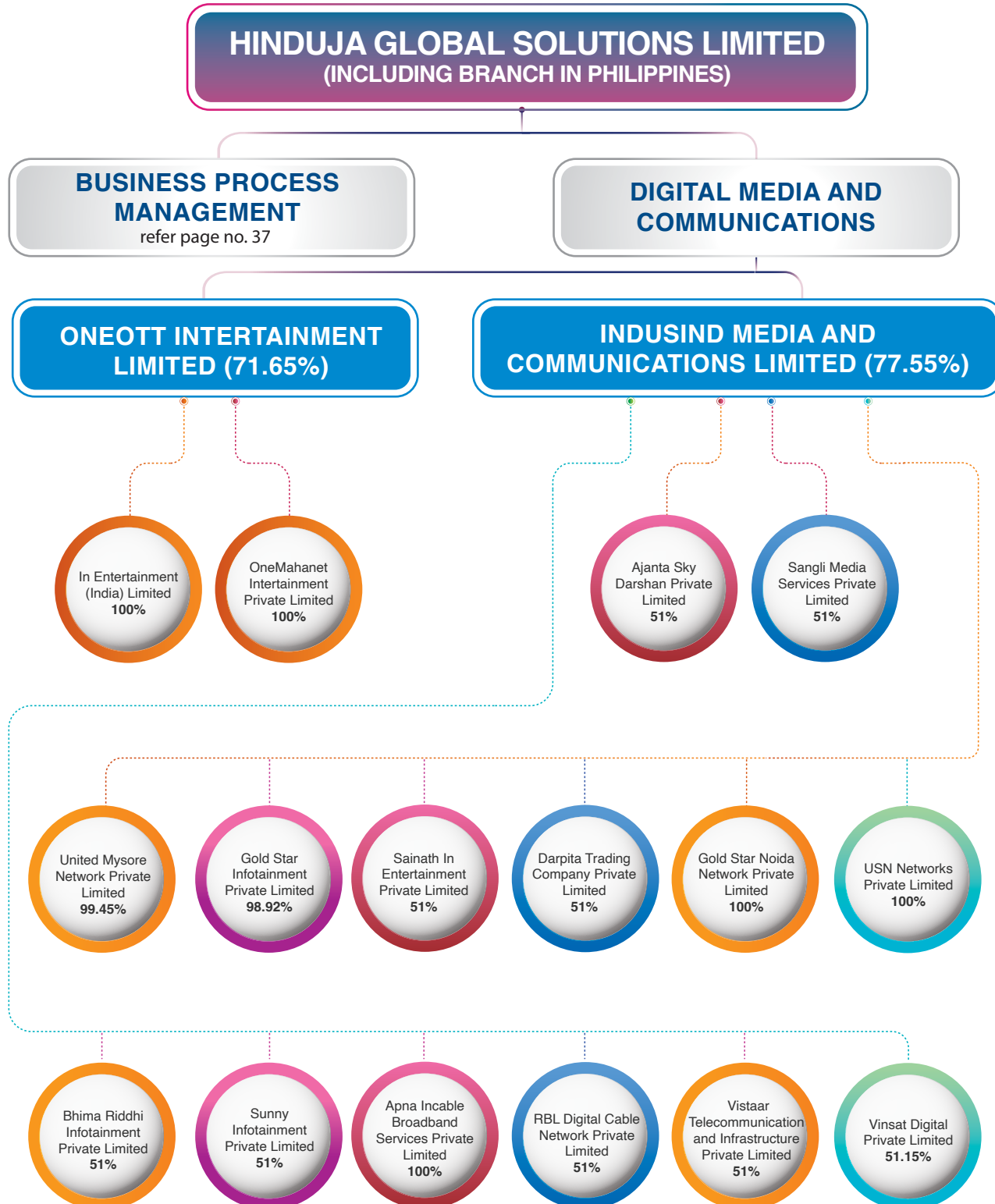
All numbers exclude the divested Healthcare Business and include Digital Media Business

HOLDING STRUCTURE



Refer Note 51 to the Notes to the Consolidated Financial statements of the Group.

HOLDING STRUCTURE



Note : All Companies incorporated in India
Refer Note 51 to the Notes to the Consolidated Financial statements of the Group.

GENERAL INFORMATION

HINDUJA GLOBAL SOLUTIONS LIMITED

Board of Directors

Ashok P. Hinduja - Chairman w.e.f. December 19, 2022
 Anil Harish, Independent Director
 Sudhanshu Tripathi, Non-Executive Director
 Bhumika Batra, Independent Director
 Ganesh Natarajan, Independent Director
 Pradeep Udhas, Independent Director w.e.f. August 25, 2022
 Paul Abraham, Non-Executive Director w.e.f. August 25, 2022
 Munesh Khanna, Independent Director w.e.f. December 19, 2022
 Partha DeSarkar, Whole-time Director
 Vynsley Fernandes, Whole-time Director w.e.f. November 14, 2022

Audit Committee

Anil Harish - Chairman
 Bhumika Batra
 Sudhanshu Tripathi
 Ganesh Natarajan
 Pradeep Udhas

Stakeholders Relationship and Share Allotment Committee

Bhumika Batra - Chairperson
 Ganesh Natarajan
 Paul Abraham

Nomination and Remuneration Committee

Anil Harish - Chairman
 Sudhanshu Tripathi
 Bhumika Batra

Risk Management Committee

Bhumika Batra - Chairperson
 Sudhanshu Tripathi
 Partha DeSarkar
 Pradeep Udhas

Corporate Social Responsibility Committee

Anil Harish - Chairman
 Partha DeSarkar
 Paul Abraham

Buyback Committee

Anil Harish - Chairman
 Sudhanshu Tripathi
 Bhumika Batra

Internal Audit & Systems

India Operations - Rakesh S. Jain, AVP, Internal Audit.
 Philippines, USA, Canada, UK and Jamaica – Ernst & Young LLP

Key Managerial Personnel

Partha DeSarkar, Group CEO and Whole-time Director
 Vynsley Fernandes, Whole-time Director
 Srinivas Palakodeti, Global CFO
 Narendra Singh, Sr. Vice President and Company Secretary

Bankers

- AXIS Bank Limited
- Banco Popular Bank
- Bank of America
- Bank of Baroda
- Bank of Maharashtra
- Barclays Bank PLC
- BBVA BANK
- Canadian Imperial Bank of Commerce
- Canara Bank
- Central Bank of India
- China Trust Commercial Bank Corporation
- Citi Bank
- East West Banking Corporation
- Fifth Third Bank
- HDFC Bank Limited
- HSBC Bank
- ICICI Bank Limited
- IndusInd Bank Limited
- International Exchange Bank
- JPMorgan Chase Bank
- Mahesh Nagari Shakari Path Sanshtha
- Metropolitan Bank & Trust Co.
- National Commercial Bank Jamaica Limited
- Natwest Bank
- PROVEN Bank (Saint Lucia) Limited
- RBL Bank
- S.P. Hinduja Banque Privée SA
- Saraswat Co-Op Bank
- SBI (MAURITIUS) LTD
- SBM BANK (MAURITIUS) LTD
- Standard Chartered Bank
- State Bank of India
- The Greater Bombay Co-Op Bank
- UBS Bank
- Westpac Banking Corporation
- Yes Bank Limited

Auditors

M/s. Haribhakti & Co. LLP, Statutory Auditors
 Chartered Accountants

Registered Office

Hinduja House, 171, Dr. Annie Besant Road, Worli, Mumbai - 400 018.
 Tel: (91 22) 6136 0407
 Website: www.hgs.cx
 CIN: L92199MH1995PLC084610

Registrar & Share Transfer Agent

KFin Technologies Limited (formerly known as KFin Technologies Private Limited), Selenium Building, Tower-B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500032, Telangana, India.
 Toll Free No.: 1-800-309-4001
 E-mail: einward.ris@kfintech.com
 Website: www.kfintech.com

CONSOLIDATED BALANCE SHEET

(All amounts are in USD 000's)

	As at March 31, 2023	As at March 31, 2022
ASSETS		
Non-current assets		
a) Property, plant and equipment	63,903.81	97,097.78
b) Right to use asset	86,369.63	74,480.97
c) Capital work-in-progress	1,570.57	1,211.98
d) Other intangible assets	73,779.47	55,863.86
e) Investment Property	2,804.70	264.85
f) Goodwill	115,630.60	59,016.92
g) Financial Assets		
(i) Investments	334,153.21	325,786.39
(ii) Loans	426.24	461.13
(iii) Other financial assets	7,631.95	12,045.40
g) Deferred tax assets (net)	22,823.37	52,692.53
h) Income tax assets (net)	49,090.98	29,861.34
i) Other non-current assets	7,229.71	7,629.81
Total non-current assets	765,414.25	716,412.94
Current assets		
a) Inventories	2,029.07	1,624.32
b) Financial Assets		
(i) Investments	1,093.17	1,180.67
(ii) Trade receivables	89,272.25	93,339.27
(iii) Cash and cash equivalents	135,467.31	273,627.60
(iv) Bank balances other than (iii) above	11,945.84	196,675.86
(v) Loans	342,701.56	211,708.45
(vi) Other financial assets	10,997.49	3,323.81
b) Other Current assets	25,075.18	27,463.60
c) Assets classified as held for sale	-	7,804.09
Total current assets	618,581.86	816,747.66
Total assets	1,383,996.11	1,533,160.61
EQUITY AND LIABILITIES		
Equity		
a) Equity share capital	6,396.12	5,506.56
b) Share application money pending allotment	-	1,408.34
c) Other equity	1,036,468.98	1,057,021.22
Equity attributable to the equity holders of the Company	1,042,865.10	1,063,936.13
d) Non-controlling interest	18,975.67	20,342.15
Total Equity	1,061,840.77	1,084,278.27
Liabilities		
Non-current liabilities		
a) Financial Liabilities		
(i) Borrowings	11,496.89	17,732.58
(ii) Lease liabilities	52,309.22	57,499.02
(iii) Other financial liabilities	11,738.92	2,773.03
b) Provisions	6,959.41	4,932.09
c) Contract liabilities	119.22	100.03
d) Deferred tax liabilities (net)	9,302.74	4,150.97
Total non-current liabilities	91,926.41	87,187.72
Current liabilities		
a) Financial Liabilities		
(i) Borrowings	27,567.91	90,195.07
(ii) Lease liabilities	30,175.83	20,177.92
(iii) Trade payables	50,736.07	83,027.13
(iv) Other financial liabilities	91,302.84	44,359.80
b) Provisions	3,665.07	32,887.96
c) Contract liabilities	6,940.26	8,504.99
d) Current Tax Liabilities (net)	10,761.92	65,379.82
e) Other current liabilities	9,079.05	17,161.91
Total current liabilities	230,228.94	361,694.61
Total liabilities	322,155.34	448,882.33
Total equity and liabilities	1,383,996.11	1,533,160.60

CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

(All amounts are in USD 000's)

	Year ended March 31, 2023	Year ended March 31, 2022
Continuing Operations		
I Revenue from operations	559,203.06	574,291.73
II Other income	64,300.21	27,620.75
III Total income (I+II)	623,503.27	601,912.47
IV Expenses		
a) Purchase of stock-in-trade	5,469.81	6,034.50
b) Changes in inventories of stock-in-trade	(537.78)	(473.49)
c) Employee benefits expenses	342,231.32	349,339.57
d) Finance costs	17,038.57	21,078.23
e) Depreciation and amortization expenses	56,524.45	46,312.70
f) Other expenses	181,738.63	183,999.43
Total expenses	602,465.00	606,290.95
V Profit before exceptional items and tax	21,038.27	(4,378.47)
VI Exceptional items	(4,079.88)	10,387.73
VII Profit/(Loss) before tax	25,118.15	(14,766.20)
VIII Tax expense		
a) Current tax	6,081.78	3,308.52
b) Deferred tax	(7,238.92)	(12,368.68)
c) Tax relating to prior years	(11,528.61)	(466.68)
Total tax expense	(12,685.75)	(9,526.84)
IX Profit/ (Loss) for the year from continuing operations (VII-VIII)	37,803.90	(5,239.36)
Discontinued Operations		
(a) Profit before tax from discontinued operations	480.31	956,512.00
(b) Tax expense of discontinued operations	(5,256.87)	136,684.05
X Profit after tax from discontinued operations [(a)-(b)]	5,737.19	819,827.95
XI Profit for the period	43,541.09	814,588.59
XII Other comprehensive income		
A. Items that will not be reclassified to statement of profit and loss		
a) Remeasurements of defined benefit plans	(1,063.65)	469.79
b) Net Profit / (Loss) on fair valuation of equity instruments through other comprehensive income	(346.98)	(17.16)
b) Income tax on above item	46.10	91.56
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods (A)	(1,364.53)	544.19
B. Items that may be reclassified to profit or loss		
a) Effective Portion of designated portion of hedging instruments in a cash flow hedge	197.17	(4,146.99)
b) Income tax on above item	15.80	1,247.01
c) Net change in fair value of hedges of net investment in foreign operations	-	-
d) Exchange differences in translating the financial statements of foreign operation	41,179.17	12,234.52
e) Income tax on above items	(1,636.84)	(192.94)
Net other comprehensive income to be reclassified to profit or loss in subsequent periods (B)	39,755.30	9,141.60
XIII Other comprehensive income for the year, net of tax [A + B]	38,390.77	9,685.79
XIV Total comprehensive income for the year	81,931.86	824,274.38

CONSOLIDATED CASH FLOW STATEMENT

(All amounts are in USD 000's)

	Year ended March 31, 2023	Year ended March 31, 2022
Cash Flow from Operating Activities		
Profit before tax for the Year		
- Continuing operations	23,070.27	(14,766.19)
- Discontinuing Operations	480.31	956,512.00
Profit before tax	23,550.58	941,745.81
Adjustments for:		
Depreciation and amortization expenses		
Net Loss/(Gain) on fair valuation and sale of investments	56,524.45	67,914.92
Employee share-based compensation (income)/expense	(423.18)	(17.17)
Loss/ (Gain) on disposal of property, plant and equipment and Write-off	-	(87.29)
Allowance for bad and doubtful debts/ advances	(9,049.96)	27.84
Dividend Income	2,993.71	2,920.88
Liabilities/ Provision no longer required written-back	(15.11)	(2.84)
Unwinding of discount on security deposits	(3,715.64)	(5,092.05)
Amortisation of security deposit	(550.07)	(3,112.71)
Interest income classified as investing cash flows	-	59.53
Gain on termination of leases	(35,814.74)	(14,993.96)
Finance costs	585.20	(566.49)
Bad debts and Advances written off	17,038.57	27,169.60
Net exchange differences	226.55	475.33
Non cash exceptional items	(18,402.91)	(7,170.75)
Profit from sale of business reclassified as investing activities	(4,079.87)	10,387.73
	-	(880,825.93)
Change in operating assets and liabilities:		
(Increase)/ Decrease in trade receivables	(6,361.83)	(19,015.15)
Decrease/ (Increase) in Inventories	(537.79)	4,524.86
(Increase)/ Decrease in other financial assets	(1,564.61)	10,470.78
(Increase)/ Decrease in other assets	(2,949.60)	(9,042.85)
Increase/ (Decrease) in trade payables	8,313.93	10,312.19
Increase/ (Decrease) in other financial liabilities	23,418.75	(17,402.71)
Increase/ (Decrease) in provisions	(20,286.59)	(1,499.53)
Increase/ (Decrease) in other liabilities	(9,609.54)	34,907.58
Net cash generated from operating activities	19,290.30	152,087.61
Income taxes paid (net)	(23,106.61)	(86,364.30)
Net cash generated from operating activities	(3,816.31)	65,723.31
Cash flows from investing activities		
Payments for property, plant and equipment	(36,582.72)	(66,974.46)
Proceeds from sale of property, plant and equipment	44,178.47	9,136.86
Payments for purchase of investments	(33,387.51)	(331,234.47)
Proceeds from sale of investments	655.21	59.73
Cash proceeds from sale of healthcare business(net of expenses)	-	1,000,063.01
Dividends Received	15.11	2.84
Payments for acquisition of Diversify Entity	-	(28,463.82)
Payments for acquisition of Teklink Entity	(48,572.63)	-
Bank Deposits	173,115.67	(187,009.26)
Loans repaid	211,261.48	252,896.75
Loans Given	(356,128.57)	(405,022.42)
Interest received	33,690.88	14,718.97
Net cash used in investing activities	(11,754.61)	258,173.73

CONSOLIDATED CASH FLOW STATEMENT

(All amounts are in USD 000's)

	Year ended March 31, 2023	Year ended March 31, 2022
Cash flows from financing activities		
Proceeds from issues of shares	133.50	159.67
Payment for acquisition of Non-controlling interest	-	(2,473.84)
Proceeds from borrowings	19,974.68	92,107.35
Repayment of borrowings	(91,261.62)	(118,769.63)
Repayment of Lease liability	(35,223.55)	(513.14)
Interest paid	(17,631.18)	(27,304.30)
Dividends paid (including dividend tax)	(13,501.42)	(59,766.59)
Net cash used in financing activities	(137,509.59)	(116,560.47)
Net increase/ (decrease) in cash and cash equivalents	(153,080.51)	207,336.57
Cash and cash equivalents at the beginning of the financial year	273,627.60	72,986.96
Transfer of Opening Balances on account of acquisition of entities	4,393.62	596.11
Transfer of cash due to Healthcare Business transfer	-	(8,694.51)
Effects of exchange rate changes on cash and cash equivalents	10,526.60	1,402.47
Cash and cash equivalents at end of the year	135,467.31	273,627.60
Balances per statement of cash flows	135,467.31	273,627.60

DIRECTORS' REPORT

To
The Members,

Your Directors are pleased to present their Report on the business and operations of your Company along with the Audited Financial Statements (Standalone and Consolidated) for the Financial Year ("FY") ended March 31, 2023.

Financial Results

(₹ in million* except per share data)

Particulars	Retained Business**			
	Standalone		Consolidated	
	FY 2023	FY 2022	FY 2023	FY 2022
Revenues from Operations	13,233	12,501	45,052	42,734
Other Income	3,982	1,730	5,015	2,055
Total Income	17,215	14,231	50,067	44,789
Operating Expenses	12,850	12,235	42,610	40,101
Finance Cost	1,008	1,254	1,373	1,568
Depreciation	2,327	2,215	4,554	3,446
Total Expenses	16,185	15,704	48,537	45,115
Profit Before Exceptional Items & Tax	1,030	(1,473)	1,530	(326)
Exceptional Items	-	-	(329)	773
Provision for Taxes	(1,386)	(621)	(1,022)	709
Profit After Tax for the Period	2,416	(852)	2,881	(390)
Share Capital	525	418	525	418
Earnings Per Share in ₹				
Basic	45.99	(16.23)	54.86	(7.43)
Diluted	45.99	(16.23)	54.86	(7.43)

* (1 million = ₹ 10 lakhs)

** The Board of Directors of the Company, at its meeting held on February 17, 2022 had considered and approved the Scheme of Arrangement between Hinduja Global Solutions Limited (the 'Resulting Company' or 'the Company') and NXTDIGITAL Limited (the 'Demerged Undertaking') for the demerger of Digital, Media & Communications Business Undertaking along with the investments in subsidiaries of NXTDIGITAL Limited into Hinduja Global Solutions Limited ('Scheme') and had recommended the swap ratio of 20 equity share of ₹10/- each fully paid-up of Hinduja Global Solutions Limited for every 63 equity shares of ₹10/- each fully paid-up held by the shareholders of NXTDIGITAL Limited. The Mumbai Bench of the Honourable National Company Law Tribunal (NCLT), vide its order dated November 11, 2022 has approved the scheme with the appointed date of the merger being February 01, 2022. The effect of the scheme has been incorporated in the above results as per the requirements of Appendix C to Ind AS 103 "Business Combination". Further, the comparative financial figures have therefore been restated to include the impact of the demerger. Accordingly, financial information for year ended March 31, 2022 has been derived from audited financial information of the Company and reviewed financial information of demerged undertaking of NXTDIGITAL Limited.

Subsequent to the demerger of Digital, Media & Communications Business Undertaking along with the investments in subsidiaries of NXTDIGITAL Limited with the Company with effect from February 01, 2022, the Company has reassessed its provision for current taxes and deferred taxes and has written back an amount of ₹ 14,890.40 lakhs relating to previous year.

As per the swap ratio approved in the Scheme, the shareholders of NXTDIGITAL Limited holding 3,36,71,621 equity shares (of NDL) were allotted 1,06,89,403 equity shares of Hinduja Global Solutions Limited having face value of ₹10 each. Pursuant to the Scheme of Arrangement, shares of Hinduja Global Solutions Limited are issued to the shareholders of NXTDIGITAL Limited. Earning per share and Diluted Earning per share have also been restated for comparative periods considering the shares issued to shareholders of NXTDIGITAL Limited.

(₹ in million* except per share data)

Particulars	Discontinued Operations**			
	Standalone		Consolidated	
	FY 2023	FY 2022	FY 2023	FY 2022
Revenues from Operations	-	15,286	-	25,322
Other Income	1,152	29,845	1,152	66,783
Total Income	1,152	45,131	1,152	92,105
Operating Expenses	7	10,771	1,113	19,081
Finance Cost	-	329	-	384
Depreciation	-	1,052	-	1,465
Total Expenses	7	12,152	1,113	20,930
Profit Before Exceptional Items & Tax	1,145	32,979	39	71,175
Exceptional Items	-	-	-	-
Provision for Taxes	260	8,662	(423)	10,171
Profit After Tax for the Period	885	24,317	462	61,004
Earnings Per Share in ₹				
Basic	16.85	463.42	8.80	1,162.57
Diluted	16.85	463.42	8.80	1,162.57

* (1 million = ₹ 10 lakhs)

** The Board of Directors of your company, in its meeting held on August 9, 2021, had approved the sale of its healthcare services business ("HS Business") and the transaction has been consummated on January 5, 2022. Further, as on March 31, 2020, the Investment and Treasury segment operation of the Media & Communication segment was classified as discontinued operation. During the year ended March 31, 2022, the company has sold its investments classified as Fair Value through P&L and investments classified as Fair Value through OCI.

The Standalone and Consolidated Financial Statements for the year ended March 31, 2023, have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016, as amended, ('Ind AS'), as prescribed under Section 133 of the Companies Act, 2013 ('the Act') and other recognized accounting practices and policies to the extent applicable.

The financials for FY 2023 are not comparable to FY 2022 due to the following reasons:

i. Acquisition of Teklink International Inc.

On December 7, 2022, HGS CX Technologies Inc., a wholly owned subsidiary of HGS International Mauritius, entered into definitive agreements for acquisition of Teklink International Inc., USA (Teklink). The transaction was completed effective February 28, 2023.

ii. Increase in Share Capital

- Issued and allotted 10,689,403 Equity Shares of ₹10/- each to the Shareholders of NXTDIGITAL Limited pursuant to Scheme of Arrangement between NXTDIGITAL Limited and Hinduja Global Solutions Limited and their respective shareholders to the eligible Members whose names appeared in the Registrar of Members / List of Beneficial Owners as on November 23, 2022, i.e. Record Date fixed by ND [20 equity share of ₹10/- each fully paid-up of HGSL for every 63 equity shares of ₹10/- each fully paid-up held by the shareholders of NDL]; and

- Issued/ allotted 35,750 Equity shares of ₹10/- each under ESOP Schemes (i.e., ESOP 2008 and ESOP 2011), pursuant to exercise of stock options by eligible employees.

Operating Performance

On a Consolidated basis, your Company's business registered a strong performance during the financial year ended March 31, 2023. As compared to the previous financial year, Operating Revenues of the Business grew 5.4% to ₹ 45,052 million from ₹ 42,734 million. Operating Revenues of BPM Business grew 9.4% from ₹ 32,637 million to ₹ 35,689 million and Media Business operating revenues dropped 7.3% from ₹ 10,105 million to ₹ 9,371 million.

EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) including Other Income grew 59% from ₹ 4,689 million to ₹ 7,457 million.

Other Income during FY 2023 increased from ₹ 2,055 million to ₹ 5,015 million. This sharp increase is primarily due to profits from the sale of property and forex gain.

PAT (Profit After Tax) from continuing operations for FY 2023 increased from a loss of ₹ 390 million to ₹ 2,881 million. This increase is due to improved operating performance, increase in other income and reduction in provision for taxes.

Standalone financials comprise of the financials of the Company (BPM, HRO & Digital Media) in India and its branch in Philippines.

On a standalone basis, your Company's business registered a strong performance during the financial year ended March 31, 2023. As compared to the previous financial year, Operating Revenues of the Business grew 5.9% to ₹ 13,233 million from ₹ 12,501 million. Operating Revenues of BPM Business grew 27.2% from ₹ 6,183 million to ₹ 7,864 million and Media Business operating revenues dropped 15% from ₹ 6,324 million to ₹ 5,374 million.

EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) including Other Income grew 118.7% from ₹ 1,996 million to ₹ 4,365 million.

Other Income during FY 2023 increased from ₹ 1,730 million to ₹ 3,982 million. This sharp increase is primarily due to interest income and forex gain.

PAT (Profit After Tax) from continuing operations for FY 2023 increased from a loss of ₹ 852 million to ₹ 2,416 million. This increase is due to improved operating performance, increase in other income and reduction in provision for taxes.

A review of the Financial and Operating Performance of your Company and its key subsidiaries have also been given in the 'Directors Report' and 'Management Discussion and Analysis' section, which forms part of this report.

Other Financial Highlights

- Consolidated Cash flow from operations and after working capital changes: ₹ 5,034 million in FY 2022 to ₹ 1,243 million in FY 2023;
- CAPEX: ₹ 2,947 million in FY 2023 as compared to ₹ 4,984 million in FY 2022;
- Gross Debt (exclusive of finance lease liability) of ₹ 3,208 million as at March 31, 2023 as compared to ₹ 8,192 million as at March 31, 2022, i.e., a decrease of ₹ 4,984 million during the year. This reduction is due to scheduled repayments as well as accelerated loan repayments from the proceeds of the healthcare business;
- Net Worth: ₹87,023 million as at March 31, 2023 as compared to ₹ 82,297 million as at March 31, 2022, an increase of 5.7%;
- Consolidated EPS for continuing operations (on post bonus share capital and allotment of equity shares pursuant to the Scheme) has increased from a loss of ₹ 7.43 in FY 2022 to a positive ₹ 54.86 in FY 2023;

- Standalone EPS for continuing operations (on post bonus share capital and allotment of equity shares pursuant to the Scheme) has increased from a loss of ₹ 16.23 in FY 2022 to positive ₹ 45.99 in FY 2023.

Revenue Summary

- Revenue by origination Geography – US & Canada: 44.7%, UK & Europe: 21.0%, India: 28.4% and others: 5.9% .
- Revenue by Verticals – Media: 31.5%, Consumer: 19.9%, Banking and Financial Services: 15.5%, Telecom and Technology: 11.8%, Public Sector: 11.8% and Others: 9.6%.

Business Highlights

- Clientele: HGSL had 292 Business Process Management (BPM) clients across its consumer engagement solutions and digital businesses and 762 HRO/ Payroll processing clients. Digital Media business (has a customer base of more than 5 million).
- Delivery Centres: 35 global delivery centres across nine countries at the end of FY 2023.
- Employee Headcount: 20,683 on March 31, 2023.

Focus on Consumer Engagement Services (CES) and Digital Media Business

Post sale of the Healthcare Business in FY 2022, your Company is focused on strengthening its Consumer Engagement Solutions (CES), Technology Solutions and HRO/ Payroll businesses that support several top global brands across its nine verticals. The Company is looking at further enhancing its Digital Media Services (NXTDIGITAL) business in India, that was acquired in FY2023 through the Scheme of Arrangement with NXTDIGITAL.

Your Company is continuously exploring ways to strategically invest in building its technology capabilities and make relevant acquisitions for the future growth of the organization.

Dividend

Your Directors are pleased to recommend a final Dividend of ₹2.50 per equity share (25% on face value of ₹10/- each) for FY 2022-23, subject to your approval at the ensuing Annual General Meeting ('AGM'). This is in addition to three Interim Dividends aggregating to ₹12.50 per equity share of ₹10/- each for FY 2022-23 which were declared by the Board of Directors ('the Board') on August 12, 2022, November 14, 2022 and February 13, 2023, and have been duly paid. Thus, the total dividend for the financial year ended March 31, 2023 is ₹15 per equity share (150% on face value of ₹10/- each).

In view of changes made under the Income Tax Act, 1961, by Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the Members. Your Company shall, accordingly, make the payment of the final Dividend after deduction at source, as applicable.

Pursuant to the requirements stipulated under Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, ('SEBI Listing Regulations'), Dividend Distribution Policy has been hosted on the website of the Company at <https://hgs.cx/investors/corporate-policies/>

Share Capital

During the financial year, your Company has issued/ allotted:

- i. 35,750 Equity Shares of ₹10/- each under ESOP Schemes (i.e. ESOP 2008 and ESOP 2011), pursuant to exercise of stock options by eligible employees on December 21, 2022; and
- ii. 1,06,89,403 Equity Shares of ₹10/- each to the Shareholders of NXTDIGITAL Limited pursuant to Scheme of Arrangement between NXTDIGITAL Limited ('Demerged Company', or NDL) and Hinduja Global Solutions Limited ('Resulting Company' or the Company', or 'HGSL') and their respective shareholders to the eligible Members whose names appeared in the Registrar of Members /List of Beneficial Owners as on November 23, 2022, i.e. Record Date fixed by NDL.

Consequently, the issued, subscribed and paid-up capital of your Company has increased from 4,17,95,132 equity shares on March 31, 2022 to 5,25,20,285 equity shares of ₹10/- each, aggregating to ₹525.20 Million as on March 31, 2023.

During the financial year, your Company has not issued shares with differential voting rights and sweat equity shares. The Company does not have any scheme to fund its employees to purchase the shares of the Company. Further, no shares have been issued to employees of the Company except under the ESOP Schemes and as mentioned above.

Transfer to Reserve

During the year under review, no amount was proposed to be transferred to the General Reserves of your Company out of the profits for the year.

Business Review / Overview

Your Company is a global leader in optimizing the customer experience lifecycle, digital transformation, business process management, and digital media ecosystem. Your Company is helping its clients to become more competitive every day. HGS' core BPM business combines automation, analytics, and artificial intelligence with deep domain expertise focusing on digital customer experiences, back-office processing, contact centers, and HRO solutions. Your Company's expertise spans healthcare, telecommunications media, technology, insurance, banking, consumer electronics, packaged goods, retail and public sector verticals. HGS' digital media business, NXTDIGITAL is India's premier

integrated Digital Delivery Platforms Company delivering services via satellite, digital cable and broadband to over 5 million customers across 1,500 cities and towns.

Part of the multi-billion-dollar conglomerate Hinduja Group, HGS takes a "globally local" approach. HGS has 20,683 employees across 35 delivery centers globally as of March 31, 2023, making a difference to some of the world's leading brands. HGS has a strong delivery presence in India, the Philippines, the UK, the US, Canada, Jamaica and Colombia, and marketing offices in Australia and the Middle East. Detailed information pertaining/ relating to Business Review has been provided in the 'Management Discussion and Analysis' section, which forms part of this Report as **Annexure 'D'**.

Completion of acquisition of digital, media and communication business undertaking of NXTDIGITAL Limited

The Board of Directors of your Company, subject to requisite approvals/ consents, had approved the Scheme of Arrangement between NXTDIGITAL Limited ('Demerged Company' or 'NDL') and Hinduja Global Solutions Limited ('Resulting Company' or 'the Company') and their respective shareholders ('Scheme') under Sections 230-232 and other applicable provisions, if any, of the Companies Act, 2013. Based on the Valuation Reports of two reputed Independent Valuers, equity share entitlement ratio arrived at 20:63 [i.e. Twenty (20 Only) Equity Shares of HGSL of ₹10/- each fully paid up (i.e. post issue of bonus equity shares by HGSL) for every Sixty Three (63 only) Equity Shares of NDL of ₹10/- each fully paid up.]

Post receipt of Observation Letters from BSE and NSE, both dated May 31, 2022, conveying no adverse objection to the Scheme of Arrangement, the Scheme of Arrangement was filed with Hon'ble NCLT, Mumbai Bench on June 09, 2022.

Hon'ble NCLT vide order dated July 29, 2022 directed the Company to convene the meeting of Equity Shareholders of the Company. Accordingly, the approval of the Shareholders of the Company (other than the promoters) was sought for the Scheme on September 2, 2022 which was approved with overwhelming majority. Post sanction of the Scheme by Hon'ble NCLT, Mumbai Bench vide Order dated November 11, 2022, the Board of Directors of the Company has issued/ allotted 1,06,89,403 equity shares of ₹10 each to the eligible Members/ Shareholders of NDL whose name appeared in the Register of Members/ Beneficial Ownership of NDL as on Record date i.e. November 23, 2022. These equity shares were available for trading effective December 14, 2022.

Acquisition of Teklink

On December 7, 2022, the Board of Directors of HGS CX Technologies Inc., USA, a step down subsidiary of your Company, approved acquisition of 100% equity stake

in Teklink International Inc., USA ('Teklink'). Further, the Board of your Company had also on December 7, 2022 approved to enter into Business Transfer Agreement to acquire certain assets/ contracts on going concern basis including employees from Teklink Software India Private Limited, a subsidiary of Teklink. The acquisition was at upfront cash consideration of USD 58.49 million on a cash-free debt-free basis and to be finalised for closing adjustments. In addition, earn-out based additional consideration is payable based on financial performance during the Calendar Year 2023 and 2024. In India, the Company took on its rolls around 210 employees and acquire certain assets/ contracts on going concern basis from Teklink Software India Private Limited, through Business Transfer Agreement, for a consideration of ₹2.58 crore. The acquisition has been completed effective on February 28, 2023.

Teklink International Inc. was founded in 2003. Teklink is based out of Chicago, Illinois and operates in USA, Europe and India. Effective June 1, 2023, Teklink International Inc. has been converted into Teklink International LLC.

TekLink, is a full-service financial planning and analytics service provider, including design, implementation, and application management services. TekLink has built technical and functional expertise across multiple industries, including consumer products, retail, pharmaceuticals, manufacturing & distribution, utilities, and high tech. Teklink supports over 60 clients, including one of the world's leading food manufacturers, an American multinational confectionery, a global beverages giant, etc. TekLink is headquartered in Warrentonville, IL, US, with presence in Europe and delivery centers in Hyderabad and Indore in India. Teklink has strong credentials in the industry, with established partnerships with Microsoft, SAP, Anaplan, etc. TekLink has recently been named a 2022 Gartner® Peer Insights™ Customers' Choice for Data & Analytics Service Providers. The acquisition will strengthen HGS' digital solutions business by adding enhanced expertise in building data platforms, analytics, and financial planning. It will also add complementary digital workforce bench strength, with 275 seasoned technology and implementation professionals joining HGS as part of the transaction.

Commencement of operations in Colombia

During the year under review, your Company launched global customer experience hub in Barranquilla, Colombia to support multilingual customer experience needs with English, Spanish, and Portuguese CX requirements. Colombia CX hub will support clients in the logistics and consumer industries and add other clients subsequently. Colombia has been growing steadily as an attractive nearshore destination for CX services. New hub in Barranquilla will act as a catalyst to significantly scale CX capabilities for expanding multilingual client base globally. By aligning marketing, IT, and customer experience teams, your Company addresses some of today's biggest

business challenges to competitiveness and growth - labor, productivity, and technology - across industries. The operations in Colombia are being carried by subsidiary company, HGS Colombia S.A.S.

Buyback of Equity Shares

On December 19, 2022, the Board of Directors of your Company announced Buyback of fully paid up equity shares of the Company having a face value of ₹10 each from all shareholders/ beneficial owners of the Equity Shares of the Company, on a proportionate basis, through the tender offer route, using mechanism for acquisition of shares through stock exchange as prescribed under Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, ('SEBI Buyback Regulations') as amended, and such other circulars or notifications issued by the Securities and Exchange Board of India and the Act, and rules made thereunder, as amended, at a buyback price not exceeding ₹1,700 per equity shares (Maximum Buyback Price) for an aggregate amount of up to ₹1020 crore, excluding any expenses incurred or to be incurred for the Buyback viz. brokerage, costs, fees, turnover charges, taxes such as buyback tax, securities transaction tax and goods and services tax (if any), stamp duty, advisors fees, filing fees, printing and dispatch expenses and other incidental and related expenses and charges (Buyback Size). The maximum number of equity shares to be bought back were 60,00,000 (Sixty Lakhs) Equity Shares.

The Buyback represented 14.36% and 11.43% of the total paid up equity shares of the Company as on September 30, 2022 and December 17, 2022, respectively. Further, the Buyback Size represented 24.15% and 13.19% of the aggregate of the Company's fully paid-up equity share capital and free reserves as per the special purpose condensed standalone and consolidated audited financial statements of the Company for the period ended September 30, 2022, which was within 25% of the aggregate of the total paid-up capital and free reserves of the Company in accordance with Regulation 4(i) of the SEBI Buyback Regulations.

The Board has constituted a Committee named 'Buyback Committee' comprising of Mr. Anil Harish, Chairman (Independent Director), Mr. Sudhanshu Tripathi, Member (Non-executive Director) and Ms. Bhumika Batra, Member (Independent Director) and delegated its powers to do such acts, deeds, matters, and things as it may, in its absolute discretion, deem necessary, expedient, usual or proper in relation to the proposed Buyback.

Post receiving approval of the Shareholders for the proposal of Buyback through Postal Ballot on January 25, 2023, the public announcement of Buyback appeared in the following newspapers on January 31, 2023:

- Business Standard (English) - All Editions
- Business Standard (Hindi) - All Editions
- Sakal (Marathi) - Mumbai Edition

Draft Letter of Offer ('DLOF') was filed with Securities and Exchange Board of India ('SEBI') on February 7, 2023. The Record Date to determine the eligibility of Shareholders of the Company for Buyback was March 6, 2023. Post receiving the final observation on DLOF, the Letter of Offer ('LOF') was sent to the Shareholders and the tendering period for the Buyback opened on Monday, May 22, 2023 and closed on Friday, June 02, 2023.

In terms of LOF, your Company had bought back 60 lakhs equity shares, at a price of ₹ 1,700/- per equity share and total amount utilized in the Buyback was ₹ 1,020 Crore, excluding Transaction Costs. The settlement of the equity shares tendered in the Buyback was June 9, 2023. The entire process of Buyback is complete and Buyback Committee cease to exist.

Post extinguishment of said 60 lakhs equity shares, the shareholding pattern of the Company, pre and post Buyback, is as under:

Category	Pre-Buyback		Post-Buyback	
	Number of Equity Shares	% to the Existing Equity Share Capital	Number of Equity Shares	% to the post-Buyback Equity Share Capital
Promoter and Promoter Group	3,49,71,750	66.59	3,14,99,154	67.71
Domestic Institutional Investors	1,58,256	0.30	1,50,21,131	32.29
Foreign Investors, including Foreign Institutional Investors	67,97,846	12.94		
Non-Institutional Investors	1,05,92,433	20.17		
Total	5,25,20,285	100.00	4,65,20,285	100.00

Key subsidiaries

HGS International, Mauritius, a wholly-owned subsidiary of your Company, is primarily engaged in investment activity. HGS International owns 100% of the share capital of HGS CX Technologies Inc. (incorporated on December 6, 2021), C-Cubed N.V., Curacao, Hinduja Global Solutions UK Ltd., HGS St. Lucia Ltd., Saint Lucia, Hinduja Global Solutions MENA FZ-LLC, Dubai and Diversify Offshore Staffing Solutions Pty Ltd., Australia.

HGS (USA), LLC, a wholly-owned subsidiary of Hinduja Global Solutions LLC, USA, operates in four cities in the US. It partners with Fortune 1,000 companies and Government agencies to provide comprehensive CRM programs in the verticals of consumer goods and services, e-commerce, telecom, media and travel & logistics. HGS (USA), LLC also subcontracts work to HGS India, its branch in the Philippines and to Team HGS in Jamaica.

For FY 2023, it recorded revenue of US\$ 130.37 million as compared to US\$ 129.58 million in FY 2022.

HGS Canada Inc., a wholly-owned subsidiary of HGS Canada Holding LLC (Step down subsidiary of Hinduja Global Solutions LLC), is a Canadian Contact Center service provider, servicing marquee customers across verticals such as Media, Telecom, Technology and Logistics. HGS Canada offers technical support, inbound and outbound sales, customer care and customer retention in English and French languages.

For FY 2023, it recorded revenue of CAD 101.19 million as compared to CAD 99.33 million in FY 2022.

Hinduja Global Solutions UK Ltd. is a leading contact center company with centers in Chiswick, Preston, Liverpool, Caerphilly (Wales) and Selkirk (Scotland). It offers a range of services for inbound and outbound interactions to marquee customers across verticals such as Government, FMCG, financial services and retail.

For FY 2023, it recorded revenue of GBP 98.15 million as compared to GBP 114.20 million in FY 2022.

Team HGS Ltd., Jamaica, began call center operations in FY 2013 at Kingston. It services local Jamaican clients as well as US clients.

For FY 2023, it recorded revenue of Jamaican Dollars 3,740.23 million compared to Jamaican Dollars 8,885.6 million in FY 2022.

HGS Digital LLC, is a wholly-owned subsidiary of Hinduja Global Solutions UK Ltd. HGS Digital LLC is engaged in providing digital marketing services, digital consulting services as well as cloud migration and cloud monitoring services.

For FY 2023, it recorded revenue of US\$ 59.44 million as compared to US\$ 36.4 million in FY 2022 i.e. a growth of around 63.3%.

HGS Colombia S.A.S, incorporated in September 2022, is a wholly owned subsidiary of Hinduja Global Solutions UK Limited. Operating in Colombia, HGS provides customer, product, and technical support, non-voice, and back-office services in English and Spanish. Clients include companies in the banking and finance, retail, telecom, and consumer electronics industries in the US and domestically in Colombia.

Teklink International Inc., is an USA enterprise, providing full-service financial planning and analytics service provider, with presence in Europe and delivery centers in Hyderabad and Indore in India. It provides a full-service financial planning and analytics service provider to over 60 clients across multiple industries, including consumer products, retail, pharmaceuticals, manufacturing & distribution, utilities, and high tech. Effective February 28, 2023, the Company has acquired Teklink International Inc., USA for an aggregate consideration of ₹ 7,134.23 million.

IndusInd Media & Communications Limited ('IMCL'), business consists of Passive infrastructure (owned real estate property being rented to Group and other companies). Technical division providing technical services to its subsidiaries and Holding of investments in subsidiaries who are Multi System Operators ('MSOs'). The subsidiaries of IMCL are all MSOs who are in the Cable TV industry, providing a platform for transmitting TV signals through cable operators to end consumers.

For FY 2022-23, it recorded revenue from operations of ₹ 259.92 million as compared to ₹512.68 million in FY 2022.

ONEOTT Entertainment Limited ('ONEOTT'), an Internet Service Provider ('ISP') which provides its services to Retail consumers directly, through Local Cable TV operators, networks enterprises consisting of small and medium sized enterprises & provision of bulk bandwidth to other ISP's. The Company also provides network operations services using fibre and related network equipment to customers in India. ONEOTT is also engaged in downlinking of TV channels.

For FY 2022-23, it recorded revenue from operations of ₹ 3,220.90 million as compared to ₹ 2,552.12 million in FY 2022.

Bhima Riddhi Infotainment Private Limited ('Bhima Riddhi'), is a subsidiary of IMCL. Bhima Riddhi is a Multi System Operator (MSO), engaged primarily in the operation and distribution of Television Channels through the medium Analogue, Digital and Terrestrial Satellite cable Transmission and Distribution network in India.

For FY 2022-23, it recorded revenue from operations of ₹ 748.08 million as compared to ₹ 695.73 million in FY 2022.

IN Entertainment (India) Limited ('IN Entertainment') is a subsidiary of ONEOTT. IN Entertainment is in the business of Content Distribution and Tele-Shopping, Vouchers and also operates cable channels. The Company has access to cable rights of various Hindi movies and licenses the same to national MSO's and Local Cable Operators. IN Entertainment has a dedicated movie channel, 'CVO Movies' and a shopping channel 'Shop24Seven M-Plex'.

For FY 2022-23, it recorded revenue from operations of ₹ 1,422.94 million as compared to ₹ 775.09 million in FY 2022.

As on March 31, 2023, the Company has total 43 Subsidiaries. During the year under review, the Company does not have any joint venture or associate company.

During FY 2022-23, Indusind Media & Communications Limited, ONEOTT Entertainment Limited, Bhima Riddhi Infotainment Private Limited, Darpita Trading Company Private Limited, Sainath In Entertainment Private Limited, Sangli Media Services Private Limited, Vinsat Digital

Private Limited, Ajanta Sky Darshan Private Limited, Apna Incable Broadband Service Private Limited, Goldstar Infotainment Private Limited, Goldstar Noida Network Private Limited, RBL Digital Cable Network Private Limited, Sunny Infotainment Private Limited, United Mysore Network Private Limited, USN Networks Private Limited, Vistaar Telecommunication & Infrastructure Private Limited, IN Entertainment (India) Limited, Onemahanet Intertainment Private Limited, Teklink International LLC, Teklink International AG and HGS Colombia S.A.S became the subsidiaries of the Company.

All these companies (except Teklink International LLC, Teklink International AG, HGS Colombia S.A.S) became Subsidiaries of your Company pursuant to the Scheme of Arrangement.

Hinduja Global Solutions Europe Limited ceased to be subsidiary of the Company effective from August 30, 2022.

Pursuant to Section 129(3) of the Act, a statement containing the salient features of financial statements of your Company's subsidiaries in Form AOC-1 is attached to the financial statements of your Company.

Further, pursuant to Section 136 of the Act, the financial statements of your Company, consolidated financial statements along with relevant documents, and separate audited accounts with respect to subsidiaries, as applicable, are available on the website of Company www.hgs.cx

Particulars of Loans, Guarantees and Investments

Particulars of Loans, Guarantees and Investments as per Section 186 of the Act have been disclosed in this Annual Report as part of the Notes to the financial statements.

Credit Rating

During the year, CRISIL has reaffirmed your Company's long term rating as CRISIL A+/Stable and short term rating of CRISIL A1+.

Investor Education and Protection Fund ('IEPF')

The detailed information pertaining to IEPF has been provided in the 'Report on Corporate Governance', which forms part of this report as **Annexure 'C'**.

Communications and Public Relations

HGS doubled its effort on furthering brand awareness in FY 2023 with a strong messaging relaunch centered on the theme: Champion Every Moment. Brands are built over time, but they are made in moments that HGS get the opportunity to be part of everyday. The new messaging is rooted in being a digital customer experience leader with the talent and technologies needed to champion every moment. As such, your Company was recognized with several elite distinctions in FY2023, many of them for being recognized consecutively year after year. HGS has established itself as an industry thought leader through

successful earned media coverage, with an 9.15% media Share of Voice (SOV) in North America and a 23% SOV in India.

With the continuation and expansive messaging relaunch, HGS continued to focus on expanding thought leadership in digital customer experiences ('CX') in addition to the agency of agencies, HGS Interactive. Key messaging around CX, EX, Chatbots, Autonomous CX and Leadership in Innovation supported our efforts in brand awareness and differentiation. Notable coverage stemming from our Teklink acquisition, Axle, Colombia office opening, and the Digital CX Survey supported our brand positioning throughout the year in key outlets such as: Forbes, Authority Magazine, Information Today, ZDNet, CMSWire, MediaPost, and more. These publications showcased HGS subject matter experts and leadership prominently through contributed content, feature stories, and quotes providing context and insights to issues affecting business leaders today.

In India, HGS continued to leverage media opportunities, social media, webinars, and events to enhance visibility and thought leadership among key stakeholders like investors, employees, and government officials. HGS has shared information about its business growth, digital transformation, mergers and acquisitions, digital media services, HR activities, and community programs in key general, business and trade publications like The Economic Times, Moneycontrol, Times of India, Business Standard, People Matters, etc.

With hybrid working continuing at HGS, your Company remained focused on driving a combined model of virtual and in-office employee engagement through specific campaigns on varied topics across internal communications, events and social media channels.

Corporate Social Responsibility ('CSR')

As a socially responsible organisation, your Company is committed to contribute to the overall development of the society. Your Company's CSR initiatives have a significant focus on empowering economically and socially disadvantaged communities. To achieve goals, your Company concentrates CSR efforts in the following core areas: healthcare, education, skill development, water, rural development, and support for persons with disabilities. CSR projects are designed to hone vocational skills of youth and persons with disabilities with the objective of enhancing their employment opportunities and livelihood. Through these initiatives, your Company strive to create positive social impact and promote sustainable development.

Your Company continues to carry out CSR activities in the aforementioned areas and continues to undertake CSR activities as specified in Schedule VII to the Act.

The Corporate Social Responsibility Committee ('CSR Committee') of your Company as at March 31, 2023, consists of following Members:

- Mr. Anil Harish (DIN: 00001685), Independent Director – Chairman
- Mr. Paul Abraham (DIN: 01627449), Non-Executive Non-Independent Director – Member
- Mr. Partha DeSarkar (DIN: 00761144), Whole-time Director – Member

During FY 2022-23, one meeting of CSR Committee was held on March 29, 2023.

The CSR Policy of your Company is guided by a structured process. The CSR Forum, comprising senior employees, is responsible for identifying and evaluating potential CSR projects and initiatives. The recommendations are then forwarded to the CSR Committee, which reviews the proposals and assesses the associated costs in accordance with the relevant laws and regulations. Upon completing its review, the CSR Committee recommends approved projects to the Board for approval. Once approved, the CSR Forum oversees the implementation of the projects and provides regular updates to the CSR Committee and Board on the status of progress, expenses, and beneficiaries. Through this well-defined process, your Company ensures that our CSR initiatives are thoroughly evaluated, aligned with mission and values, and ultimately contribute for the betterment of the society.

The Report on CSR activities, in the format as required under the Companies (Corporate Social Responsibility) Rules, 2014, as amended from time to time, is set out in **Annexure 'E'** forming part of this report. The CSR Policy of the Company is also available on the website of your Company at <https://hgs.cx/investors/corporate-policies/>

Directors' Responsibility Statement

The financial statements are prepared in accordance with Ind AS to the extent applicable, as prescribed under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Rules, 2016, as amended thereof.

As stipulated under the provisions contained in Section 134(3)(c) read with Section 134(5) of the Act, the Directors, based upon the information and explanations obtained by them as also documents made available to them and to the best of their knowledge and belief, state that:

- a) in preparation of the Annual Accounts for the financial year ended March 31, 2023, the applicable accounting standards have been followed and there have been no material departures in the adoption and application thereof;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the

Company at the end of the financial year and of the Profit and Loss of the Company for that period;

- c) they have taken proper and sufficient care towards the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) they have prepared the Annual Accounts on a going concern basis.
- e) they have laid down adequate internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively.
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and are operating effectively.

Your Company has in place internal financial controls framework which, *inter-alia*, consist of function wise Status of Testing (Risk and Control Matrix, Test of Design, Test of Operating Effectiveness), Summary of Controls (Key and Non-Key), Process level controls (Process/Function wise), IT General controls (Application wise and Process wise) and Summary of Gaps in Process Level Controls, IT General Controls, etc. Total number of controls including automated controls in FY 2022-23 has marginally decreased due to streamlining in processes and change in business conditions. Such framework is periodically tested internally, as well as reviewed and tested by the external consultant. Based upon the said framework and the compliance systems established and maintained by the Company, work performed by the statutory, internal and secretarial auditors, including audit of internal financial controls over financial reporting, the reviews carried on by the Management, confirmations provided by the external consultants and update on such 'Framework' presented to the Audit Committee and to the Board, the Board is of the opinion that your Company's internal financial controls were adequate and effective during FY 2022-23.

Number of Meetings of the Board

During FY ended March 31, 2023, Twelve (12) Board Meetings were held on May 26, 2022, May 29, 2022, August 12, 2022 (two meetings), August 25, 2022, November 12, 2022, November 14, 2022, November 25, 2022, December 07, 2022, December 19, 2022, February 13, 2023 and March 27, 2023. The Company has complied with time gap requirement between any two meetings provided under the provisions of the Act and SEBI Listing Regulations. Further details in this regard are given in the Corporate Governance Report, which forms part of this report as **Annexure 'C'**.

Declaration by Independent Directors

Pursuant to the requirement of Section 149(7) of the Act, all the Independent Directors on the Board have given declaration of their independence, confirming that they meet the criteria of independence laid down in Section 149(6) of the Act and Regulations 16(1)(b) of the SEBI Listing Regulations. In the opinion of the Board, Independent Directors fulfill the conditions of independence as specified in the Act and the SEBI Listing Regulations and are independent of the management.

In terms of Regulation 25(8) of the SEBI Listing Regulation, the Independent Directors have confirmed that they are not aware of any circumstances or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

Familiarization Program for Independent Directors

The details of familiarization program imparted to the Directors during the financial year ended March 31, 2023, has been made available on your Company's website at <https://hgs.cx/investors/investors-familiarisation-programme-for-directors/>

Board Evaluation

Pursuant to Section 134 and 178 of the Act and applicable regulations of the SEBI Listing Regulations, the Board Effectiveness Evaluation (interaction based) has been carried out.

As in the past, it consists of three components:

1. Independent Directors meeting
2. Board and Committee effectiveness evaluation
3. Individual Directors effectiveness evaluation.

At the separate meeting of Independent Directors held during the financial year ended March 31, 2023 (without the attendance of Non-Independent Directors and the Members of the Management), performance evaluation of Non-Independent Directors, the Chairman of your Company and the Board as a whole was carried out for FY 2022-23. The Independent Directors also assessed the quality, quantity and timeliness of the flow of information between your Company's Management and the Board.

Directors

In terms of the provisions of the Act and the Articles of Association of the Company, Mr. Partha DeSarkar (DIN: 00761144), Whole-Time Director is liable to retire by rotation at the ensuing 28th AGM and being eligible, offers himself for re-appointment.

The Nomination and Remuneration Committee and the Board of Directors at their meetings held on August 8, 2023 and August 9, 2023, respectively, have

approved and recommended the re-appointment of Mr. Partha DeSarkar as Director liable to retire by rotation. Accordingly, a proposal for re-appointment of Mr. Partha DeSarkar is placed for the approval of the Members by way of an Ordinary Resolution at the ensuing AGM.

During FY 2022-23, as recommended by the Nomination and Remuneration Committee, the Board of Directors have approved the appointment of:

- Mr. Ashok P. Hinduja (DIN: 00123180), as an Additional Director designated as Chairman, Non-Executive Non-Independent Director with effect from December 19, 2022;
- Mr. Munesh Khanna (DIN: 00202521), as an Additional Director designated as an Independent Director for a period of 5 years with effect from December 19, 2022;
- Mr. Vynsley Fernandes (DIN: 02987818) as an Additional Director designated as Whole-time Director with effect from November 14, 2022.
- Mr. Pradeep Udhas (DIN: 02207112) as an Additional Director designated as Non-Executive Independent Director with effect from August 25, 2022; and
- Mr. Paul Abraham (DIN: 01627449), as an Additional Director designated as Non-Executive Non-Independent Director with effect from August 25, 2022, liable to retire by rotation.

Thereafter, the Shareholders of the Company have approved the appointment of:

- Mr. Ashok P Hinduja as Chairman, Non-Executive Non-Independent Director, Mr. Munesh Khanna as an Independent Director and Mr. Vynsley Fernandes as a Whole-time Director, through postal ballot on January 25, 2023; and
- Mr. Pradeep Udhas as an Independent Director and Mr. Paul Abraham as Non-Executive Non-Independent Director at the 27th AGM of the Company held on September 28, 2022.

During the financial year, Mr. Yashodhan Madhusudan Kale (DIN: 00013782) had renounced his directorship and consequently as the Chairman of the Board with effect from December 19, 2022. Mr. Y.M. Kale provided sterling leadership and oversight over the last 4 years. He steered the Company through this period marked with important value accretive milestone of divestment, demerger, and several acquisitions.

None of the Directors of the Company are disqualified for appointment / to continue to act as Director under Section 164 of the Act. Further, they are not debarred from holding the office of Director pursuant to order of SEBI or any other authority.

Details relating to the composition of the Board, meetings of the Board held during financial year ended March 31, 2023, attendance of the Directors have been provided in the Report on Corporate Governance which forms part

of this report as **Annexure 'C'**.

Registration in Independent Directors' Databank

Pursuant to a notification dated October 22, 2019, issued by the Ministry of Corporate Affairs, the Independent Directors of the Company, to the extent applicable, have confirmed that their registration with the databank of Independent Directors maintained by the Indian Institute of Corporate Affairs is in compliance with the requirements of the Companies (Appointment and Qualifications of Directors) Rules, 2014.

Audit Committee

Pursuant to the provisions of Section 177 of the Act and Regulation 18 of SEBI Listing Regulations, the Audit Committee of the Board as on March 31, 2023, comprises of following Members:

- Mr. Anil Harish, Independent Director – Chairman
- Ms. Bhumika Batra, Independent Director – Member
- Dr. Ganesh Natarajan, Independent Director – Member
- Mr. Sudhanshu Tripathi, Non-Executive Non-Independent Director – Member; and
- Mr. Pradeep Udhas, Independent Director – Member

Further, as per the requirements of the Act, and the SEBI Listing Regulations, the Board had also constituted following Committees of the Board:

- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee
- Stakeholders Relationship and Share Allotment Committee
- Risk Management Committee
- Buyback Committee
- Committee of Directors

Details of composition, terms of reference and number of meetings held for respective Committees are given in the Report on Corporate Governance, which forms a part of this report as **Annexure 'C'**. Further, there have been no instances where the Board did not accept the recommendations of its committees, including the Audit Committee.

Key Managerial Personnel

Pursuant to the provision of Section 203 of the Act, the Company has the following Key Managerial Personnel as on March 31, 2023:

- a. Mr. Partha DeSarkar – Whole-time Director & Group CEO
- b. Mr. Vynsley Fernandes – Whole-time Director
- c. Mr. Srinivas Palakodeti – Global Chief Financial Officer
- d. Mr. Narendra Singh – Company Secretary

Affirmation of Code of Conduct

Your Company has a Code of Conduct for Board and Senior Management Personnel that reflects its high standards of integrity and ethics. The Directors and Senior management of the Company have affirmed their adherence to this Code of Conduct for FY 2022-23. A declaration to this effect, duly signed by Whole-time Director's and Chief Executive Officer forms part of this report as **Annexure 'A'**. This Code of Conduct is available on the Company's website and can be accessed at <https://hgs.cx/wp-content/uploads/2022/08/HGS-Code-of-Conduct-for-Board-Members-Sr-Mgt-Personnel.pdf>

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information relating to conservation of energy, technology absorption and foreign exchange earnings & outgo as required under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, as amended, forms part of this report as **Annexure 'B'**.

Report on Corporate Governance

As required under Schedule V of the SEBI Listing Regulations, a detailed report on Corporate Governance forms part of this report as **Annexure 'C'**.

Ms. Amrita D. C. Nautiyal, Practicing Company Secretary, Mumbai, (Membership No.: FCS 5079 and C. P. No. 7989) of M/s. Amrita Nautiyal & Associates, Secretarial Auditor of your Company has examined the compliance of conditions of Corporate Governance as stipulated in Schedule V (C) of the SEBI Listing Regulations and the certificate forms part of **Annexure 'C'** to this report.

Report on Management Discussion and Analysis

In compliance with Regulation 34 of the SEBI Listing Regulations, a separate report on Management Discussion and Analysis which includes details on the state of affairs of the company is annexed to this report as **Annexure 'D'**.

Employees Stock Options Plan ('ESOP')

Two ESOP Schemes, viz. 'Hinduja Global Solutions Limited Employees Stock Options Plan 2008' and 'Hinduja Global Solutions Limited Employees Stock Options Plan 2011' have been in operation during FY 2022-23. These ESOP Schemes are in compliance with the provisions of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended. As on date, there are no outstanding stock options pending for vesting/ exercise. The particulars of aforesaid ESOP Schemes are available on your Company's website at <https://hgs.cx/investors/other-reports/#toggle-id-3>

Annual Return

Pursuant to Section 92(3) and 134(3)(a) of the Act, an Annual Return as on March 31, 2023, in the prescribed

format, is available on your Company's website at <https://hgs.cx/investors/other-reports/>.

Related Party Transactions

All contracts/ arrangements/ transactions entered into with the related parties during FY 2022-23 are in the ordinary course of business and at arm's length basis and therefore, outside the purview of Section 188(1) of the Act and same are disclosed in the financial statements of your Company. The Company has formulated a Policy on Related Party Transactions for identification and monitoring of such transaction as recommended by the Audit Committee and adopted by the Board is available on the Company's website at <https://hgs.cx/investors/corporate-policies/>.

Information on related party transactions pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, as amended, is given in Form AOC-2 and the same forms part of this report as **Annexure 'F'**.

Policy on Directors' Appointment and Remuneration

Policy on Directors' Appointment and Remuneration and other matters provided in Section 178(3) of the Act have been disclosed in the Report on Corporate Governance, which forms part of this report as **Annexure 'C'**.

Policies framed under the Companies Act, 2013 and SEBI Listing Regulations, as applicable, have been uploaded on the website of the Company at <https://hgs.cx/investors/corporate-policies/>.

Whistle Blower Policy and Vigil Mechanism

According to Section 177 of the Act, and Regulation 22 of the SEBI Listing Regulations, the Company has a Whistle Blower Policy and Vigil Mechanism in place and is available on the website of your Company at <https://hgs.cx/investors/corporate-policies/>. There was one complaint which was in progress of closure as on March 31, 2022, has been closed during FY 2022-23. No complaint was received under the Policy during the year ended March 31, 2023.

The details of the Policy are disclosed in the Report on Corporate Governance, which forms part of this report as **Annexure 'C'**.

Internal Complaints Committee ('ICC')

Pursuant to the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, your Company has in place an Internal Complaints Committee (ICC) and also Policy on appropriate social conduct at workplace. The Policy is applicable to all employees of your Company at all locations. Employees, for the purpose of this policy, shall include all persons engaged in the business and operations of your Company and includes permanent, temporary and part-time employees. In addition, this

policy shall also be applicable to all third parties such as visitors, clients, customers, contractors, service providers and any other person authorized to be present within the premises/ workplace of your Company. Your Company's workplace includes Company's premises, as well as the premises of other third parties, vendors and associates of your company where the employees of your Company are required to perform work or that are visited by the employees of your Company arising out of or during the course of employment.

The Reports of the ICC are periodically placed before the Board for review and suggestions as an ongoing process, and initiatives are taken by the Management to make the workplace safer for the employees. The status of complaints received, disposed of by the ICC and pending as at March 31, 2023 is as under:

Number of complaints pending as on March 31, 2022	Nil
Number of complaints received during the year	Nil
Number of complaints disposed of during the year	Nil
Number of complaints withdrawn during the year	Nil
Number of complaints pending as on March 31, 2023	Nil

Risk Management Policy

Your Company has formulated Risk Management Policy & Procedures, which, *inter-alia*, identify risks, taking into consideration the business and operations of the Company and adoption of mitigation measures. The details of the Policy & Procedures are given in the Management Discussion and Analysis Report (MDA) annexed to this report as **Annexure 'D'**.

The Risk Management Committee of the Board ('RMC') comprises of (i) Two Independent Directors (ii) a Non-Executive, Non-Independent Director and (iii) Whole-time Director.

The RMC met twice during the year and reviewed Enterprise Risk Management framework, the risks that matter and updated the policy and procedures as appropriate. The RMC updated the Audit Committee and the Board on the matters relating to risk.

Fixed Deposits

The Company has not accepted any Deposits under Chapter V of the Act during the year and hence no amount of principal or interest was outstanding on the date of Balance Sheet.

Statutory Auditors and Auditors' Report

M/s. Haribhakti & Co. LLP, Chartered Accountants (ICAI Firm Registration Number: 103523W/W100048) appointed as the Statutory Auditors of the Company by the Members at the 27th Annual General Meeting held on September 28, 2022 to hold office upto the conclusion of 32nd Annual General Meeting to be held in the year 2027.

M/s. Haribhakti & Co. LLP, Chartered Accountants have under sections 139 and 141 of the Act and Rules framed thereunder confirmed that they are not disqualified from continuing as Statutory Auditors of the Company and furnished a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India as required under Regulation 33 of the SEBI Listing Regulations.

The reports of the Statutory Auditors on Standalone and Consolidated Ind AS Financial Statements forms part of this Annual Report. The Auditors' Report contains 'Unmodified Opinion' on the financial statements (standalone and consolidated) of the Company, for the year ended March 31, 2023 and there are no qualifications in their report.

Secretarial Audit and Compliance with Secretarial Standards

Pursuant to the provisions of Section 204 of the Act, the Board had appointed Ms. Amrita D. C. Nautiyal, Practicing Company Secretary, Mumbai, (Membership No.: FCS 5079 and C. P. No. 7989) of M/s. Amrita Nautiyal & Associates, as the Secretarial Auditor to carry out the Secretarial Audit for FY 2022-23.

The Secretarial Audit Report for FY 2022-23 forms part of this report as **Annexure 'G'**. The Report does not contain any qualifications, reservations or adverse remarks.

During the year, your Company has complied with all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

Appointment of Cost Auditor and Maintenance of Cost Records

In terms of section 148(1) of the Act read with the Companies (Cost Records and Audit) Rules, 2014, the Company has appointed M/s. ABK & Associates, Cost Accountants, (Firm Registration No. 000036) as Cost Auditor for the audit of the cost records of 'Telecommunication Activity' for the Financial Year 2023-24.

Proceeding under Insolvency and Bankruptcy Code, 2016

There are no proceedings, either filed by the Company or filed against the Company, pending under the Insolvency and Bankruptcy Code, 2016 as amended, before National Company Law Tribunal or other courts during FY 2022-23. The disclosure as per rule 8(5)(xi) and 8(5)(xii) of the Companies (Accounts) Rules, 2014 are not applicable.

Reporting of Fraud

During the year under review, there were no instances of fraud reported by the Auditors under Section 143(12) of the Companies Act, 2013.

Particulars of Employees

Disclosures as required under section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and amendments thereto are given in **Annexure 'H'** to this Report.

In terms of the provisions of Section 197(12) of the Act, read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said Rules are provided in the Annual Report.

Having regard to the first proviso to Section 136(1) of the Act, the Annual Report excluding the aforesaid information is being sent to the members. The said information is available for inspection at the Registered Office of the Company and any member interested in obtaining such information may write to the Company Secretary and the same shall be furnished without any fee.

In accordance with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, details of foreign employees, excluding Directors and their relatives, have not been included in the Annual Report. Members interested in obtaining the said information may write to the Company Secretary at the Registered Office and the same shall be furnished without any fee.

Business Responsibility and Sustainability Report ('BRSR')

Pursuant to Regulation 34(2)(f) of the SEBI Listing Regulations, with effect from the financial year 2022-23, the top one thousand listed entities based on market capitalisation are required to submit a Business Responsibility and Sustainability Report ('BRSR'). Accordingly, the BRSR describing the initiatives taken by the Company from ESG perspective as required in terms of the above provisions separately forms part of this report as **Annexure 'I'**.

Significant and Material Orders

There are no significant and material orders passed by the Regulators or Courts or Tribunals that would impact the going concern status and your Company's operations in the future.

Internal Financial Controls and its Adequacy

The Company has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including Internal Financial Controls (including Internal Financial Controls over Financial Reporting) and their adequacy are included under the heading 'Internal Controls' in the Management Discussion and Analysis section, which forms part of this report as **Annexure 'D'**.

Material Changes and Commitments Affecting the Financial Position of the Company between the end of the Financial Year and Date of the Report

Post March 31, 2023, the Company has bought 60 lakhs equity shares through tender offer route at a price of ₹1,700 per share aggregating to ₹1,020 crore (excluding other transactions). The entire process of Buyback including extinguishment of these 60 lakhs shares and payment of taxes on Buyback are complete. Other details of buyback are given above under the heading 'Buyback of Equity Shares'

Further, subsequent to the approval of consolidated financial results as of and for the year ended March 31, 2023 by the Board of Directors at its meeting held on May 26, 2023, the Group identified that an amount presented under the head "Other Income" had an inadvertent error, in working out gain on sale of a property held by HGS International, Mauritius. The annual financial results (as amended) of the HGS International, Mauritius for the year ended March 31, 2023 were approved by the Board of Directors of HGS International, Mauritius on August 8, 2023.

Consequently, previously issued consolidated annual financial results have been amended by the Group to incorporate the changes. The impact of this is reflected in decrease to the tune of ₹1,649.85 Lakhs in Other Income, ₹1,641.83 Lakhs in Profit After Tax & Retained Earnings and increase in Other Liabilities by ₹1,673.40 Lakhs. The basic and diluted earnings per share for the year ended March 31, 2023 has decreased by ₹3.13 per share in this regard. Further, consequential changes have been made in consolidated cash flow statements and group operating segments.

The amendment to the consolidated financial results have been carried out solely for the impact of above error and no other changes/ adjustments have been carried out for any other events occurring after May 26, 2023 (being the date when the consolidated financial results were first approved by the Board of Directors of the Company).

These consolidated annual financial results (as amended), which have been reviewed by the Audit Committee and then approved by the Board of Directors at their respective meetings held on August 9, 2023 and supersedes the previously issued consolidated annual financial results that were reviewed by the Audit Committee and then approved by the Board of Directors respectively on May 26, 2023. The statutory auditors have issued unmodified amended report dated August 9, 2023 on the aforesaid consolidated annual financial results (as amended). Copy of amended consolidated financial results for the year ended March 31, 2023 along with the Statutory Auditors reports were submitted to the Stock Exchanges.

There was no change in the standalone financial results for the year ended March 31, 2023.

There are no other material changes and commitments between the end of the financial year of the Company and as on the date of this report which can affect the financial position of the Company.

Acknowledgements

Your Directors' express their grateful appreciation for the co-operation and support received from the customers, vendors, business associates, investors, financial institutions, bankers, the Government of India, State Governments, Governments of various countries in which your company operates, regulatory authorities and the society at large. Your Directors place on record

their sincere appreciation for the dedicated efforts, commitments and contribution of employees at all levels of your Company, which has enabled your Company to achieve consistent growth in a challenging business environment.

For and on behalf of the Board of Directors

Ashok P. Hinduja
Chairman
DIN:00123180

Place: Dubai
Date: August 9, 2023

Annexure 'A'

TO THE DIRECTORS' REPORT

Declaration of Code of Conduct

I hereby confirm that all Board Members and Senior Management Personnel have affirmed Compliance with the Code of Conduct of the Company for the year ended March 31, 2023.

Place: Mumbai
Date: August 9, 2023

Partha DeSarkar
Whole-time Director
DIN: 00761144

Annexure 'B'

TO THE DIRECTORS' REPORT

Particulars pursuant to Companies (Accounts) Rules, 2014

a. Energy Conservation and Technology Absorption:

During the year under review, the Company was not engaged in any manufacturing or processing activity. Considering the nature of the Company's business, there is no reporting to be made on conservation of energy in its operations.

Notwithstanding the above, the Company recognises the importance of energy conservation in decreasing the adverse effects of global warming and climate change. The Company carries on its activities in an environmentally friendly and energy efficient manner. Regular efforts are made to conserve energy and the Company continuously evaluates the possibilities and various alternatives to reduce energy consumption. Further, the use of low energy consuming LED lightings is being encouraged.

With respect to technology absorption, FY 2023 has been quite exciting, and at the same time complex, as your Company moved ahead with higher technology adoption. While deploying apps internally to create a system aligned with ease of use and data-driven, your Company have also invested heavily in the last year to move to a hybrid infrastructure model (combining on-prem and cloud telephony).

Specifically, your Company successfully transferred a majority of server hosting to the AWS Cloud, while deploying Cloud ACD (InTalk) to replace the old Avaya network in regions like Philippines and implementing MS Teams Telephony as needed. These initiatives have helped post a 71% reduction in data center footprint, 77% reduction in data center power consumption and 75% reduction in data center cooling requirements.

b. Foreign Exchange Earnings and Outgo:

The Foreign Exchange earned in terms of actual inflows and outgo during the year are as under.

• Foreign Exchange Earnings and Outgo:

(₹ in million)

For the Year	2022-23	2021-22
Total Foreign Exchange earned	2,348.92	10,559.90
Total Foreign Exchange outgo	495.21	1,288.95

• Export initiatives and development of new export market:

The share of export in the total income for the last two years is as given under:-

For the Year	2022-23	2021-22
Export as a:		
% of operating income	17.75%	37.99%
% of total income	12.79%	17.72%

For and on behalf of the Board of Directors

Ashok P. Hinduja
Chairman
DIN: 00123180

Place: Dubai
Date: August 9, 2023

Annexure 'C' to the Directors' Report

REPORT ON CORPORATE GOVERNANCE

For the Financial Year ('FY') ended March 31, 2023

[PURSUANT TO SCHEDULE V (C) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015]

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company is committed to run its business and operations in a legal, ethical and transparent manner and its corporate practices are based on professionalism, fairness and accountability which ultimately results in building confidence and in gaining credibility and trust of various stakeholders. The business and operations of your Company are carried on by the professionals and competent management under the guidance and advice of the diversified, experienced and independent Board of Directors. The Board of Directors act as a vital monitoring mechanism to ensure adoption and implementation of good corporate practices by the management. Your Company believes that the primary goal of corporate governance is the enhancement of long-term shareholders' value and at the same time protecting the interest of other stakeholders and strives to achieve these objectives, thereby paving the way for its long-term success.

2. BOARD OF DIRECTORS

• Composition

The composition of the Board is in conformity with the requirements of the Companies Act, 2013 ('the Act') including the rules framed thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'). The composition of the Board represents an optimal mix of professionalism, knowledge, and experience and enables the Board to discharge its responsibilities and provide effective leadership to the Company.

As at March 31, 2023, the Board of Directors of the Company comprises two Whole-time Director/ Executive Director and Eight Non-Executive Directors. Of the Eight Non-Executive Directors, three are Non-Independent Directors and five are Independent Directors. The composition of the Board is in conformity with the requirements of the Act and SEBI Listing Regulations. None of the Directors are related to each other and key managerial personnel. The Chairman of the Company is the Promoter of the Company.

During the year under review, the Board of Directors, on recommendation of the Nomination and Remuneration Committee and approval of Members, appointed:

- i. Mr. Pradeep Udhas (DIN: 02207112) as an Independent Director of the Company for a term of five consecutive years with effect from August 25, 2022.
- ii. Mr. Paul Abraham (DIN: 01627449) as a Non-Executive Non-Independent Director of the Company with effect from August 25, 2022.

- iii. Mr. Vynsley Fernandes (DIN: 02987818) as a Whole-time Director of the Company for a period of three years with effect from November 14, 2022.
- iv. Mr. Ashok P. Hinduja (DIN: 00123180) as a Chairman, Non-Executive Non-Independent Director of the Company with effect from December 19, 2022.
- v. Mr. Munesh Khanna (DIN: 00202521) as an Independent Director of the Company for a term of five consecutive years with effect from December 19, 2022.

On December 19, 2022, Mr. Yashodhan Madhusudhan Kale ceased to be a Chairman, Non Executive Non-Independent Director of the Company. Mr. Kale had attended the AGM held on September 28, 2022.

The changes that took place during the year under review were in compliance with the provisions of the Act and the SEBI Listing Regulations.

The Members of the Board are drawn from diverse fields and devote substantial time in the deliberations at the Board Meetings and Committee Meetings of which they are Members. The Board is fully committed towards ensuring adoption and implementation of highest standards of corporate governance. The Whole-time Directors are responsible for the day-to-day business, operations and the Management of the Company, subject to the superintendence, control and direction of the Board of Directors of the Company.

Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of the SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management.

All the Directors of the Company, except Independent Directors and Non-Executive Chairman, are liable to retire by rotation. The Company does not have any Nominee Director of any financial institutions/banks. Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

The Board of Directors of the Company has accepted all the mandatory recommendations of

the Committees of the Board.

None of the Directors on the Board:

- holds directorships in more than 7 (seven) listed companies;
- holds directorships in more than 10 (ten) public companies;
- who are the Whole-time Directors serve as independent directors in more than 3 (three) listed companies;
- serves as Member of more than 10 (ten) committees or Chairperson of more than 5 (five) committees. Committees include Audit Committee and Stakeholders' Relationship Committee across all public companies in which they are directors.

- **Details of Board Meetings held during the FY ended March 31, 2023, attendance of Directors at the said Meetings and at the last AGM and details of Directorships and Memberships of the Board and of the Committees (including that of the Company).**

During FY ended March 31, 2023, 12 (twelve) Board Meetings were held on May 26, 2022, May 29, 2022, August 12, 2022 (two meetings), August 25, 2022, November 12, 2022, November 14, 2022, November 25, 2022, December 07, 2022, December 19, 2022, February 13, 2023, and March 27, 2023.

The Company has complied with time gap requirement between any two meetings as provided under the provisions of the Act and SEBI Listing Regulations. Video conferencing facility has been provided to facilitate Directors to participate in the meetings of the Board and the Committees of the Board.

The composition of the Board, details of directorship, committee positions as on March 31, 2023 and attendance of the Directors at the Board meetings and the AGM held during the year under review are given in the table below:

Name of the Director	Attendance at Board Meetings during FY 2022-23	Attendance at the last AGM held on September 28, 2022	Board Membership [#]		Committee Membership		Directorship in other listed entities	
			Chairperson	Member	Chairperson	Member	Name of the listed entity	Category
Mr. Ashok P. Hinduja [§] Chairman, Non-Executive Director DIN: 00123180	3	N.A.	6	-	-	-	-	-
Mr. Anil Harish Independent Director DIN: 00001685	11	Yes	-	4	4	-	Blue Star Limited	Independent Director
							NDL Ventures Limited	Independent Director
Mr. Sudhanshu Tripathi Non-Executive Director DIN: 06431686	12	Yes	2	3	1	6	GOCL Corporation Limited	Non-Executive Director
							NDL Ventures Limited	Non-Executive Director
Ms. Bhumika Batra Women Independent Director DIN: 03502004	12	Yes	-	10	4	6	Repro India Limited	Independent Director
							Jyothy Labs Limited	Independent Director
							Sharp India Limited	Independent Director
							Finolex Industries Limited	Independent Director
							NDL Ventures Limited	Independent Director
Dr. Ganesh Natarajan Independent Director DIN: 00176393	11	Yes	-	3	1	5	State Bank of India	Independent Director
							Honeywell Automation India Limited	Independent Director
Mr. Partha DeSarkar Whole-time Director DIN: 00761144	11	Yes	-	1	-	1	-	-
Mr. Pradeep Udhas ⁺ Independent Director DIN:02207112	6	N.A.	-	2	-	2	Indusind Bank Limited	Independent Director

Name of the Director	Attendance at Board Meetings during FY 2022-23	Attendance at the last AGM held on September 28, 2022	Board Membership [#]		Committee Membership		Directorship in other listed entities	
			Chairperson	Member	Chairperson	Member	Name of the listed entity	Category
Mr. Paul Abraham ⁺ Non-Executive Director DIN:01627449	7	N.A.	-	1	-	1	-	-
Mr. Munesh Khanna [§] Independent Director DIN:00202521	3	N.A.	-	9	-	7	Gulf Oil Lubricants India Limited	Independent Director
							NDL Ventures Limited	Independent Director
							JSW Energy Limited	Independent Director
Mr. Vynsley Fernandes [^] Whole-time Director DIN: 02987818	6	N.A.	-	4	-	-	-	-

Includes unlisted public companies.

§ Appointed with effect from December 19, 2022.

+ Appointed with effect from August 25, 2022.

^Appointed with effect from November 14, 2022.

As on March 31, 2023, following are the skills as identified by the Board:

- I. Membership of the Board and the Committees:
 - a) Excludes Foreign Companies, Private Limited Companies (which are not subsidiaries of public limited companies), Alternate Directorships and Companies registered under Section 8 of the Act.
 - b) As per Regulation 26(1)(b) of the SEBI Listing Regulations, Membership and Chairpersonship of Audit Committee and Stakeholders' Relationship Committee only are considered.
- II. The terms and conditions of appointment of Independent Directors have been uploaded on the website of the Company at <https://www.hgs.cx/investors/corporate-policies>.
- III. The details of familiarization program imparted to Independent Directors during FY ended March 31, 2023 has been uploaded on the website of the Company at <https://hgs.cx/investors/investors-familiarisation-programme-for-directors/>
- IV. Chart or Matrix Skills/expertise/competence of the Board:

Your Company is engaged in the business of providing Business Process Management (BPM) Services and Digital Media business and its predominant capital is 'Human Resources'. The Board has identified following skill sets / competencies:

Knowledge about the BPM Industry, Digital Media business and how operations are carried out, knowledge and expertise in the following areas - finance, taxation (direct & indirect), Legal, Corporate laws and laws applicable to the industry in which the Company operates, Corporate Governance, SEBI Regulations, Business restructuring, Strategic Planning relating to business and human resources etc.

Skills/expertise/competence of the Board of Directors as required in the context of its business(es) and Sector(s)	Name of Directors who have such skills/expertise / competence
Expertise in Digital Media, BPM, Commercial, Banking, Finance and Hospitality	Mr. Ashok P. Hinduja
Corporate Law, Income-tax, FEMA and property matters	Mr. Anil Harish
HR and Corporate Governance	Mr. Sudhanshu Tripathi
Legal, Corporate and International laws	Ms. Bhumika Batra
IT and BPM Industry	Dr. Ganesh Natarajan
Finance, Technology and Business Management	Mr. Pradeep Udhas
BPM Industry	Mr. Partha DeSarkar
Banking and Financial Sector and Philanthropic activities	Mr. Paul Abraham
Finance, Investment Banker and Advisor	Mr. Munesh Khanna
Expertise in Media and Entertainment Sector, Strategic Financial Acumen, Strategic Risk Management, Corporate Governance.	Mr. Vynsley Fernandes

As on March 31, 2023, the Board of Directors consists of 10 Directors out of which 8 are Non-Executive Directors and two Executive (Whole-time) Directors. The members of the Board are drawn from diversified field and each member of the Board has varied and vast experience in their chosen field. Having regard to the deliberations ensued at the meetings of the Board and the Committees particularly on the matters relating to the Business and operations of the Company, Regulatory compliances, adherence to the Corporate Governance standards etc.; the Board believes that its members do possess requisite skills, expertise and experience which enables the Board as a collective body to discharge its functions effectively by providing timely advice and guidance to the management in critical areas.

- V. Your Company has adopted the Code of Conduct for Board Members, Senior Management Personnel and Employees ('the Code'). The Code is available on the Company's website at <https://hgs.cx/wp-content/uploads/2022/08/HGS-Code-of-Conduct-for-Board-Members-Sr-Mgt-Personnel.pdf> All Board Members and Senior Management Personnel have affirmed compliance with the Code for the year ended March 31, 2023. As required under Schedule V(D) of the SEBI Listing Regulations, the declaration of the Chief Executive Officer to this effect has been attached as **Annexure 'A'** to the Directors' Report.
- VI. Details of equity shares of the Company held by the Directors as on March 31, 2023 are as under:

Name of Director	Number of Shares held
Mr. Ashok P. Hinduja	1,90,450
Mr. Anil Harish	-
Mr. Sudhanshu Tripathi	-
Ms. Bhumika Batra	-
Dr. Ganesh Natarajan	1,158
Mr. Partha DeSarkar	1,00,836
Mr. Pradeep Udhas	-
Mr. Paul Abraham	-
Mr. Munesh Khanna	-
Mr. Vynsley Fernandes	-

3. AUDIT COMMITTEE

• Terms of Reference

The Audit Committee acts in accordance with the 'terms of reference' as specified by the Board of Directors ('the Board') of the Company and/or mandated in the SEBI Listing Regulations/ the Act, from time to time, which, *inter-alia*, includes:

Recommendation to the Board for appointment, remuneration and terms of appointment of Auditors of the Company, review and monitoring the Auditor's independence, performance and effectiveness of Audit process; examination and

recommendation to the Board of the quarterly and Annual Financial Statements and Auditor's Report thereon; Oversight of the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible; Discussion with internal auditors and with the Management on critical and significant findings of the Internal Audit Reports and suggesting corrective measures and follow up thereon; Evaluation of Internal Financial Controls and risk management systems; Review, approval and any subsequent modification of transactions with related parties, Review of Enterprise Risk Management framework and updates thereon; Scrutiny of Inter-corporate loans and investments, valuation of undertakings or assets of the company, wherever it is necessary, Review of and report to the Board, findings of any internal investigation by the Management/ internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature, Review of Reports submitted by the Compliance Officer under Prevention of Insider Trading Code of the Company and matters relating to the compliance of the said Code, Review of Reports submitted under HGS Whistle Blower Policy & Vigil Mechanism.

• Composition

During the year under review, there was change in the composition of the Audit Committee and the revised composition of the Audit Committee is as under:-

- Mr. Anil Harish, Independent Director - Chairman
- Ms. Bhumika Batra, Independent Director – Member
- Dr. Ganesh Natarajan, Independent Director – Member
- Mr. Sudhanshu Tripathi, Non Executive, Non-Independent Director – Member (Inducted with effect from February 13, 2023)
- Mr. Pradeep Udhas, Independent Director – Member (Inducted with effect from February 13, 2023)

Mr. Yashodhan Madhusudan Kale, Non Executive Non-Independent Director ceased to be a Member with effect from December 19, 2022.

The composition of the Audit Committee conforms with the requirements of Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations. Further, changes that took place during the year under review were in compliance

with the provisions of the Companies Act and SEBI Listing Regulations.

All the Members possesses a sound knowledge of accounts, audit and financial management. The Company Secretary acts as Secretary to the Committee. The invitees to the Audit Committee meetings include representatives of the Statutory Auditor, Internal Auditor or his representative, Whole-time Directors, Non-Executive Director, Chief Financial Officer and such other Executives and external consultants as deemed necessary.

- **Meetings**

During FY ended March 31, 2023, 13 (thirteen) meetings of the Committee were held on May 29, 2022, June 13, 2022, August 12, 2022 (two meetings), August 25, 2022 (two meetings), September 19, 2022, November 14, 2022, December 07, 2022, December 19, 2022, December 27, 2022, February 13, 2023 and March 27, 2023. The Company has complied with the time gap requirement between any two meetings as provided under the provisions of the Act and SEBI Listing Regulations.

- **Attendance**

Name of the Member	No. of Meetings attended
Mr. Anil Harish	13
Mr. Yashodhan Madhusudan Kale*	10
Ms. Bhumika Batra	13
Dr. Ganesh Natarajan	12
Mr. Sudhanshu Tripathi**	01
Mr. Pradeep Udhas**	01

* Ceased to be a member of the Audit Committee with effect from December 19, 2022.

** Inducted as a member of the Audit Committee with effect from February 13, 2023.

Mr. Anil Harish, Chairman of the Audit Committee, attended the last AGM of the Company held on September 28, 2022.

4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The details of Corporate Social Responsibility Committee including terms of reference, composition, number of meetings and attendance of meeting etc. is given as **Annexure 'E'** to the Directors' Report.

5. NOMINATION AND REMUNERATION COMMITTEE

1. The Committee was constituted as a Board Committee and empowered to take and approve decisions and keep the Board informed at regular intervals regarding:

- Identification and appointment of a qualified Managing Director and approving senior management candidates one level below the MD (including promotions), Key Managerial Personnel.
- The terms of engagement for Independent Directors, Non-Executive Directors, Managing Director, Whole-time Directors and senior management candidates one level below the Managing Director / Whole-time Director.

2. The Broad Terms of Reference of this Committee are as follows:

- Devising a policy on board diversity.
- Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.
- Formulation of criteria for evaluation of Independent Directors and the Board.
- Evaluate and approve for appointment candidates recommended by Managing Director/ Whole-time Director for positions of senior management and above.
- Design and administer processes for evaluating the qualification, positive attributes and independence of a Director and recommend to the Board a Policy (in compliance with the provisions of the Section 178(4) of the Act), relating to remuneration of Directors, Key Managerial Personnel and other employees.
- Evaluation of Performance Management System of Managing Director, Whole-time Directors and Senior Management.
- Review the succession plan for critical positions and suggest actions.
- Recommend to the Board, all remuneration, in whatever form, payable to Senior Management.

The broad terms of reference of NRC includes the requirements as specified in the SEBI Listing Regulations/ the Act, from time to time.

- **Composition**

The Composition of NRC comprises of three Members as follows:

- Mr. Anil Harish, Independent Director - Chairman
- Mr. Sudhanshu Tripathi, Non-Executive Non-Independent Director - Member

- Ms. Bhumika Batra, Independent Director - Member

The composition of the NRC conforms with the requirements of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations.

- **Meetings**

During FY ended March 31, 2023, 7 (seven) meetings of the NRC were held on August 08, 2022, August 12, 2022, August 25, 2022, October 13, 2022, November 14, 2022, December 19, 2022 and February 22, 2023.

- **Attendance:**

Name of the Member	No. of Meetings attended
Mr. Anil Harish, Chairman	7
Mr. Sudhanshu Tripathi, Member	7
Ms. Bhumika Batra, Member	7

Mr. Anil Harish, Chairman of the Committee attended the last AGM of the Company held on September 28, 2022.

- **Performance Evaluation Criteria for Independent Directors**

The performance evaluation has been done by the entire Board of Directors, except the Director concerned being evaluated. The aspects evaluated are as follows:

(a) Role and Accountability

- Understanding the nature and role of Independent Directors' position.
- Understanding of risks associated with the business.
- Application of knowledge for rendering advice to management for resolution of business issues.
- Offer constructive challenge to management strategies and proposals.
- Active engagement with the management and attentiveness to progress of decisions taken.

(b) Objectivity

- Non-partisan appraisal of issues.
- Own recommendations given professionally without tending to majority or popular views.

(c) Leadership and Initiative

- Heading Board Sub-committees.
- Driving any function or identified initiative based on domain knowledge and experience.

(d) Personal Attributes

- Commitment to role and fiduciary responsibilities as a Board member.
- Attendance and active participation.

- **Remuneration Policy**

The NRC is responsible for formulating and making the necessary amendments to the "Remuneration Policy" for the Non-Executive Directors (NEDs), Chief Executive Officer (CEO), Key Managerial Personnel (KMP), Senior Management Personnel of the Company, from time to time, and the Policy is approved by the Board. The objective of the Remuneration Policy is to attract, motivate and retain qualified and expert individuals that the Company needs and to ensure that they perform effectively to achieve its strategic and operational objectives, whilst acknowledging the societal context around remuneration and recognizing the interests of the Company's stakeholders. The remuneration policy reflects a balance between the interests of the Company's stakeholders as well as between the Company's short-term and long-term strategy and is designed to balance short-term operational performance with the medium and long-term objective of creating sustainable value within the Company. The Remuneration Policy effective April 01, 2019, as approved by the NRC and the Board has been placed on the website of the Company at <https://hgs.cx/investors/corporate-policies/>

- **REMUNERATION OF DIRECTORS**

- **Remuneration by way of sitting fees**

The Non-Executive Directors were paid sitting fees, within the limits prescribed under the Act, for attending Meetings of the Board and the Committees of the Board held during FY ended March 31, 2023, as under:

(₹ in lakhs)

Name of Director	Sitting Fee
Mr. Ashok P. Hinduja	3.00
Mr. Yashodhan Madhusudan Kale [#]	20.00
Mr. Anil Harish	36.50
Mr. Sudhanshu Tripathi	26.50
Ms. Bhumika Batra	38.00
Dr. Ganesh Natarajan	29.50
Mr. Pradeep Udhas	7.50
Mr. Paul Abraham	7.50
Mr. Munesh Khanna	3.00
Total	171.50

Note: Includes Sitting fees amounting to ₹ 6 lakhs pertaining to FY 2022-23 (payable to Directors) was paid in FY 2023-24.

[#] Mr. Yashodhan Madhusudan Kale ceased to be the Director with effect from December 19, 2022.

• **Remuneration by way of Commission:**

The Non-Executive Directors are paid commission within the ceiling of 1% of the net profits of the Company as computed in the manner as specified under Section 198 of the Act in accordance with the approval granted by the Members at the 25th AGM held on September 30, 2020. Such commission is divided amongst the Non-Executive Directors as determined and approved by the NRC and the Board based on the parameters such as tenure as a Board member, attendance and participation in the Board meetings during the year, etc.

The amount of commission paid/ payable to the Directors is as under:

(₹ in lakhs)

Name of the Director	Commission paid for FY 2021-22	Commission payable for FY 2022-23
Mr. Ashok P. Hinduja	N.A.	4.15
Mr. Yashodhan Madhusudan Kale [#]	60	9.52
Mr. Anil Harish	60	15.27
Mr. Sudhanshu Tripathi	60	12.70
Ms. Bhumika Batra	60	15.92
Dr. Ganesh Natarajan	60	12.31
Mr. Pradeep Udhas	N.A.	5.30
Mr. Paul Abraham	N.A.	5.68
Mr. Munesh Khanna	N.A.	4.15
Total	300	85

#Mr. Yashodhan Madhusudhan Kale ceased to be the Director with effect from December 19, 2022

The aggregate amount of commission payable to Non-Executive Directors is within the ceiling of 1% of the net profits of the company as computed in the manner as specified under Section 198 of the Act.

➤ **Non-Executive Directors are not entitled for stock options under the existing ESOP Schemes of the Company.**

➤ **Remuneration to Mr. Partha DeSarkar and Mr. Vynsley Fernandes, Whole-time Directors**

(i) **Mr. Partha DeSarkar**

Remuneration to Whole-time Director is subject to the limits specified in Section 197 and Schedule V to the Act and in accordance with the terms of appointment and remuneration approved by the Members at the 24th AGM held on September 28, 2019, and through Postal Ballot on January 25, 2023:

Elements of Remuneration Package	Amount in ₹
Salary	1,81,75,384
Perquisites & Allowances	41,146
Commission	-
Bonus	-
Annual Performance Incentives	1,30,32,108
Severance fee	-
Stock Options granted	-
Other, please specify (Employer's contribution towards Provident Fund, Gratuity Fund and Superannuation Fund and Medical Insurance)	24,30,134
Total	3,36,78,772

Note:

- (i) Executive remuneration includes provision for variable remuneration. Annual performance incentive of ₹1,30,32,108 is payable in terms of the approval of the Nomination & Remuneration Committee and the Board of Directors of the Company.
- (ii) The above excludes the remuneration of ₹3.76 crores and one time incentive of ₹24.87 crores paid to Mr. Partha DeSarkar from HGS USA LLC, Subsidiary of the Company.
- (iii) Post approval of the NRC and the Board on August 12, 2022, Deferred Performance Incentive of ₹5.43 crores was paid out of amount accrued in earlier Financial Years.

(ii) **Mr. Vynsley Fernandes**

Mr. Vynsley Fernandes was inducted as Whole-time Director based on the recommendation of the Nomination and Remuneration Committee and approval of the Board for a period of 3 years with effect from November 14, 2022. Remuneration paid to him is subject to the limits specified in Section 197 and Schedule V to the Act and in accordance with the terms of appointment and remuneration approved by the Members through Postal Ballot on January 25, 2023.

Elements of remuneration package	Amount in ₹@
Salary	85,85,333
Perquisites & Allowances	14,850
Commission	-
Bonus	-
Annual Performance Incentive [#]	22,50,000
Severance fee	-
Stock Options granted	-
Other, please specify (Employer's contribution towards Provident Fund, Gratuity Fund and Superannuation Fund and Medical Insurance)	5,48,000
Total	1,13,98,183

@ Salary considered from the date of appointment i.e., November 14, 2022 to March 31, 2023.

Executive remuneration includes provision for variable remuneration. Annual performance incentive is payable in terms of the approval of the Nomination & Remuneration Committee and the Board of Directors of the Company.

• **Material pecuniary relationships or transactions with the Non-Executive Directors:**

During FY ended March 31, 2023, apart from the sitting fees and commission paid to the Non-Executive Directors, the Company did not have any material pecuniary relationships or transactions with Non-Executive Directors in their individual capacity. The transactions, if any, with the firms/entities where directors are interested are disclosed in notes to Financial Statements under Related Party Transactions.

6. STAKEHOLDERS RELATIONSHIP AND SHARE ALLOTMENT COMMITTEE

The Stakeholders' Grievance Committee is known by the name 'Stakeholders' Relationship and Share Allotment Committee ('SRSAC').

• **Composition**

During the year under review, there was change in the composition of the SRSAC and the revised composition of the Committee is as under:-

- Ms. Bhumika Batra, Independent Director – Chairperson
- Mr. Sudhanshu Tripathi, Non-Executive, Non-Independent Director – Member *
- Dr. Ganesh Natarajan, Independent Director - Member
- Mr. Partha DeSarkar, Whole-time Director – Member
- Mr. Paul Abraham, Non-Executive, Non Independent Director – Member (Inducted as a Member with effect from February 13, 2023)

*Mr. Sudhanshu Tripathi ceased to be a Member of SRSAC with effect from February 13, 2023.

The term of reference of the Committee are as follows:

- i. Resolving the grievances of the security holders of the listed entity including complaints related to demat, remat, transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- ii. Review of measures taken for effective exercise of voting rights by shareholders.
- iii. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

- iv. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

The composition of the SRSAC conforms with the requirements of Section 178 of the Act and Regulation 20 of the SEBI Listing Regulations. Mr. Narendra Singh, Company Secretary, acts as Compliance Officer. The changes that took place during the year under review were in compliance with the provisions of the Act and SEBI Listing Regulations. Further, the terms of reference of SRSAC includes the requirements as specified in the SEBI Listing Regulations/ the Act, from time to time.

During FY ended March 31, 2023, 21 complaints were received from the Investors/ Members and 2 complaints were pending as on March 31, 2022. All the 23 complaints were resolved during the year. Status of the complaints received, disposed off and pending on quarterly basis has been reported to the Board on a periodical basis along with matters relating to the 'Shares' of the Company.

During the year, one meeting of SRSAC was held on March 10, 2023.

7. RISK MANAGEMENT COMMITTEE

During the year under review, there was change in the composition of the Risk Management Committee and the revised composition of the Committee is as under:-

- Ms. Bhumika Batra, Independent Director - Chairperson
- Mr. Sudhanshu Tripathi, Non Executive, Non-Independent Director - Member
- Mr. Partha DeSarkar, Whole-time Director – Member
- Mr. Pradeep Udhas, Independent Director – Member (Inducted as a member with effect from February 13, 2023)

The terms of reference of this Committee are as follows:

- (1) To formulate a detailed risk management policy which shall include:
 - (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
 - (c) Business continuity plan.

- (2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- (3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- (4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (5) To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- (6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

The RMC shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board. Further, the terms of reference of RMC includes the requirements as specified in the SEBI Listing Regulations/ the Act, from time to time.

- **Meetings**

During FY ended March 31, 2023, 2 (two) meetings of the RMC were held on September 09, 2022 and March 02, 2023.

- **Attendance:**

Name of the Member	No. of Meetings attended
Ms. Bhumika Batra, Chairperson	2
Mr. Sudhanshu Tripathi, Member	2
Mr. Partha DeSarkar, Member	2
Mr. Pradeep Udhas, Member [#]	1

Inducted as member with effect from February 13, 2023.

8. COMMITTEE OF DIRECTORS

The composition of Committee of Directors ('COD') was as follows:

- Mr. Sudhanshu Tripathi, Non Executive, Non-Independent Director - Chairman
- Mr. Anil Harish, Independent Director - Member
- Ms. Bhumika Batra, Independent Director - Member
- Dr. Ganesh Natarajan, Independent Director - Member
- Mr. Partha DeSarkar, Whole-time Director - Member

The main objectives of the constituted COD was to review the progress of acquisition of digital, media and communication business undertaking of NXTDIGITAL Limited (Now known as NDL Ventures Ltd.) Other terms of reference of the COD are as under:-

- i. To review the plan of action prepared and presented by the Management and the Legal Expert to complete the acquisition of digital business of NDL with the Company in a time bound manner;
- ii. To review the valuation including share swap ratio of digital business before placing the same for approval of the Audit Committee and the Board;
- iii. Being a related party transaction, review a plan of action to seek shareholders' approval and Regulatory approvals including steps to be taken to obtain majority of minority approval;
- iv. To appoint external Consultants/ Advisors including Legal Advisors, whenever required;
- v. To review the draft Scheme of Arrangement and recommend to the Board for approval;
- vi. To review the draft applications to be filed with Stock Exchanges and other regulatory and statutory authorities seeking approval to the Scheme;
- vii. To authorize management to sign necessary applications, affidavits, applications, petitions and other related documents to be filed with NCLT for the scheme process;
- viii. To invite the management members including Technical/ Digital Function Head, if any, from time to time;
- ix. To discuss the overall synergies between the two businesses and how HGS will add value to NXT Digital and vice versa;
- x. Such matter as may be decided by the Committee and approved by the Board from time to time.

- **Meetings**

During FY ended March 31, 2023, 7 (seven) meetings of the COD were held on June 2, 2022, July 5, 2022, July 11, 2022, July 27, 2022, August 26, 2022, September 14, 2022, and November 12, 2022.

- **Attendance:**

Name of the Member	No. of Meetings attended
Mr. Sudhanshu Tripathi, Chairman	7
Mr. Anil Harish, Member	7

Name of the Member	No. of Meetings attended
Ms. Bhumika Batra, Member	6
Dr. Ganesh Natarajan, Member	6
Mr. Partha DeSarkar, Member	6

Post completion of terms of reference, the COD was wound up on December 19, 2022.

9. BUYBACK COMMITTEE

On December 19, 2022, the Board has constituted a Buyback Committee comprising of Mr. Anil Harish, Chairman, Mr. Sudhanshu Tripathi, Member and Ms. Bhumika Batra, Member of the Committee.

The terms of reference of the Committee, inter-alia, included approving and finalizing the terms of Buyback, entering into escrow arrangements, appointing and finalizing the terms of any intermediaries, opening, operation and closure of all necessary accounts including escrow bank account, special escrow bank account, depository accounts, trading account, making all necessary applications to the Appropriate Authorities for their requisite approvals including but not limited to approvals as may be required from the SEBI, executing and filing of various documents as may be necessary in connection with the Buyback on behalf of the Board with SEBI, the Stock Exchanges and other Appropriate Authorities, approving extinguishment of shares etc.

During the year, the Committee met 2 (two) times and all the Committee members attended both the meetings.

10. GENERAL BODY MEETINGS

- Details of location, date and time of holding the last three AGMs:

AGM	Date	Time	Venue
25 th	September 30, 2020	11.00 a.m.	Through Video Conferencing / Other Audio-visual means
26 th	September 23, 2021	11.00 a.m.	Through Video Conferencing / Other Audio-visual means
27 th	September 28, 2022	11.00 a.m.	Through Video Conferencing / Other Audio-visual means

- On September 02, 2022, Hon'ble NCLT convened meeting of the members was held to consider and approve the Scheme of Arrangement between NXTDIGITAL Limited and Hinduja Global Solutions Limited and their respective Shareholders. The resolution related to scheme was approved with overwhelming majority (i.e. Favour : 94.25%; Against : 5.74%)
- No extraordinary general meeting of the members was held during the FY 2022-23.
- One Special Resolution was passed by the Members at the previous AGM of the Company held on September 28, 2022; and Two Special Resolutions each were passed by the Members in the AGMs held on September 23, 2021 and September 30, 2020, respectively.
- Three Special Resolutions were passed during the year ended March 31, 2023 through postal ballot notice dated December 26, 2022.

The Board of Directors had appointed Ms. Amrita D. C. Nautiyal, Practicing Company Secretary, Mumbai, (Membership No.: FCS 5079 and C. P. No. 7989) of M/s. Amrita Nautiyal & Associates as Scrutinizer (the 'Scrutinizer') for conducting the Postal Ballot through e-voting process in a fair and transparent manner.

Details of Voting Pattern of Resolutions passed through Postal Ballot on January 25, 2023 were as under:-

i. Approval for Buyback of Equity Shares through tender offer route (Special Resolution)

Particulars	No. of Ballots cast through remote e-voting (A)	No. of votes cast through remote e-voting (B)	No. of Invalid Ballots (C)	No. of Invalid votes (D)	Total valid Ballots (A-C)	Total valid votes cast (B-D)	Percentage of total valid votes cast (%)
Votes cast in favor of the resolution	391	3,09,56,582	-	-	391	3,09,56,582	99.9990
Votes cast against the resolution	11	319	-	-	11	319	0.0010
Total	402	3,09,56,901	-	-	402	3,09,56,901	100

Number of votes abstained/less voted: 1

ii. **Appointment of Mr. Ashok P. Hinduja (DIN: 00123180) as a Non-Executive Director (Chairman) (Ordinary Resolution)**

Particulars	No. of Ballots cast through remote e-voting (A)	No. of votes cast through remote e-voting (B)	No. of Invalid Ballots (C)	No. of Invalid votes (D)	Total valid Ballots (A-C)	Total valid votes cast (B-D)	Percentage of total valid votes cast (%)
Votes cast in favor of the resolution	347	3,04,58,174	-	-	347	3,04,58,174	98.3901
Votes cast against the resolution	49	4,98,369	-	-	49	4,98,369	1.6099
Total	396	3,09,56,543	-	-	396	3,09,56,543	100.0000

Number of votes abstained/less voted: 359

iii. **Appointment of Mr. Munesh Khanna (DIN: 00202521) as an Independent Director (Special Resolution)**

Particulars	No. of Ballots cast through remote e-voting (A)	No. of votes cast through remote e-voting (B)	No. of Invalid Ballots (C)	No. of Invalid votes (D)	Total valid Ballots (A-C)	Total valid votes cast (B-D)	Percentage of total valid votes cast (%)
Votes cast in favor of the resolution	375	3,09,43,303	-	-	375	3,09,43,303	99.9572
Votes cast against the resolution	21	13,239	-	-	21	13,239	0.0428
Total	396	3,09,56,542	-	-	396	3,09,56,542	100.0000

Number of votes abstained/less voted: 360

iv. **Appointment of Mr. Vynsley Fernandes (DIN:02987818) as a Whole Time Director and fixation of remuneration (Ordinary Resolution)**

Particulars	No. of Ballots cast through remote e-voting (A)	No. of votes cast through remote e-voting (B)	No. of Invalid Ballots (C)	No. of Invalid votes (D)	Total valid Ballots (A-C)	Total valid votes cast (B-D)	Percentage of total valid votes cast (%)
Votes cast in favor of the resolution	348	3,05,63,178	-	-	348	3,05,63,178	98.7293
Votes cast against the resolution	49	3,93,362	-	-	49	3,93,362	1.2707
Total	397	3,09,56,540	-	-	397	3,09,56,540	100.0000

Number of votes abstained/less voted: 362

v. **Approval for Managerial Remuneration payable to Mr. Partha DeSarkar (DIN: 00761144), Whole Time Director (Special Resolution)**

Particulars	No. of Ballots cast through remote e-voting (A)	No. of votes cast through remote e-voting (B)	No. of Invalid Ballots (C)	No. of Invalid votes (D)	Total valid Ballots (A-C)	Total valid votes cast (B-D)	Percentage of total valid votes cast (%)
Votes cast in favor of the resolution	334	3,00,47,802	-	-	334	3,00,47,802	97.0650
Votes cast against the resolution	59	9,08,565	-	-	59	9,08,565	2.9350
Total	393	3,09,56,367	-	-	393	3,09,56,367	100.0000

Number of votes abstained/less voted: 535

All the above resolutions were passed with requisite majority.

- At present, there is no immediate proposal for any Special Resolution to be conducted through Postal Ballot.
- Postal Ballot, whenever conducted, will be carried out as per the procedure stipulated in Rule 22 of the Companies (Management and Administration) Rules, 2014 including any amendment thereof.

11. DISCLOSURES

- A. Transactions entered into with the Related parties, as defined under the Act and Regulation 23 of the SEBI Listing Regulations during FY ended March 31, 2023, were 'in the ordinary course of business' and on 'arm's length basis and do not attract provisions of Section 188 of the Act. There were no material significant related party transactions during the year ended March 31, 2023 that may have a potential conflict with the interests of the Company at large. Related party transactions have been disclosed in Note 43 to the standalone financial statements and in Note 45 to the consolidated financial statements. The Company has in place a policy on dealing with Related Party Transactions and on Materiality of Related Party Transactions which is available on the website of the Company at <https://hgs.cx/investors/corporate-policies/>

Scheme of Arrangement to merge digital media business with the Company was Related Party Transaction and Promoters have abstained from voting in the Resolution.

- B. There have been no instances of non-compliance by your Company on any matter related to the capital markets, nor has any penalty/stricture been imposed on your Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to capital markets during the last three years.
- C. Your Company has a Whistle Blower Policy and Vigil Mechanism for Directors and employees, *inter-alia*, to report unethical conduct. No personnel have been denied access to the Ombudsman or Chairman of the Audit Committee of your Company to report any matter of substance. Quarterly Report on Whistle Blower Policy and Vigil Mechanism is placed before the meetings of the Audit Committee and the Board. There was one complaint which was in process of closure as on March 31, 2022, has been closed during FY 2022-23. No complaint was received under the Policy during the year ended March 31, 2023. The said policy is available on the website of the Company at <https://hgs.cx/investors/corporate-policies/>
- D. Your Company has complied with all the mandatory requirements of Corporate Governance as stipulated under the SEBI Listing Regulations.

- E. The details of 'Loans and advances' by the Company and its subsidiaries have been disclosed in Note 12 to the standalone financial statements and in Note 13 to the consolidated financial statements.

Adoption / Non-Adoption of the non-mandatory requirements of Schedule II of the SEBI Listing Regulations:

The discretionary requirements as stipulated in part E of Schedule II of the SEBI Listing Regulations have been adopted to the extent and in the manner stated as under:

- The Board: The Non-Executive, Non-Independent Chairman does not have a separate office.
 - Shareholder Rights: Your Company publishes its quarterly unaudited and yearly audited financial results in the newspapers and also displays it on its website at <https://hgs.cx/investors/>.
 - Opinion(s) in Audit Report: Audit Reports (Standalone and Consolidated Financial Statements) for FY ended March 31, 2023 are unmodified/ unqualified. Your Company continues to adopt best practices to ensure a regime of financial statements with unmodified audit opinion.
 - Separate posts of Chairman and the CEO: There is separate post of the Chairman and the CEO in the Company.
 - Reporting of Internal Auditor: Internal Auditor reports are placed before the Audit Committee.
- F. CEO/CFO Certification:
- A certificate from the CEO and the CFO in terms of Regulation 17(8) of the SEBI Listing Regulations was placed before the Board on May 26, 2023 to approve the financial statements for the year ended March 31, 2023.
- G. During the year ended March 31, 2023, the Company does not have any material listed Indian subsidiary company. The Company has a policy for determining 'material subsidiaries' which is available on the Company's website at <https://hgs.cx/investors/corporate-policies/>.
- H. Disclosure of commodity price risks and commodity hedging activities:
- Not applicable, since your Company is not in the business of commodity manufacturing/ trading.
- I. A Certificate has been received from Ms. Amrita D. C. Nautiyal, Practicing Company Secretary, Mumbai, (Membership No.: FCS 5079 and C. P. No. 7989) of M/s. Amrita Nautiyal & Associates that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of Companies, by the Securities Exchange Board of India and Ministry of Corporate Affairs

or any such Statutory Authorities. A copy of the certificate is Annexed.

- J. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

a)	number of complaints pending as on March 31, 2022	Nil
b)	number of complaints received during the year	Nil
c)	number of complaints disposed of during the year	Nil
d)	number of complaints withdrawn during the year	Nil
e)	number of complaints pending as on March 31, 2023	Nil

- K. The Company has complied with all the Corporate Governance requirements specified in Regulation 17 to Regulation 27 and Clause (b) to (i) of Regulation 46(2) of the SEBI Listing Regulations for FY ended March 31, 2023.

During the year under review, your Company has not raised fund through preferential allotment or qualified institutional placement as specified under Regulation 32 (7A) of SEBI Listing Regulations.

12. MEANS OF COMMUNICATION

The Company announces its financial results in a timely manner and submits it to the Stock Exchanges. The quarterly, half-yearly and annual results are published in leading newspapers (Business Standard and Sakal). The results are simultaneously displayed on the Company's website at <https://hgs.cx/investors/newspaper-publications/>.

Once quarterly results are announced, the Company organizes Earning calls with the analyst community and brief about results and performance of the Company and respond to their queries. The Transcripts along with Audio recordings of these calls are intimated to Stock Exchanges and also posted on the Company's website.

In terms of the applicable requirement, the Annual Report and other requisite documents are sent to the Shareholders. The website is updated regularly with the official news releases, presentations made to Institutional Investors / Analysts and disclosures as required from time to time.

Report on Management Discussion and Analysis is given as an **Annexure 'D'** to the Directors' Report.

13. GENERAL SHAREHOLDER INFORMATION

Sr. No.	Subject	Date
1	Next Annual General Meeting (28th AGM)	
	Date	Wednesday, September 27, 2023
	Time	4.00 p.m. IST
	Venue	The Company is conducting AGM through VC / OAVM pursuant to the MCA Circular dated December 28, 2022 and SEBI Circular dated January 5, 2023, and as such there is no requirement to have a venue for AGM. For details, please refer to Notice of this AGM.
	Financial Year	April 01 to March 31
2	Financial Calendar for 2023-24 (Tentative)	
	Unaudited results for the quarter ended June 30, 2023	On August 09, 2023
	Unaudited results for the quarter / half year ending September 30, 2023	On or before November 14, 2023
	Unaudited results for the quarter/ nine months ending December 31, 2023	On or before February 14, 2024
	Audited results for the year ending March 31, 2024	On or before May 30, 2024
3	Book Closure Date	Thursday, September 14, 2023 to Wednesday, September 20, 2023 (both days inclusive)
4	Final Dividend payment date for FY 2022-2023, if approved at the 28th AGM	On or before October 26, 2023
5	Listing of Equity Shares	BSE Limited (BSE) P.J. Towers, Dalal Street, Mumbai - 400 001 National Stock Exchange of India Limited (NSE) Exchange Plaza, G. Block, Bandra - Kurla Complex, Mumbai - 400 051
6	Stock Code	BSE: 532859 NSE: HGS
7	ISIN	INE170I01016
8	CIN	L92199MH1995PLC084610

Note: Annual Listing fee for FY 2022-23 has been paid to BSE and NSE.

14. SHARES RELATED INFORMATION

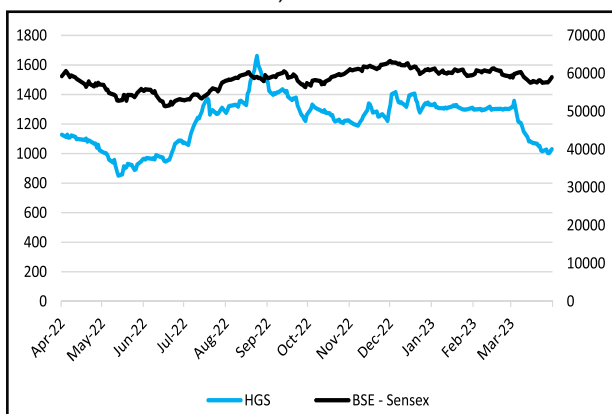
• STOCK MARKET DATA

HGS Share Price - Monthly High & Low FY 2022-23

Month	BSE		NSE	
	Month's High (₹)	Month's Low (₹)	Month's High (₹)	Month's Low (₹)
Apr-22	1,151.00	1,020.00	1,151.00	1,020.10
May-22	1,029.00	847.00	1,023.55	846.00
Jun-22	1,103.35	910.00	1,103.00	910.20
Jul-22	1,392.90	1,050.00	1,393.00	1,049.00
Aug-22	1,698.15	1,270.05	1,698.60	1,270.55
Sep-22	1,526.30	1,205.05	1,527.40	1,206.60
Oct-22	1,375.00	1,203.95	1,447.00	1,200.25
Nov-22	1,368.00	1,180.00	1,377.50	1,180.00
Dec-22	1,479.20	1,270.00	1,480.00	1,270.75
Jan-23	1,348.00	1,278.55	1,347.95	1,280.05
Feb-23	1,323.95	1,269.25	1,323.00	1,281.20
Mar-23	1,367.50	994.55	1,367.40	994.10

• SHARE PRICE MOVEMENT (BSE)

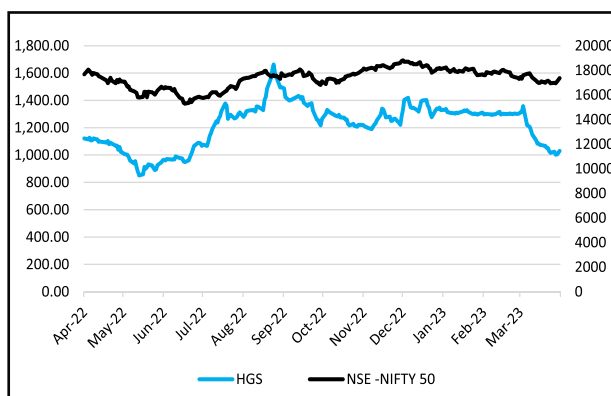
Your Company's closing share price movement on the BSE relative to BSE Sensex closing prices (April 2022 to March 2023)



• SHARE PRICE MOVEMENT (NSE)

Your Company's closing share price movement on the NSE relative to NSE Nifty closing prices (April, 2022 to March, 2023)

The securities of the Company have never been suspended from trading.



• REGISTRAR AND SHARE TRANSFER AGENT ('R&T Agent')

Members are requested to communicate with the R&T Agent at the following address:

KFin Technologies Limited (formerly known as KFin Technologies Private Limited)
Selenium Building, Tower B, Plot 31 & 32,
Financial District, Nanakramguda,
Serilingampally Mandalm, Hyderabad - 500 032
Toll Free No.: 1-800-309-4001
E-Mail: einward.ris@kfintech.com
CIN: L72400TG2017PTC117649
Website: <https://www.kfintech.com> and / or <https://ris.kfintech.com/>

• SHARE TRANSFER SYSTEM

Your Company's equity shares are compulsorily traded in dematerialized form. As on March 31, 2023, 5,24,51,403 equity shares, i.e. about 99.87% of your Company's equity shares are in dematerialized form.

During FY ended March 31, 2023, no proposals for transfer of equity shares were received or approved by the "Share Transfer Committee"; and no proposal was pending approval at the year end.

In terms of the SEBI Listing Regulations, securities of the Company can only be transferred in dematerialized form. Further, SEBI vide its Circular No. SEBI/HO/MIRSD_RTAMB/P/ CIR/2022/8 dated January 24, 2022, mandated all the listed companies to issue securities in dematerialised form only, while processes the service request for issue of duplicate securities certificates, renewal/ exchange of securities certificate, claim from Unclaimed Suspense Account, endorsement, sub-division/ splitting of securities certificate, consolidation of folios, transmission and transposition.

Therefore, shareholders are requested to take prompt action for dematerialization of equity shares of the Company.

• COMMON AND SIMPLIFIED NORMS FOR UPDATION OF PAN AND KYC DETAILS

Pursuant to the recent SEBI Circular no. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated

March 16, 2023, SEBI had clarified that the folios wherein PAN, KYC details and Nomination by holders of physical securities are not available on or after October 01, 2023, shall be frozen by the RTA. Such frozen folios shall be referred to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002, if they continue to remain frozen as on December 31, 2025.

In view of the above, shareholders holding shares in physical form are therefore requested to provide following Forms for updation of their signatures, PAN, Nomination as the case may be. The said Forms can be downloaded from the website of the Company www.hgs.cx under Investor section:

(i)	Form ISR-1	PAN and KYC details
(ii)	Form ISR-2	Updation of signature
(iii)	Form ISR-3	Declaration for opting out of Nomination
(iv)	Form SH-13	Nomination Form
(v)	Form SH-14	Cancellation / variation of Nomination

In accordance with the above SEBI circulars, the Company had last year sent communication along with the said forms to all the shareholders holding shares in physical form requesting for updating their KYC details. Further, the Company had, sent a reminder on May 30, 2023 along with the aforesaid forms to the Shareholders who have not yet updated their KYC details.

Shareholding Pattern as on March 31, 2023:

Particulars	No. of equity shares held	% of shareholding
Promoter and Promoter Group		
a) Domestic	2,84,42,379	54.16
b) Overseas Corporate Body	65,29,371	12.43
FII's	65,08,707	12.39
NRIs/ OCBs/ Non-Domestic Companies	2,80,076	0.53
Mutual Funds, Banks, Financial Institutions, Insurance Companies, Central Government, NBFCs	1,57,926	0.30
Corporate Bodies	24,12,597	4.59
Individuals/ Others	81,64,552	15.55
Investor Education and Protection Fund (IEPF)*	24,677	0.05
Total	5,25,20,285	100.00

*Represents shares transferred to IEPF in respect of which dividend was not claimed for seven consecutive years.

Distribution Schedule of shareholding as on March 31, 2023:

Sl. No	Category (Shares)	No. of Shareholders	% to Holders	No. of Shares	% to Equity
1	1 - 500	1,25,542	98.57	33,94,452	6.46
2	501 - 1000	871	0.68	6,44,823	1.23
3	1001 - 2000	457	0.36	6,70,460	1.28
4	2001 - 3000	164	0.13	4,06,208	0.77
5	3001 - 4000	77	0.06	2,73,219	0.52
6	4001 - 5000	41	0.03	1,86,101	0.35
7	5001 - 10000	93	0.07	6,85,705	1.31
8	10001 & Above	119	0.09	4,62,59,317	88.08
	Total	1,27,364	100	5,25,20,285	100

The Company has not issued any ADRs/ GDRs/ Warrants or any convertible instruments in the past. Hence, as on March 31, 2023, there are no outstanding ADRs/ GDRs/ Warrants or any convertible instruments.

A Practicing Company Secretary carries out Share Capital Audit on a quarterly basis to reconcile the total admitted equity share capital with the National Securities Depository Limited ('NSDL') and the Central Depository Services (India) Limited ('CDSL') and the total issued and listed equity share capital. All the audit reports issued in respect of FY ended March 31, 2023 confirm that the total issued/ paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

Plant Locations: Not applicable, since the Company is in the Service Sector.

• Transfer of unclaimed dividend

Pursuant to Sections 124 and 125 of the Act and other applicable provisions, as amended, unclaimed dividend for interim dividend FY 2015-16, Final dividend 2014-15, 2nd interim dividend and 3rd interim dividend for FY 2015-16 remained as such for a period of seven years from the date of transfer to the Unpaid Dividend Account of the Company were transferred to the IEPF:

Unclaimed Dividend for	No. of Shareholders	Amount (₹)	Date of Transfer to IEPF
FY 2015-16 (1 st Interim)	393	1,23,405	October 04, 2022
FY 2014-15 (Final)	399	1,17,660	November 28, 2022
FY 2015-16 (2 nd Interim)	411	1,30,485	January 04, 2023
FY 2015-16 (3 rd Interim)	512	1,10,817	May 19, 2023
Total		4,82,367	

Interim Dividend for FY 2016-17 remaining unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account of the Company will be transferred in the month of September 2023 to the IEPF. Members are requested to claim the same at the earliest to avoid transfer of the same to IEPF. Periodic communications were sent to the Members for claiming/ encashment of dividend before the same is transferred to the IEPF.

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on March 31, 2023 on the website of the Company at <https://hgs.cx/investors/>, and also on the website of the Ministry of Corporate Affairs www.mca.gov.in.

- Transfer of equity shares:**

Pursuant to section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, shares, in respect of which dividend has not been encashed or claimed for a period of seven consecutive years, are required to be transferred by the Company in the name of the IEPF in accordance with the aforesaid Rules.

During FY 2022-23, 5229 equity shares, in respect of which dividend had not been claimed for a period of seven consecutive years, were transferred to IEPF as under:

Description	No. of shareholders	No. of shares transferred to IEPF	Date of transfer to IEPF
FY 2015-16 (1 st Interim)	4	2,770	October 28, 2022
FY 2014-15 (Final)	3	64	December 27, 2022
FY 2015-16 (2 nd Interim)	1	100	February 08, 2023
FY 2015-16 (3 rd Interim)	8	2,295	June 06, 2023
Total	16	5,229	

The details of shares so transferred are placed on the website of the Company at <https://hgs.cx/investors/>. Any claimant of such shares shall be entitled to claim the transferred shares from IEPF in accordance with the procedure laid down in the aforesaid Rules.

Shares in respect of which 1st interim dividend for FY 2016-17 remains unclaimed/ unpaid for a period of seven consecutive years, will be transferred to the IEPF in the month of September, 2023. Relevant communication for encashment of unclaimed dividend and transfer of shares to IEPF are sent to the concerned Members and Notices has been published in Newspapers.

15. OTHER INFORMATION

- Credit rating of the Company:**

The Company has a long- term rating of CRISIL A+/ Stable and short-term rating of CRISIL A1+

- Total fees paid by the Company and its subsidiaries, for all services on a consolidated basis, to the Statutory Auditor and all entities in the network firm/network entity of which the Statutory Auditor is a part is given below:**

(₹ in Lakhs)

Payment to Statutory Auditors	FY 2022-23
Audit Fees including Quarterly fees	365.06
Tax Audit Fees	-
Other Services	51.23
Total	416.29

Note: Reimbursements of expenses of ₹ 7.85 lakhs were at actuals.

- Foreign Exchange Risk and Hedging Activities:**

- The Group operates internationally and is exposed to foreign exchange risk arising from foreign currency fluctuations, primarily with respect to USD, GBP, CAD, JMD, PHP, AUD and COP. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities denominated in a currency that is not the functional currency. The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of the hedges is to minimize the volatility of the functional currency cash flows of highly probable forecast transactions.
- The Company's risk management policy is to hedge up to 75% of forecasted foreign currency inflows for each financial year. The policy is 75% for 1st year, 40% for 2nd year and 20% for 3rd year. As per the risk management policy, foreign exchange forward contracts are taken to hedge up to 75% of the forecasted sales/ transactions.
- The Company has the policy of hedging upto 100% as regard to the Foreign currency payables in each financial year. Payables are primarily related to the Media business and the same are in US Dollars.
- The Group's risk management is carried out by the finance department under direction of the Board of Directors. The Group's finance department identifies, evaluates and hedges financial risks in close cooperation with the Group's operating units. The Board provides direction for overall risk management as well as policies covering specific areas, such as foreign exchange risk, credit risk, use of derivative financial instruments and managing the liquidity.

- In accordance with its risk management policies and procedures, the Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to highly probable forecasted transactions. When derivative is entered into for the purpose of being a hedge, the company negotiates the terms of those derivatives to match the terms of the hedged exposure and assesses the effectiveness of the hedged item and hedging relationship based on economic relationship. The group's hedging policy only allows for effective hedge relationships to be established. 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. The group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item. Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged, and the type of hedge relationship designated. The group designates their derivatives as hedges of foreign exchange risk associated with the cash flows of highly probable forecast transactions and variable interest rate risk associated with borrowings (cash flow hedges).
- The group documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The group documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss, within other gains/ (losses). 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 and deferred costs of hedging in equity at that time 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 profit or loss within other gains/(losses). 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.
- Effective December 31, 2021, the Financial Conduct Authority of UK (FCA) has mandated cessation of publication and utilisation of LIBOR by Banks and Financial Institutions. (Overnight and 12-month U.S. Dollar LIBOR settings publication would cease after June 30, 2023). Regulators globally have signaled those institutions should transition away from the Interbank Offered Rate (IBOR) to alternative overnight risk-free rates (RFR) (ex-SONIA, SOFR, etc.).
- As at March 31, 2023, the Company has Working Capital Loan of ₹ 1,700 million and Term Loan of ₹ 1,370 million.

16. ADDRESS FOR CORRESPONDENCE WITH THE COMPANY

Queries relating to operational and financial performance of your Company may be addressed to:

Mr. Srinivas Palakodeti, Chief Financial Officer:
Address: 1st Floor, Gold Hill Square Software Park, No. 690, Bommanahalli, Hosur Road, Bangalore - 560 068.
Tel: (+91 80) 4643 1000

Members may address queries relating to shares and related matters to:

Mr. Narendra Singh, Company Secretary:
Address: Hinduja House, 171, Dr. Annie Besant Road, Worli Mumbai – 400 018
Tel: (+91 22) 6136 0407
Email: investor.relations@teamhgs.com

OR to the R&T Agent of the Company, i.e. KFin Technologies Limited

KFin Technologies Limited (formerly known as KFin Technologies Private Limited)

Selenium Building, Tower B, Plot 31 & 32,
Financial District, Nanakramguda,
Serilingampally Mandalm, Hyderabad - 500 032
Toll Free No.: 1-800-309-4001
E-Mail: einward.ris@kfintech.com

As a support to 'Green Revolution' (saving of paper), Members are requested to register their email address with the Company's RTA at einward.ris@kfintech.com to enable the Company to send notices, documents, communications, Annual Reports, etc. through email and also advice any changes in their email address from time to time to the Company's RTA.

For and on behalf of the Board of Directors

Ashok P. Hinduja
Chairman
DIN: 00123180

Place : Dubai
Date : August 9, 2023

[This report is to be read with "Practicing Company Secretary's Certificate on Corporate Governance" and "Certificate of non-disqualification of directors", which are annexed hereunder and forms an integral part of this report.]

**CERTIFICATE ON COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS
UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

**The Members,
Hinduja Global Solutions Limited
Hinduja House, 171, Dr. Annie Besant Road,
Worli, Mumbai - 400 018.**

We have examined all relevant records of Hinduja Global Solutions Limited (hereinafter referred to as “the Company”) for the purpose of certifying compliance of the disclosure requirements and Corporate Governance norms as specified for the Listed Companies under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Schedule V of Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the financial year ended 31st March, 2023. We have obtained all the information and explanations to the best of our knowledge and belief, which were necessary for the purpose of this certification.

We state that the compliance of conditions of Corporate Governance is the responsibility of the management, and our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as specified for a Listed Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Mumbai
Date : August 9, 2023

**For Amrita Nautiyal & Associates
RP. No: 1332 / 2021**

**CS Amrita Nautiyal
Proprietor
FCS No: 5079 / C P No: 7989
UDIN:F005079E000767808**

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)****The Members,****Hinduja Global Solutions Limited****Hinduja House, 171, Dr. Annie Besant Road,
Worli, Mumbai - 400 018.**

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Hinduja Global Solutions Limited having CIN L92199MH1995PLC084610 and registered office at Hinduja House, 171, Dr. Annie Besant Road, Worli, Mumbai - 400018. (hereinafter referred to as "the Company"), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number ("DIN") status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below, for the financial year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or by any other statutory regulatory authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company (DD/MM/YYYY)
1	Mr. Ashok P. Hinduja	00123180	19/12/2022
2	Mr. Anil Harish	00001685	29/09/2015
3	Mr. Sudhanshu Kumar Tripathi	06431686	30/09/2019
4	Ms. Bhumika Batra	03502004	04/09/2019
5	Dr. Ganesh Natarajan	00176393	30/09/2019
6	Mr. Paul Abraham	01627449	25/08/2022
7	Mr. Pradeep Udhas	02207112	25/08/2022
8	Mr. Munesh Narinder Khanna	00202521	19/12/2022
9	Mr. Partha DeSarkar	00761144	04/09/2019
10	Mr. Vynsley Fernandes	02987818	14/11/2022
11	Mr. Yashodhan Madhusudhan Kale ¹	00013782	21/09/2016

¹.Resigned with effect from 19th December 2022.

Ensuring the eligibility of every Director for appointment / continuity on the Board is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these based on our verification. We further state that this certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management of the Company has conducted the affairs of the Company.

**For Amrita Nautiyal & Associates
PR. No: 1332/2021**

**CS Amrita Nautiyal
Proprietor
FCS No: 5079 / C P No: 7989
UDIN: F005079E000767742**

**Place: Mumbai
Date: August 9, 2023**

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Overview

The financial statements and the associated notes to accounts for the financial year 2022–23 ('FY 2023') have been prepared in compliance and the requirements of the Companies Act, 2013 ('the Act'), and other related and associated guidelines issued by the Securities and Exchange Board of India ('SEBI'), along with the generally accepted accounting norms, under Indian Accounting Standards (Ind-AS) reporting format, and co-opting all the amendments and revisions from time to time. HGS management accepts responsibility for the integrity and objectivity of these financial statements as well as for the various other estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, so that the financial statements reflect truly and fairly capture the form and substance of the transactions and reasonably present your Company's state of affairs, profits and cash flows of the year.

Macroeconomic Trends

In FY 2023, global recovery, post the pandemic, was hindered by geopolitical headwinds, rising inflation following the Russia-Ukraine dispute and COVID resurgence in China. This impacted commodity, food and energy prices, disrupting global growth. While Central Banks raced to control inflation and sustain growth, stronger-than-expected domestic consumption and pent-up demand supported GDP despite recession fears. High-interest rates remained a concern for investment even as easing commodity prices and paused tightening policy have aided Emerging Asia, Middle East, and Central America.

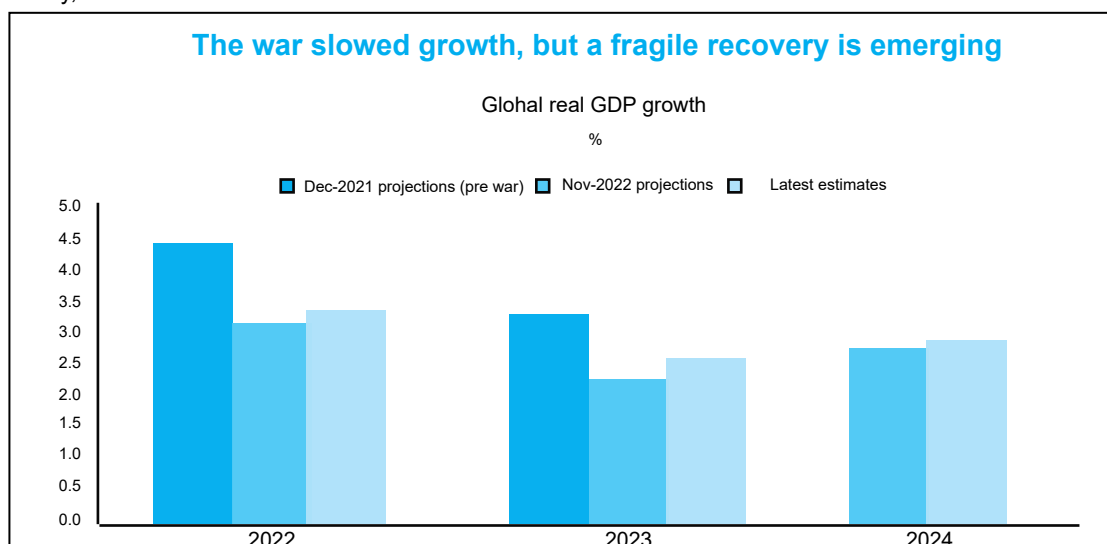
The International Monetary Fund's ('IMF') latest World Economic Outlook published in April 2023 has projected global GDP growth of 2.8% and 3% in 2023 and 2024, respectively, down from 3.4% in 2022.

Other multilateral agencies like Organisation for Economic Co-operation and Development ('OECD') and United Nations (UN) too have projected lower GDP growth for 2023, following inflationary pressures felt by the global economy and the overhang of the banking crisis in the US. OECD has projected global growth of 2.7% for 2023 while the UN has projected growth of 2.3%. The World Bank seems to be most bearish on global growth as their June 2023 update projects global growth at only 2.1% for 2023. The report states that tight global financial conditions and subdued external demand are expected to weigh on growth across emerging markets and developing economies.

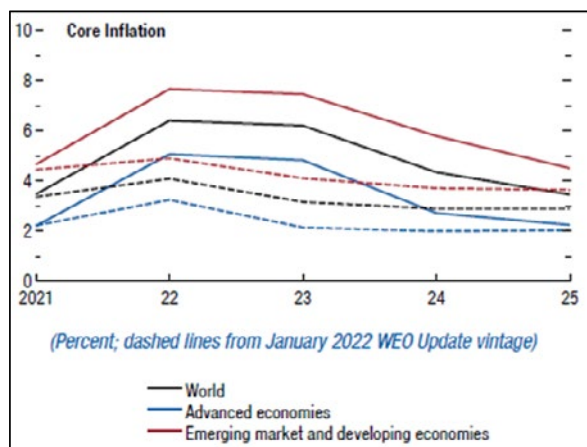
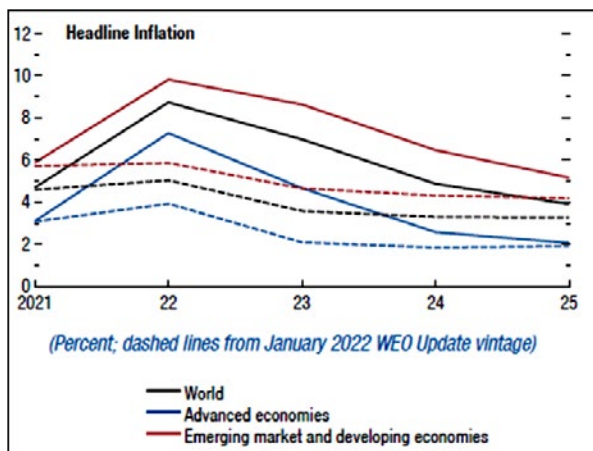
Inflation still a dent in Growth

The disruption created by higher commodity, food and energy prices towards the end of 2021-22 and the beginning of 2022-23 has been a major challenge for the world economies. Although the IMF expected peaking of inflation in the third quarter of 2022, the impact of it is likely to spill over to 2024 as many economies are still going through high-interest rate scenarios. Despite the reduction in headline inflation, IMF believes that the core inflation is still above pre-pandemic levels and this has led to central banks raising rates faster than expected. The US and Euro are two major regions that have been impacted the most by the steep rise in interest rates, resulting in demand cool-off, particularly in the housing sector.

The year 2023 is likely to be moderately different for the world economies in terms of inflationary pressures. If inflation was the focal point for central banks in 2022, the consequences of a high-interest rate scenario would remain the key agenda for most of the economies in 2023 since although there are apparent signs of inflation cooling, the decline is expected to be very gradual. Fuel inflation, after cooling off in the last quarter of 2022 and the first quarter of 2023, has resurfaced, causing



(Source : OECD Global Economic Outlook-March 2023)



(Source: World Economic Outlook, IMF – April 2023)

concern among Central Banks as oil producers that are part of OPEC, including Saudi Arabia, have slashed oil output by 1.16 million barrels per day, which is likely to lead to international crude oil price surge again. IMF has projected global inflation to fall to an average of 6.6% in 2023 from 8.8% in 2022.

Financial instability

The tighter monetary policy stance adopted too quickly by Central Banks has severely impacted the financial stability as regional banks in the US and Europe face liquidity challenges, leading to depositors opting for flight for safety. UBS' takeover of Credit Suisse, one of the biggest global financial services companies, reflected a loss of confidence in the banking system. Though the current financial instability differs broadly in terms of its spread and causes, the financial markets have become cautious about potential challenges. While the 2008 financial crisis was largely due to the housing market collapse, the current instability stems from unrealized portfolio losses turning bad and falling in value. According to Global Financial Stability Report published in April 2023 by IMF, emerging markets and other developing economies have shown strong resilience this time, thus containing the spread of further collapse in the banking system.

Economies where HGS operates

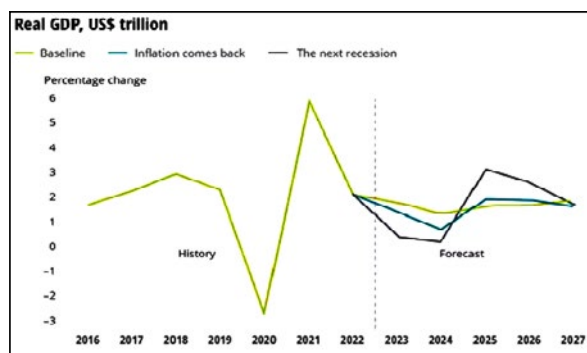
United States of America ('US')

Despite the banking crisis and high inflation, the United States (US) has emerged as one of the most resilient economies led by robust consumption growth. According to IMF, the US economy grew 2.7% in 2022 but the tight monetary policy and resultant financial turmoil would impact the country's growth rate in 2023 and 2024. For 2023, US GDP growth is expected at a muted 1.3% as the interest rates are expected to increase further.

The US Federal Reserve's Minutes of the Meeting in March 2023 stated that the data on inflation, unemployment and economic activity were stronger than expected. Though,

the US banking system is sound and resilient, the Fed believes that the recent data is likely to result in tighter monetary conditions for households and businesses and will impact economic activity as well as hiring. Tightening credit is a focus point for the Fed to ensure that inflation remains below 2% in the long run. KPMG, in its note of March 2023, said the housing recession is likely to deepen in the US as higher interest rates have dealt a huge blow to new constructions as new buyers deferred purchases. KPMG expects the Fed to continue to raise rates and keep monetary policy restrictive well into 2024.

Much of the US economy's strength and resilience lies in the post-pandemic consumer spending growth. Spending on durable consumer goods jumped by US \$136 billion in 2020 while spending on services fell by US \$473 billion over the same period. The robust consumer goods spending continued even in Q4 2022 with around 12% of spending accounted by durable goods, up from 10.5% in 2019. However, this is likely to reverse as durable goods spending is expected to fall over the next



(Source: US Fed Reserve Minutes of Meeting March 2023, Deloitte Insights and KPMG)

few years as households return to previous savings and spending patterns.

Canada

Canada shares recession concerns with the US, following inflationary pressures and fear of the banking crisis

spreading over to the economy. However, contrary to the situation in the US, inflation has cooled down a bit in the country, thereby giving the Central Bank a reason to pause the rate hike. IMF projects a GDP growth of 1.5% in 2023 compared to 3.4% in 2022. The Bank of Canada predicts inflation to fall to 3% by the mid of this year, after peaking at 8.1% in June 2022, and decrease more gradually to 2% by the end of 2024.

According to a recent Deloitte report, the higher interest rates have triggered the renewal of mortgages at higher rates, thereby putting pressure on household budgets. Owing to interest outgo for household owners, consumer spending is predicted to decline for the next two quarters before recovering gradually in the second half of 2023. Despite record-breaking profitability in 2022, business investment is expected to be pessimistic as investor confidence and higher borrowing costs have impacted many projects, delaying the execution and growth of infrastructure. However, easing supply chain challenges is likely to spur a recovery in exports even with the slowdown in overall global growth.

(Source: Deloitte Insights and World Economic Outlook-Apr 2023)

United Kingdom ('UK')

The United Kingdom is probably the most impacted economy due to the dispute between Russia and Ukraine. The invasion of Ukraine resulted in soaring gas prices taking the overall energy prices to around 50 years high. This severely affected commodity prices worldwide in general and the UK in particular. Though the energy prices have corrected by more than half from their peaks, they are still 50-60% higher than the pre-pandemic level. High energy prices and interest rates have already damaged the growth prospects of the UK economy as there is a projection of a mild recession and downturn in 2023. IMF projects 0.3% de-growth in the GDP of the UK in 2023.

The Office for Budget Responsibility ('OBR'), a non-departmental public body funded by the UK Treasury, has also projected a fall in growth for 2023 and 2024 with uncertainty surrounding the UK's future trading relationship with the EU, the pandemic, the energy crisis, and rises in the post-tax cost of capital, all weighing on investment decisions. OBR has also expected a cumulative fall of 5.7% over the two financial years 2022-23 and 2023-24 in Real Household Disposable Income ('RHDI') per person – a measure of real living standards. While this is 1.4 percentage points less than forecast in November 2022, it would still be the largest two-year fall since records began in 1956-57. The fall in RHDI per person mainly reflects the rise in the price of energy and other tradeable goods of which the UK is a net importer, resulting in inflation being above nominal wage growth.

Following the squeeze in real household incomes, consumption is expected to fall by 0.8% in 2023 and then grow by 1.7% on average over the rest of the forecast as real incomes recover. In a February 2023 update,

the United Nations commented that the prospects for the UK look bleak, given the sharp decline in household spending, fiscal pressures and supply-side challenges, partly resulting from Brexit.

(Source: World Economic Outlook-Apr 2023, Office of Budget Responsibility-UK and World Economic Situation and Prospects-UN-Feb 2023)

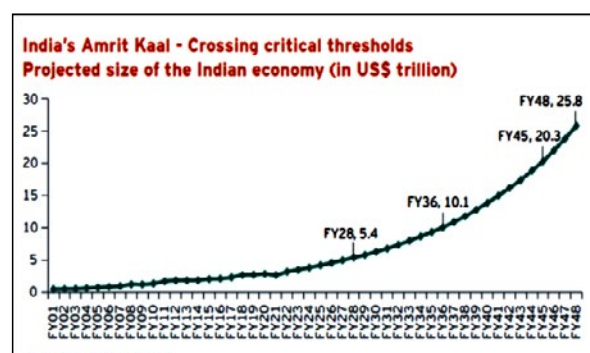
India

Almost all multilateral agencies and research think tanks have shown confidence in India's growth over the next two years. World Bank and Asian Development Bank (ADB) both have projected resilient and strong economic performance by the Indian economy, despite global headwinds and tight monetary conditions.

India's projection largely factors faster growth in investment, thanks to supportive government policies and sound macroeconomic fundamentals, lower non-performing loans in banks, and significant corporate deleveraging that will enhance bank lending, according to Asian Development Outlook in April 2023. Improving labour market conditions and consumer confidence will drive growth in private consumption. The central government's commitment to significantly increase capital expenditure in FY2023, despite targeting a lower fiscal deficit of 5.9% of GDP, will also spur demand. Helped by a recovery in tourism and other contact services, the services sector will grow strongly in FY2023 and FY2024 as the impact of COVID wanes.

The World Economic Outlook of IMF published in April 2023, projects India's GDP growth at 5.9% for FY2023, compared to 6.8% for FY2022. The reason behind the lower projection is the unabated geopolitical uncertainties and global slowdown, despite healthy domestic drivers.

Due to strong domestic consumption growth, private-sector spending is likely to increase as the balance sheet of India Inc. improved over the last couple of years. The banking sector too has witnessed a better asset quality cycle as corporate deleveraging picks up the pace, amidst a revival of the service sector. Despite being cautiously optimistic about growth for the next two years, there is a consensus on India becoming a 'developed' economy over the next two and half decades. Deemed as 'Amrit



(Source: World Economic Outlook-Apr 2023, Asian Development Outlook-Apr 2023, Deloitte Insights, EY-India @ 100)

Kaal' by Prime Minister Narendra Modi, India's success in the next 25 years is paramount to global growth as the country just overtook China in terms of population, becoming the largest contributor to the global workforce.

The Philippines

Riding on the same growth path as India, the Philippine economy is also expected to report moderation in GDP growth of 6% in 2023 and 5.8% in 2024, from 7.6% in 2022 according to IMF. Healthy domestic demand, revival in the services sector, recovery in employment and sustained expansion in manufacturing and retail trade will act as a cushion against global uncertainties for the Philippine economy.

One of the major positives for the country is a decline in the unemployment rate, which improved to 4.8% in January 2023 as against 6.4% in the same period a year ago, even lower than the pre-pandemic levels. However, Asian Development Bank has touched upon the challenges of climate change and risks to food security – the bottlenecks that need to be addressed for sustaining the growth trajectory.

(Source: World Economic Outlook-Apr 2023, Asian Development Bank Outlook-Apr 2023)

Jamaica

After going through a steep recession in 2020, the Jamaican economy has recovered well over the last two years, growing 4.6% in 2021 and 4% in 2022. However, tightening global financial conditions, higher commodity prices and new COVID outbreaks are likely to moderate the growth over the next two years. IMF projects a 2.2% GDP growth rate in 2023 and 2% in 2024 for the Jamaican economy.

Over the last few decades, the Jamaican economy was among the slowest growing economies in the world, primarily due to low productivity, frequent climate shocks, weak business environment and limited technological adoption. An improved fiscal disciplinary approach adopted by the Government a decade back helped the country in reducing Public Debt to GDP ratio by 50% over the last few years. This helped the country provide temporary assistance to vulnerable households and businesses to offset some income losses during the pandemic. Public debt is on a downward trajectory and the overall fiscal balance is in line with the medium-term fiscal framework.

The economy continues its strong recovery from COVID, and inflation is expected to converge to the Bank of Jamaica's target range by end-2023.

(Source: IMF Country Report-Jamaica-Mar 2023, World Bank-Jamaica Overview)

Colombia

Vigorous private consumption on the back of a strong employment recovery and consumer credit growth

boosted the Colombian economy to a strong 7.5% growth. But overheating of the economy has accelerated inflation while the high current account deficit is likely to repress consumption over the next two years. IMF projects Colombia's economy to grow at 1% in 2023 and 1.9% in 2024. The World Bank expects a better recovery in 2024, following the cooling off of interest rates and revival in external demand.

The Central Bank of Colombia is expected to continue raising policy rates by an additional 150 basis points until early next year and then maintain them unchanged until mid-2024. Improving fiscal outcomes will shore up confidence, after several years of large fiscal deficits. Consumption and investment is expected to pick up during 2024 when inflation declines more markedly and monetary policy starts to ease. Inflation will fall to the upper limit of the target band (4%) by the end of the projection horizon. Slower disinflation, or a stronger-than-expected rise in interest rates in advanced economies, would prompt the central bank to push interest rates higher and for longer. On the upside, higher oil prices would bring additional fiscal and export revenues.

(Source: OECD-Colombia Country Outlook-Nov 2022, World Economic Outlook-IMF-Apr 2023, The World Bank-Colombia Outlook-Mar 2023)

Australia

The Australian economy ended 2022 on a positive note with 3.7% GDP growth, albeit slightly lower than what most economists were predicting. Economic growth in the country known as the 'Land Down Under' is expected to remain subdued through 2023, led by softness in recent activity data, higher cost of living and domestic demand. According to the Reserve Bank of Australia (RBA), GDP growth is expected to slow to around 1.25% over 2023, with GDP per capita declining over the year, and potentially less than population growth in Australia. OECD is slightly more optimistic, predicting 1.8% growth.

Labor market challenges in Australia are expected to ease, though a rise in unemployment rate is predicted due to the subdued economic growth. Inflation, that is seen to have peaked in the December quarter of 2022, is expected to continue to reduce through the year as supply chain and commodity related cost pressures wane.

The uncertainty in domestic activity outlook has been led by the competing forces affecting household spending. According to RBA, household incomes have been supported by strong labour demand and higher population growth. But consumption growth has slowed down because higher inflation and rising interest rates have weighed on households' disposable incomes and household wealth has fallen along with housing prices over the past year. Another key factor affecting the world's 13th largest economy is the outlook for global growth, led by pace of disinflation and future path of monetary policy and economic growth in other countries.

(Source: RBA Statement on Monetary Policy – May 2023, KPMG Report – April 2023, OECD Australia Economic Outlook Note – June 2023)

Industry Overview – Information Technology ('IT') & Business Process Management ('BPM')

The 2020 pandemic brought a drastic change to the role technology played in our lives and how businesses operated, and led to accelerated growth in technology adoption. With the pandemic now fading, the IT/ BPM sector is shifting gears to return to a pre-pandemic growth trajectory amidst an ever-evolving macroeconomic situation. The digital transformation initiated by businesses during the pandemic has given rise to many new challenges such as cyber security, innovation and cultural setbacks.

Global IT spending remained almost flat at US\$4.39 trillion in 2022. A noticeable change in technology purchasing trends is becoming apparent, with a greater focus on upgrading software services to address cybersecurity risks and adopting flexible and resilient technology to combat growing disruptions such as geopolitical uncertainties, fluctuating commodity prices, skill shortages, the "Great Resignation", and potential economic downturns. Gartner has projected that global IT spending will reach US \$4.5 trillion in 2023, which is a 2.4% increase from the previous year. The decline in device spending caused by inflation has weakened consumer purchasing power. Nevertheless, enterprise IT spending is expected to remain robust.

India IT/ BPM Market

Over the last few years, Indian technology services have grown almost twice the pace of the global market. The country witnessed accelerated digital transformation across all industries during the two years of the pandemic, similar to a worldwide phenomenon. Nasscom predicted the industry to grow at 8.4% in FY2023 to \$245 billion from \$226 billion in FY2022. Exports, at \$194 billion, are expected to grow at 9.4% in reported currency terms and 11.4% in constant currency terms. BPM is undergoing a drastic transformation, growing at 8.7% in FY2023.

Over the last few decades, India has demonstrated its strength in the export of IT/ BPM services, with the share of the sector continuously rising in the overall services sector. With the talent pool availability and tremendous growth of the start-up ecosystem in the country over the last decade, India is well-positioned to leverage this strength and command good export opportunities from the world market. IT and BPM services comprise close to 60% of overall services exports, enabling a CAGR of 14% in dollar terms over the last two decades. For FY2024, Nasscom is cautiously optimistic as global spending on IT is expected to slow down, following recessionary fears in developed countries and other factors such as delayed decision-making as a result of economic uncertainty, employability gap in emerging tech roles, demand contraction and emerging tech regulations.

According to Nasscom's CXO Outlook Survey for 2023, enterprises are still prioritizing digital transformation as a

key strategy. However, due to the current macroeconomic situation, there is also a growing need for cost optimization and reduction. The main areas of focus for businesses are cybersecurity, cloud computing, artificial intelligence and analytics. These areas are now being integrated more closely to generate higher value. A significant theme that is expected to gain greater importance is the need to enhance talent quality. Companies are looking to strengthen their capabilities in specialized technology areas such as Cloud, AI/ML/NLP by providing reskilling and upskilling opportunities.

(Source: NASSCOM – Priming for a No-Normal Future, Gartner & Deloitte Reports)

The Customer Experience ('CX') Market

In recent years, customers and marketplaces have experienced significant changes, such as supply chain disruptions and changes in customer channel preferences. As a result, businesses have struggled to adapt and meet the evolving needs and expectations of their customers. To keep up with these disruptions, organizations have had to find new ways to engage their target customers through digital technology. From online car shopping to self-service options, digital has become a crucial aspect of the CX.

Digitalization and technology have significantly altered the customer expectations' ecosystem, further accelerated by the pandemic and economic headwinds. With the economic slowdown expected to drive critical decisions by businesses and the government, the need of the hour is to personalize the engagement through their preferred channels. In a world of rapid digital transformation and accelerated innovation, brands are under more pressure than ever before. Investing in the latest CX technology isn't just a way to gain a strategic advantage anymore; it's a mandatory part of retaining customer loyalty. With customers opting for omni-channels platforms, garnering loyalty is even more challenging as each channel requires separate messaging.

According to Gartner, conversational platforms are already being used by 70% of workers, and in 2023, we can expect to see more changes in the conversational AI space. Gartner predicts that by the end of 2024, 40% of enterprise applications will incorporate conversational AI in some way. Juniper Research indicates that chatbots will save businesses about \$11 billion in costs by 2023.

(Source: Gartner, Harvard Business Review and Media Reports)

Digital Media Services:

HGS' Digital Media business (including subsidiaries) is primarily in the business of digitally distributing content through digital cable and via satellite through the Headend-in-the-Sky (HITS) technology and providing wired broadband services.

Video

India is one of the fastest growing Media & Entertainment (M&E) markets in the world, led by increasing availability of fast and cheap internet, rising incomes and increasing purchases of relevant technology products and services. Apart from being a powerful influencer and content generator nationally and regionally, India's M&E sector has now started to make big strides globally – be it the entry and local production partnerships by leading international OTT players, Indian movies winning Oscars or becoming blockbusters overseas with huge releases, becoming VFX content hubs for Hollywood films, etc.

According to the annual Media and Entertainment report released by FICCI and consulting firm EY at the FICCI Frames event in May 2023, the overall Indian M&E sector grew by 19.9% to reach \$26.2 billion in 2022, 10% above its pre-pandemic 2019 levels. The report projects a healthy CAGR growth of 10% to touch \$35.4 billion by 2025.

Even while traditional media's share of the M&E industry's revenue decreased from 71% in 2019 to 58% in 2022, Television continued to remain the largest segment in 2022. Digital media services are gaining popularity due to the pandemic-induced surge in consumption of online content, including over-the-top (OTT) platforms, high-end gaming and streaming online videos (SVoD). Even amongst advertising, digital media has seen a significant increase in advertising revenue, primarily driven by Gen Zs and Millennials.

With respect to Television, in a country with 300 million plus households, about 1/3rd of these homes are still without a television set, which provides a huge opportunity for growth for the broadcasting industry and for NXTDIGITAL; HGS' digital content distribution division. And with Broadband over Satellite gaining more interest, key players can provide innovative services that can reach remote locations too.

Consultancy firm PwC in its "Global Entertainment & Media Outlook 2023-2027" report states that there is huge long-term potential for the OTT and connected TV (CTV) market in India, courtesy the size and diversity of the country's population. OTT video will continue to grow led by regional play and can get a further boost if 5G and broadband infrastructure improves. Already India is way ahead in the OTT segment with a CAGR of 14.32% compared to the global growth rate of 8.4%.

The streaming segment is growing most rapidly in emerging pockets in India, where the combination of a large historically underserved rural population and strong demand for local and sports content present major opportunities. With the nationwide rollout of 5G capability estimated to be complete by the end of 2024 and smartphone ownership in India set to grow to 888 million by 2027, which is 62.52% of India's population, there is a huge opportunity in India's mobile-first market. The

main challenge for this market is India's low broadband penetration, at just 10.8% in 2022. Investment in improved broadband wired infrastructure especially, can unlock a vast market for streaming players.

(Source: Annual Media and Entertainment report released by FICCI and EY - May 2023, PwC Global M&E Outlook 2023-27, Media Reports)

Broadband:

Led by reformist policies of the Government of India, strong consumer demand and competitive prices, especially in the last decade, India is today the world's second-largest telecommunications market with an overall subscriber base of 1.17 billion as of March 2023 (includes telecom and broadband).

More than 800 million Indians became internet users over the last decade or so, and another 200 million more are expected to come online over the next six years (2028). India is also one of the biggest consumers of data worldwide. As per TRAI, average wireless data usage per wireless data subscriber was 16.40 GB per month in June 2022, up from 61.66 MB in March 2014.

In the coming decade, the wired broadband market where OneOTT Entertainment Ltd., the broadband subsidiary of HGS has a significant presence as India's 4th largest private ISP, is expected to grow exponentially, led by the rapid expansion of the e-commerce industry, increased online entertainment spending – coming from rising demand for OTT and streaming services due to changed media consumption behaviours of Indian consumers, and hybrid working models in some industries.

Private companies in the market are making a concerted push to connect homes and businesses with optical fiber networks to provide high-speed broadband services to their users. Compared to ordinary cables, fiber-optic lines offer a higher bandwidth and can transport data across long distances. Analysts predict that India is set to become the second-largest fibre broadband market in the world by the end of the decade after China, with almost 110 million active fibre broadband lines. This is seen as a remarkable and much-needed transformation for India, which traditionally has very low levels of fixed-line penetration and currently relies heavily on mobile data connectivity for digital services access. By 2023, the Indian government aims to have optical fiber connectivity deployed in 600,000 villages as part of its "ambitious" "Digital India Mission" initiative.

Satellite communications technology or delivering Broadband over Satellite would be a big disruptor in the Indian market, especially as fixed broadband has reached only 10% of Indian households. In fact, India's National Broadband Mission highlights satellite as part of the technology mix to extend broadband connectivity across India.

The future of the digital distribution industry is going to be all about convergence – the device will become less

important while the ability to provide bundled services, riding on multiple delivery platforms using emerging technologies is going to be key. Companies are expected to thus focus on the share of wallet by building digital and “phygital” platforms rather than a content focused approach.

(Source: TRAI, ResearchAndMarkets.com, Point Topic, Media Reports)

Key Verticals HGS Supports

Telecom and Media

Since the evolution of the telecom sector, the industry has successfully navigated critical issues and challenges sustaining healthy growth as well as adapting to fast-changing consumer behaviour and needs. The last decade has seen the telecom industry shift gears structurally to face several business challenges including consolidation, pandemic-related consequences, a decline in the revenue stream as well as policy changes. These disruptions have impacted the balance sheet of even the top players and brought about a remarkable shift in the way the telecom sector operates.

The industry is now entering a decisive phase with the roll-out of 5G and related innovations and tariff-led hike in revenue aiding the industry in reporting robust growth over the next few years. Riding the wave of technology along with the telecom sector is the media & entertainment sector, which has risen significantly from the pangs of disruption created by the pandemic. The pandemic-induced disruptions have redefined the customer experience and forced the telecom and media sectors to capitalize on digital convergence as well as deliver solutions that drive agility and responsiveness to every consumer demand. For instance, a recent study by Deloitte-CII projects the Indian telecom industry to grow by US\$12.5 billion every three years, on the back of new opportunities offered through the launch of 5G and an anticipated rise in internet usage. As consumers opt for an enhanced digital shopping journey, the rural sector is expected to drive most of the incremental internet usage.

The collaboration between the telecom and media sectors, as well as their dependency on each other, would likely define the next few years’ growth trajectories for both sectors globally. The sector would also receive a boost from enhanced consumer engagement through emerging technology of Metaverse, Augmented Reality and Virtual Reality. These emerging technologies will redefine the interconnectedness of the digital economy, both across the Technology, Media and Telecom (TMT) landscape and within a vertical context, for the sector’s sustainable growth over the next decade.

(Source: Deloitte Insights, EY-India @100, S&P Global-TMT Outlook)

Banking, Financial Services and Insurance (‘BFSI’)

BFSI is among the most fragile sectors today as global economic headwinds have impacted the banking and financial markets across major developed and developing economies. The failure of Silicon Valley Bank and Signature Bank in the US, as well as the takeover of Credit Suisse by UBS, has created financial turmoil across major regions including Europe. The BFSI segment is going through ‘Permacrisis’, a Collins Dictionary ‘Word of the year 2022’, which means an extended period of instability and insecurity, resulting from geopolitical turmoil and headwinds. With global financial markets increasingly getting intertwined, BFSI players will be expected to adapt and respond to four key market conditions: macroeconomic tensions, geopolitical headwinds, new competitors, and sustainability,

In the BFSI segment, customer experience (CX) and centrality have become a threshold of performance and top priority. It has become imperative for banks to provide quality customer services that help reduce complaints, deliver personalized experiences, increase business and, most importantly, improve overall customer experience. The experience of service being offered by the financial services provider contributes significantly to the loyalty of the customer. According to a recent Boston Consulting Group (‘BCG’) study, 43% of customers would leave their bank if it failed to provide an excellent digital experience. For the sake of customer experience, traditional institutions are collaborating with Fintech companies. For the Banking industry, emerging technologies like Artificial Intelligence (AI), Machine Learning (ML) and Data Analytics are helping in personalizing CX, better targeting and profiling, quick risk assessment and credit profiling. Consulting firms like BCG and McKinsey also believe that hyper-personalization in delivering digital banking services helps Banks in reducing customer acquisition cost as well as uplift revenue.

(Source: IBM-Banking and Capital Markets Outlook, BCG & McKinsey Reports, and Global Financial Stability Report-IMF)

Consumer and Retail

The rise of omnichannel platforms, which connect brands to consumers through both physical and digital channels, has made it more important than ever for companies to meet customer expectations. As businesses return to normal and physical stores reopen, there is a new emphasis on providing a customer experience that combines the convenience of digital technology with the sensory experience of physical shopping. According to a recent survey by PwC on Global Consumer Insights, 50% of respondents indicated a desire for knowledgeable and helpful sales associates, while 42% expressed interest in using self-service checkout kiosks and accessing the retailer’s website and app while in the store to browse products before making a purchase.

The combination of digital and physical elements in stores allows for a shopping experience that is free of obstacles, but retailers must also address the challenge of meeting customer expectations for assistance and personal attention. In 2023, an AI-powered “phygital” store could emerge as a solution, enabling customers to enter, select products with the help of AI, and exit without waiting in line for checkout. Such advancements in digital technology will be a crucial factor in shaping the consumer experience and benefiting both retailers and customers alike.

In recent years, there has been significant interest in the development of Metaverse technology and its potential to revolutionize the retail industry. The Metaverse can provide retailers with a platform to create immersive customer experiences, enabling them to engage with customers in new and exciting ways. One way in which the Metaverse can contribute to the customer experience is through the creation of virtual storefronts. These storefronts can be designed to replicate physical stores, allowing customers to browse products and make purchases in a digital environment. This can provide a unique shopping experience that is not limited by physical boundaries or restrictions, allowing customers to interact with products in ways that may not be possible in the physical world. Another way in which Metaverse technology can benefit retailers is through the use of customer data. By analyzing customer behaviour within the Metaverse, retailers can gain insights into customer preferences and behaviour, enabling them to tailor their products and services to better meet customer needs. This can help retailers to target customers more effectively and increase the likelihood of converting leads into sales.

In developed countries, there are expectations of moderated growth in consumer demand, whereas India stands out as a bright spot due to its potential for robust consumer demand that could drive economic growth. As for developed markets, in addition to the slowdown in consumption growth, there are also concerns about increased pressures on retail margins and wage growth that will need to be addressed.

Public Sector

If 2022 was a year of a storm in the weather with geopolitical crisis and fears of recession, 2023 is likely to become a year of stabilizing the boat in a turbulent environment as the governments of developed and developing economies still face high inflation that created financial turmoil last year. With the pandemic now transforming into an endemic, the role of the public sector has shifted from citizen-centric to economy-centric enabling businesses and society to navigate global political and financial turmoil. One of the major challenges that the public sector faces is dealing with a looming global recession amidst the daunting task of decarbonizing economies and tackling rising unemployment and inflation.

The unprecedented events in the last few years have brought about a vital shift in the role of Government from hierarchies to networks to enable intra-governmental collaboration to achieve intended outcomes. In an effort to deliver public value, the Governments are increasingly adopting new-age technologies like Data Analytics, AI and ML and working in concert with academia, social enterprises and non-profits. Governments are making strides in providing customised and personalized services by collaborating with other government agencies and the private sector.

With technology dictating every facet of life, it is imperative for Governments to also focus on driving their business through digitalization. In an age where data is moving online, the public sector is leveraging cloud services for transforming business through emerging technologies, including Generative AI. Gartner’s recent report has projected worldwide user spending on public cloud services to grow 21.7% to a total of \$597.3 billion in 2023, up from \$491 billion last year. Gartner predicts that by 2026, 75% of organizations will adopt a digital transformation model predicated on the cloud as the fundamental underlying platform.

(Source: Gartner, Deloitte Insights-2023)

Business Overview

A global leader in optimizing the customer experience lifecycle, digital transformation, business process management, and digital media ecosystem, HGS is helping its clients become more competitive every day. HGS’ core BPM business combines automation, analytics, and artificial intelligence with deep domain expertise focusing on digital customer experiences, back-office processing, contact centers, and HRO solutions. HGS’ expertise spans telecommunications media, technology, insurance, banking, consumer electronics, packaged goods, retail and public sector verticals. HGS’ digital media business, NXTDIGITAL is India’s premier integrated Digital Delivery Platforms Company delivering services via satellite, digital cable and broadband to over 5 million customers across 1,500 cities and towns.

Part of the multi-billion-dollar conglomerate Hinduja Group, HGS takes a “globally local” approach. HGS has 20,683 employees across 35 delivery centers globally, making a difference to some of the world’s leading brands. HGS has a strong delivery presence in India, the Philippines, the UK, the US, Canada, Jamaica and Colombia.

Revenue by Origination

In FY 2023, US-originated revenue accounted for 31.5% of operating revenues. US- originated revenues are delivered from centers based out of US, India, Philippines, Jamaica and Colombia

In FY 2023, revenue originating from India were at 28.4% while UK-originated business was at 21.0% of operating

revenue. UK-originated revenues are delivered from centres based out of UK, US and Philippines.

In FY 2023, operating revenue originating from Canada in CAD terms were at 13.1%; and 5.9% from Jamaica, Philippines and Australia.

Media Business revenues originate from India while BPM revenues originate from US, UK, Canada, Jamaica, Philippines, India and Australia.

Offshore/ near-shore Revenue

The offshore/near-shore Revenues (Originating in one country and delivered from another country) account for 20.2% of operating revenues.

Voice to Non-Voice Revenue Mix

In FY 2023, Voice revenues accounted for 55.6%, Non voice 11.1% and Digital 33.3% of operating revenues.

Revenue by Vertical

Media vertical constitute 31.5% of the operating revenue in FY 2023; Consumer and retail constitute 19.9% of the operating revenue.

Banking and financial sector contribute 15.5% of operating revenues.

Telecom & Technology and Public Sector vertical are both at 11.8% of operating revenue for FY 2023.

Share of operating revenues from other verticals was at 9.6% at the end of FY 2023.

Discussion on Financial Position

Property, Plant, Equipment and Intangible assets:

The net block of assets as of March 31, 2023 is ₹11,306 million as compared to ₹11,610 million in March 31, 2022, representing an absolute decrease of ₹304 million during the year under review and in percentage terms, it was 2.62%.

The Right to use asset balance as on March 31, 2023 is ₹7,092 million. The Right to use asset balance as of March 31, 2022 was ₹5,653 million.

The Capital work-in progress balance as on March 31, 2023 is ₹129 million. The capital work-in progress balance as of March 31, 2022 was ₹92 million.

The Investment property balance as on March 31, 2023 is ₹230 million. The investment property balance as of March 31, 2022 is ₹20 million.

Goodwill:

As of March 31, 2023, goodwill is ₹9,495 million as compared to ₹4,479 million in March 31, 2022. Goodwill is tested for impairment.

Investments:

It mainly comprises of Non-Convertible Debentures, Quoted investments in equity instruments and Treasury bills at overseas location. As of March 31, 2023,

investments were ₹27,528 million as compared to ₹24,817 million in March 31, 2022.

Loans (Non-current):

As of March 31, 2023, amount of ₹35 million of loans to third parties. The same as of March 31, 2022, was Nil. These loans are made on normal commercial terms and conditions and at market rate and are carried at amortized cost.

Other financial assets (Non-current):

It comprises of security deposit, margin money deposit and other long-term deposits. As of March 31, 2023, the amounts were ₹627 million compared to ₹914 million in March 31, 2022.

Deferred tax assets (net) [DTA]:

DTA as of March 31, 2023 were ₹1,874 million as compared to ₹3,999 million in March 31, 2022.

Income tax assets (net):

As of March 31, 2023, amounts were ₹4,031 million as compared to ₹2,266 million in March 31, 2022.

Other non-current assets:

Other non-current assets include capital advance, prepaid expenses, balance receivable from government authorities, loans & advances and other receivables. As of March 31, 2023, the amounts were ₹594 million as compared to ₹579 million in March 31, 2022.

Inventory:

Inventory consists of Stock of network cable, equipment and traded goods and other Media Inventory. As of March 31, 2023, inventory were at ₹167 million as compared to ₹123 million in March 31, 2022.

Trade receivables:

As of March 31, 2023, trade receivables from the customers were at ₹7,330 million as compared to ₹7,084 million in March 31, 2022, after making allowance/provision for doubtful debts.

Cash and Bank balances:

As of March 31, 2023, cash and bank balances were at ₹12,105 million as compared to ₹35,696 million in March 31, 2022.

Loans (Current):

As of March 31, 2023, loan amount was ₹28,140 million out of which loans to related parties were of amount ₹21,064 million that were given for working capital finance. The Loan amount as of March 31, 2022, were at ₹16,069 million out of which loans to related parties were of amount ₹12,080 million that was given for working capital finance, and the balance represents loans given to a third party at an overseas entity in earlier years, that are now re-classified as Current Loans. These loans are

made on normal commercial terms and conditions and at market rate.

Other financial assets (Current):

It comprises of security deposit, interest accrued, derivative gains, lease receivable and other receivables. As of March 31, 2023, the amounts were ₹903 million as compared to ₹252 million in March 31, 2022.

Other current assets:

The Other Current Assets comprises of balance with government authorities, Employee advances, vendor advances, prepaid expenses and other assets. As of March 31, 2023, the amounts were ₹2,059 million as compared to ₹2,085 million on March 31, 2022.

Assets classified as held for sale:

The Assets classified as held for sale as of March 31, 2023 is Nil as compared to ₹592 million on March 31, 2022.

Share Capital:

The authorized share capital of the Company is ₹800 million comprising of 79.85 million equity shares of ₹10 each and 0.15 million 1% participatory redeemable non-cumulative preference shares of ₹10 each. The paid-up share capital as of March 31, 2023 was ₹525.20 million.

During the year, the Company had issued:

- 30,000 Equity shares of ₹10/- each pursuant to the exercise of stock options by certain employees under the "Employees Stock Option Plan, 2008" and 5,750 Equity shares pursuant to the exercise of stock options by certain employees under the "Employees Stock Option Plan, 2011"; and
- 10,689,403 Equity shares of ₹10/- Shares issued due to Merger of Digital, Media & Communications Business.

Share application money pending allotment:

The Share application money pending allotment of the Company as at March 31, 2023 is Nil as compared to ₹107 million in March 31, 2022.

Other Equity:

The other Equity of the Company increased from ₹80,228 million in March 31, 2022 to ₹84,939 million in March 31, 2023.

Non-Controlling Interest:

The non-controlling interest as of March 31, 2023 is ₹1,558 million as compared to ₹1,544 million on March 31, 2022.

Borrowing (Non-current):

As of March 31, 2023, the total long-term borrowings were ₹944 million as compared to ₹1,346 million in March 31, 2022.

Lease liability:

In accordance with Ind AS 116, HGS discounted lease payments using the applicable incremental borrowing rate as at the inception of the lease for measuring the lease liability. As of March 31, 2023, the non-current and current portion of the lease liability was ₹4,295 million and ₹2,478 million respectively. As on March 31, 2022, the non-current and current portion of the lease liability was at ₹4,364 million and ₹1,532 million respectively.

Other financial liabilities (Non-current):

Other non-current financial liabilities as of March 31, 2023 were ₹964 million as compared to ₹210 million as on March 31, 2022.

Provisions (Non-current):

Provision comprises of pension obligation, gratuity and Compensated absences (as per actuarial valuation performed by an independent actuary). As of March 31, 2023, the provisions were ₹571 million as compared to ₹374 million on March 31, 2022.

Deferred tax liabilities (net) [DTL]:

DTL as of March 31, 2023 were ₹764 million as compared to ₹315 million in March 31, 2022. Major components of DTL are due to temporary differences to the Property, Plant, Equipment and Hedge reserve.

Contract liabilities (Non-current):

It mainly comprises of Income received in advance from customers. As of March 31, 2023, contract liabilities are ₹10 million as compared to ₹8 million in March 31, 2022.

Borrowing (Current):

As of March 31, 2023, total short-term borrowings were ₹2,264 million as compared to ₹6,846 million in March 31, 2022.

Trade Payables:

As of March 31, 2023, the trade payables were at ₹4,166 million as compared to ₹6,302 million in March 31, 2022.

Other current financial liabilities:

Other current financial liabilities consist of Interest accrued, capital creditors, unpaid dividend, employee related payables and derivative loss. As of March 31, 2023, those amounts were at ₹7,497 million as compared to ₹3,367 million in March 31, 2022.

Provisions (Current):

Provision comprises of Deferred Compensation Payable and leave encashment liabilities (as per actuarial valuation performed by an independent actuary). As of March 31, 2023, provisions were ₹301 million as compared to ₹2,496 million in March 31, 2022.

Contract liabilities (Current):

It mainly comprises of income received in advance from

customers. As of March 31, 2023, the amounts were at ₹570 million as compared to ₹646 million in March 31, 2022.

Current tax liabilities:

As at March 31, 2023, the amount was ₹884 million and as at the end of March 31, 2022, the amount was ₹4,962 million.

Other current liabilities:

Other current liabilities comprise of advance from customers, statutory dues payable and other payables. As of March 31, 2023, the amounts were ₹914 million as compared to ₹1,303 million in March 31, 2022.

Operational Review

During the financial year under review, the Company has been communicating to all its stakeholders, that the focus of the Company is to grow its profitable businesses, re-price or exit unprofitable accounts, generate free cash flows, reduce debt, undertake cost rationalization from time to time, improve return ratios.

Looking at the financial numbers under review, on a like-to-like basis (excluding Healthcare Business and including Media Business) FY 2023 has seen operating at revenue growth of 5.4%, as against FY 2022.

Compared to FY 2022, BPM Revenues in FY 2023 grew by 9.4% while the Media Business Revenues reduced by 7.3%.

Growth in BPM business was driven by revenues from Digital Business as well as Diversify and Teklink acquisitions. Drop in the revenues of the media business was due to reduction in the subscribers of the Digital TV Business.

Compared to FY 2022, Other Income in FY 2023 grew by 144.0% due to profits from sale of real estate, foreign exchange fluctuation and treasury income on surplus funds from sale of healthcare business.

Compared to FY 2022, Total Income in FY 2023 grew by 11.8% and EBITDA (including Other Income) grew by 59.0%.

Further, PBT (Profit Before Tax and after Depreciation, Interest Expense and an exceptional income of ₹329 million) in FY 2023 was ₹ 1,859 million as compared to a loss of ₹1,099 million in FY 2022.

PAT (Profit after Tax) from continuing operations in FY 2023 stood at ₹ 2,881 million as compared to a loss of ₹ 390 million in FY 2022.

During FY 2023, Cash and Cash equivalents of the Company decreased by ₹9,645 million due to reduction of bank borrowings and Teklink acquisition. Total borrowings at the end of FY 2023 stood at ₹3,208 million as against ₹8,192 million in FY 2022.

Key Financial Ratios (Retained business)

Ratios	FY2023	FY2022
Debtors Turnover	6.25	6.03
Current Ratio	2.66	2.26
Debt Equity Ratio	0.04	0.10
Net Profit Ratio	5.8%	-0.9%
Interest Coverage Ratio	5.43	2.99
Operating Profit Margin	5.8%	2.8%
Return on Networth	3.3%	-0.5%

Note: The above ratios are excluding healthcare and including media business.

The above ratios represent the key financial ratios, as applicable to the consolidated financial statements of HGS. The ratios on Interest Coverage, Operating Profit and Net Profit are significant, as defined under the amended SEBI (Listing Obligations and Disclosure Requirements) Regulations i.e., over 25% compared to previous year. This movement was due to profits from sale of real estate, foreign exchange fluctuation and treasury income on surplus funds from sale of healthcare business and repayment of debt. Return on net worth during the financial ended March 31, 2023 is 3.3% as compared to (0.5%) for the year ended March 31, 2022 primarily due to increase in other income.

Delivery Centres

As on March 31, 2023, HGS had 35 delivery centers, which includes addition of 3 centers in India and the US through the TekLink acquisition. During the year, HGS rationalized its real estate by closing or selling some of its centers, especially in North America and the UK.

Customer Additions

The total number of active clients at the end of FY2023 was 292 BPM clients and 754 HRO/ payroll / F&A clients. This includes the addition of clients brought in by the TekLink acquisition.

Human Capital

HGS had a headcount of 20,683 employees as of March 31, 2023 as compared to 21,608 as of March 31, 2022 on consolidated basis.

HGS, as a people-driven organization, focuses on creating an inclusive and high-performance culture that prioritizes the satisfaction of its employees, resulting in quality service to clients. Your Company recognizes that its employees are its greatest asset, and it has adopted a human capital philosophy that revolves around attracting, retaining, and motivating the best talent. To achieve this, HGS has leveraged multiple levers, including career and personal growth opportunities. The company understands that providing its employees with opportunities to learn and develop their skills is essential for creating a motivated workforce. HGS offers training programs,

mentorship opportunities, and career advancement paths to help employees achieve their personal and professional goals.

HGS also recognizes the importance of work-life balance and continues its programs to support employee wellness. These programs include flexible work arrangements, employee assistance programs, and health and wellness initiatives.

HGS continues to operate in a hybrid working model, with a significant part of its headcount working from home. This has enabled HGS to continue its operations seamlessly, including recruitment, onboarding, training, client delivery, and employee engagement. HGS' approach to remote work has been successful, and the company has made continuous improvements to this model to ensure that its employees are productive, engaged, and motivated. This includes a range of deployments – right from using innovative recruitment chatbots to enhance the recruitment process, to creating employee-centric and user-friendly platforms that are accessible on mobile devices and can be accessed with a single sign-on.

HGS is placing a strong emphasis on upskilling and learning, particularly in areas such as the 3As (Automation, AI, and Analytics), digital and other technical skills. By investing in these critical areas, HGS is positioning itself as a leader in the industry and ensuring that it stays competitive in the digital landscape.

HGS has demonstrated a strong commitment to diversity and inclusion through initiatives like PathbreakHERS and Coffee with Leaders. This year HGS launched both these programs globally. These women leadership programs offer invaluable mentorship, advocacy, and opportunities for career advancement to women employees across the globe. By creating a supportive environment that champions diversity and representation, HGS is building a strong and inclusive workplace culture that benefits everyone.

HGS' ongoing investments in people-led investments and engagement are critical to its success as a top preferred employer. By prioritizing employee well-being and creating a sense of community and purpose, HGS is demonstrating its commitment to fostering a positive workplace culture. These efforts will help to attract and retain top talent and ensure that HGS continues to thrive in the markets it operates in.

Compliance

HGS has implemented a robust Compliance framework to identify, assess, monitor, control and report compliance status with respect to the applicable laws and regulations specific to the geography in which it provides services. Applicable laws and regulations, including Employment and Labour laws, in countries where the Company operates and any changes to the said laws and

regulations are reviewed periodically for their compliance. The Board reviews the compliance status of all the laws and regulations applicable to the Company on a quarterly basis, based on the compliance certificates submitted by the CEO and the CFO.

Awards and recognitions

HGS' brand awareness continued to increase in FY2023 with several significant awards and recognitions by leading analysts and organizations in our industry.

Leader: 2022 ISG Provider Lens™:

The 2022 ISG Provider Lens Contact center - Customer Experience Services report for the US named HGS as a leader in four different categories: Work from Home Services, Social Media CX Services, Digital Operations and AI & Analytics. The report evaluates 26 providers across four quadrants, which includes competitors such as Cognizant, Infosys, Sitel Group and TTEC.

HGS' brand awareness and visibility were rooted in an exciting new rebrand of messaging: Champion Every Moment. The foundational messaging was built upon being a leader with the talent and technologies needed to champion every moment. The messaging also homes in on the board spectrum that HGS provides, highlighting five key areas within messaging:

- Strategic consultation
- Digital transformation
- IT systems integration
- Intelligent process optimization
- Experts on-demand

Additional recognitions and awards for HGS over the past year include:

- AI Breakthrough Awards 2022: Agent X
- 2022 Communications Solutions Products of the Year Award: Agent X
- IAOP Excellence in Strategic Partnerships 2022: HGS and Twilio
- IWEI 2022 Bronze Employer
- Global Workforce Management's Key Differentiator International WFM Award
- Indian CSR Awards 2022: Best Skill Development Programme Initiative of the Year
- 2023 Training APEX Award
- 13th year winner: 2023 IAOP Global Outsourcing 100

Competitive Advantage:

HGS is dedicated to ensuring that every customer interaction is prompt, personal, and positive – existing to help clients “Champion every moment”. From acquiring new customers, nurturing customer loyalty, and slowing

customer churn, HGS increases operating efficiency and reduces errors by integrating state-of-the-art technologies into every part of an organization's business. With a long-standing commitment to helping clients build for the future, HGS has a tradition of acting with integrity, fostering collaboration, and promoting excellence, sustainability, and inclusivity – which in turn, allows us to champion every moment for our customers.

While consumer expectations continue to rise each day, the HGS mission remains the same – innovate, optimize, and grow its clients' businesses with the perfect balance of technology and people to create a superior human plus digital experience that is more frictionless and more personalized.

HGS' commitment to being leaders in CX is deeply rooted in five key areas: speed, precision, empathy, collaboration, and innovation – setting the stage for HGS to consistently meet and exceed expectations. To help clients HGS believes that every dollar spent on our services is an investment in creating a competitive advantage for our clients, which starts with HGS earning trust first with fundamentals like hiring, training, and retaining top talent to deliver better results, faster. With the right balance of talent and technologies to help solve unique business problems, we believe that the key to doing good work is teamwork.

HGS grows with its clients and helps them along the digital transformation journey, creating value through innovation. Clients continue to lean on HGS for their expertise in new trends and technologies that are data-driven and future-focused.

HGS prioritizes “customer first” thinking - treating each employee like a customer, every client like a partner, and every consumer the way we want to be treated. With empathy and respect, HGS helps customers get the right answer fast™.

HGS has a proven method for right-shore outsourcing with local onshore capabilities as well as key nearshore and offshore locations. HGS delivers services out of 35 centers in 9 countries.

HGS offers strong leadership with a deep domain expertise that delivers winning interactions at scale with Autonomous CX. The award-winning management team leads geographic (as well as vertical) heads and practice leaders with extensive experience in their respective domains to help champion and empower their own teams make decisions critical to the mission. With the recent acquisition of TekLink, HGS has strengthened our expertise in data platform and analytics – further advancing our CX presence throughout the industry.

HGS is Investing in Strengthening its Tech Capabilities

Post the COVID-19 pandemic, it has become clear that organizations must leverage technology as much as possible to sustain their growth while managing risks.

To stay ahead of the game, HGS has been investing extensively in technology as we aggressively move forward toward our goal of becoming a technology-led CX company. Our approach is to operate at the intersections of AI and analytics with a balanced talent strategy to provide modern CX value to our clients. This will include premiumization of our voice services, embedding automation and AI into our client processes, scaling our technology modernization services such as DevOps, AI/ML, Cloud, cyber security, etc., and expanding digital marketing services portfolio.

We have built two innovation labs - in Bengaluru, India and in Austin, USA. At these labs, we're focused on building solutions which can make a difference in the customer experience segment. For example: Generative AI has become the talk of the town; every company irrespective of its size and industry is talking about it and wants to implement it in their business. At our labs, we're building internal Generative AI models for internal use as well as for our clients, along with leveraging third party and Open Source Large Language Models. These models are being used to solve specific internal and client related business problems.

In addition to the Gen AI models, we recently have developed HGS Agent X, a cloud-based contact center AI software that allows enterprises to quickly deploy scalable and flexible contact centers. This tech-agnostic platform that is powered by Artificial Intelligence (AI) offers over 300 out-of-the-box integrations and highly customizable solutions that are secure and scalable. HGS Agent X has a programmable API framework and provides fully managed support.

We also have been using the 3As (AI, Automation, Analytics) internally. For example, we have automated around 140 internal applications using technology and consolidated our over app base to 50 using AI and cloud.

We have a proprietary top of the line data analytics platform – HGS DaVinci, which addresses internal and client data requirements. This platform gives accurate, near real-time updates on HR, finance and operational insights for making business decisions. With analytics, we are also able to do client profiling, which helps us understand which clients are the best fit for us and similarly, if we are the right fit as a vendor for them.

Similarly, for our recruitment function, we are using predictive analytics to identify candidates who are ideal matches for the open roles. It gives us insights not only from an organizational point of view but also from a candidate's point of view... both the company and the candidate benefit from finding the right fit.

Risk and Concerns

For a company like HGS with operations across multi geographies and multi business divisions, new risks can emerge or change intensity over a period of time. This

is due to the fact that HGS has its operations spread across multiple geographical locations, multiple business divisions which may or may not have dependencies on each other. Its clients are located across different continents and revenues accrued and costs incurred in multiple currencies.

From time to time HGS reorganises its businesses (including divestitures and acquisitions) to stay relevant in the market place. The current year also witnessed many events both internal and external to HGS, including but not limited to the acquisition of the Digital Media and Communications Business undertaking of NXTDIGITAL Limited. With each acquisition and divestiture, HGS reviews and updates its risks keeping in view the change in business mix and business drivers.

The war between Russia and Ukraine continued during FY 2023. While HGS is not present in Russia or Ukraine, the continuation of the war could have indirect consequences including the following:

- Global financial stress on account of economic sanctions and supply chain disruptions resulting in cost pressures.
- Risk of business uncertainty globally in the event of a prolonged and catastrophic war.
- Risk of increased frequency and intensity of 'Offensive Cyber attacks', resulting in increase in cost of prevention and risk of businesses being compromised.

COVID-19 continued to be a challenge in the first quarter of FY 2023, but as the year progressed the impact of COVID on all of our stakeholders – employees, clients, vendors, investors and the communities has been contained with minimal impact to HGS revenues and operations.

For the BPM business, the hybrid work model is now well tested and has proven to be operationally effective and hence we will see continuity in the same. In light of the continued operating hybrid model, new external and internal risks continue to challenge businesses in every possible way amplifying existing risks. The following risks will need to be continuously monitored and mitigated :

- Stress on account of increased demand on IT resources and systems.
- Increased exposure to cyber-attacks, ransomware attacks and security breaches despite having strong cyber security controls in place.
- Data privacy and information security risks as our employees continue to work from environments that may be less secure than those of our delivery centers.
- Potential direct contact by the employees of the Media & Communications business segment with Consumers exposed to COVID.
- Increase in absenteeism and attrition.

Some of the other risks to which the Company is exposed to are as follows:

- Regulatory enactments restricting the offshoring of services by any country in which HGS operates.
- Pricing regulations by the Government of India affecting the offerings by the media & communications segment.
- Competitive pricing in the markets and segments that we operate.
- Volatility in currency exchange rate fluctuation
- Technology changes driven by external factors, compliance requirements, analytics and robotic process automations along with demography changes.
- Changing technology landscape driving the need to reskill HGS workforce, to stay relevant and competitive in the service offerings.
- Increase in minimum wages across geographies that HGS operates in impacting its profitability.
- HGS' efforts to comply with privacy and data protection laws may impose significant costs and challenges that are likely to increase over time. Failure to adhere to or successfully implement processes in response to changing regulatory requirements in this area could result in impairment to our reputation in the marketplace and HGS could incur substantial penalties or litigation.

HGS has designed and established a robust ERM (Enterprise Risk Management) framework comprising of practices related to identification, assessment, monitoring and mitigation of risks to its business. ERM practices enables HGS to leverage upcoming market opportunities effectively through risk-oriented assessment and mitigation methods that minimize adverse impact of risks. HGS' ERM objectives include risk management of areas related to strategic factors (both external and internal), operations, finance, client and market space, technology and human resources. Our risk practices seek to enhance long term competitive advantage. Risk management processes are monitored, reviewed and revised as appropriate to adapt to the changing global risk scenario and landscape. The Risk Management Committee reviews on a quarterly basis, the identified risks and actions taken to mitigate them.

Risk Categories

HGS' ERM framework considers the following categories of risks as near-term, medium-term and long-term across various levels of the organization viz., enterprise level, business unit level, account level:

1. **Strategic Risks:** Risks emanating out of choices that HGS makes on markets, business portfolio, resource allocation, life cycle planning, delivery model, clients and suppliers, mergers and acquisitions and joint ventures, which can potentially impact its long-term competitive advantage.
2. **Counterparty Risks:** Risks arising out of HGS' association with entities like clients, vendors and business partners for conducting business, which may potentially incur a risk of default on obligations.

3. **Operations Risks:** Risks inherent to business operations including service delivery to clients, business support activities, information security and data privacy, intellectual property, physical security and business continuity of service delivery, which can lead to potential loss resulting from inadequate or failed processes, people and systems or from external events.
4. **Financial Risks:** Risks arising from foreign exchange volatility, interest rates, credit conditions, treasury, taxes as per statutory laws in each country of operation and client concentration, which can potentially impact the company through uncertainty of returns and potential financial loss; and
5. **Regulatory & Compliance Risks:** Risks arising out of inadequate compliance to regulations, contractual obligations and violations leading to potential litigation and loss of reputation.

HGS Risk Management Practices

Risk management practices include identification of risks, impact and consequence analysis, evaluation of risks, mitigation and monitoring of risks along with reporting and disclosures. Business planning and strategy is integrated with risk management is an ongoing activity.

Risk identification and Impact Analysis

The procedures have been developed for identifying risks through focus group meetings, interviews, questionnaires, historic data analysis, probability forecasting, control assessment, analysis of uncertainties, what-if scenario analysis, business environment, internal audit findings, assessment of the operations and learning's from incident analysis. HGS has guidelines that provide instructions in carrying out impact-consequence analysis for the identified risk.

Risk Evaluation: Risk criteria have been established in deciding the magnitude of risk to the company. The risk criterion includes costs, performance objectives, reputation and regulatory compliance. The risk levels are determined using the potential impact, likelihood of occurrence and the risk exposure.

Risk Mitigation & Monitoring: Identified top risks are tracked through external and internal indicators to track risk levels and likelihood of occurrence. Analysis, exposure and assessment of top risks are carried out periodically with emerging risks if-any being included. Mitigation plans are finalized, owners are identified, and progress of mitigation actions are monitored and reviewed. The Risk Management Committee ultimately reports to the Board of Directors on the effectiveness of risk management across the enterprise.

Risk Reporting and Disclosures: Risks impacting achievement of business objectives, movement of risk levels, impact and mitigation status are reported and discussed with the Risk Management Committee periodically. This committee further reports to the Board

through periodic updates highlighting key risks, their impact and mitigation status.

Incorporating risk management with planning and strategy: Business strategy and planning take into account the identified risks and mitigation action as an input for the development of strategy and annual business plan.

Internal Controls

As a business philosophy, HGS' management believes in growth with a strong governance system and mechanism in place. HGS has a proper and adequate system of internal controls, commensurate with its size and business operation to ensure timely and accurate financial reporting in accordance with the applicable accounting standards, safeguarding of assets against unauthorized use or/ and disposition and compliance with all the applicable regulatory laws and Company policies.

The Company documents all the policies and procedures and from time to time updates the same, which need to be complied with. There is a clear demarcation of roles and responsibilities at various levels of the organization. Internal Control System aims to ensure that business operations function efficiently; that applicable laws, rules and regulations as well as all the policies/procedures are complied with and there is reliability and consistency of reported accounting and financial data. The Internal Auditors review the internal control systems on an ongoing basis for its effectiveness and suggests necessary changes, which are duly incorporated. The Internal audit reports are also reviewed by the Audit Committee of the Board.

Based on the current structure of internal financial controls and compliance systems established and maintained by the Company, work performed by the Statutory, Internal and Secretarial Auditors, including audit of internal financial controls over financial reporting by the Statutory Auditors, and the reviews performed by the Management, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2023.

Cautionary Statement

Some of the statements or certain statements in the above paragraphs of MDA, describing the company's objectives, expectations, predictions and assumptions may be 'forward looking' in nature, and within the meaning of the applicable Securities Laws and Regulations. The actual financial and non-financial results may differ materially from those expressed herein, important factors that could influence the company's operations include global and economic conditions affecting demand, supply, price conditions, change in Government regulations, tax policies and regimes, other statutes and other factors such as litigation and industrial relations.

Annexure 'E'

TO THE DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. Brief outline on CSR Policy of the Company.

Your Company is inspired and guided by the pioneering thoughts "My dharma (duty) is to work so that I can give" of Late Shri Parmanand Deepchand Hinduja Founder of the Hinduja Group. Your Company is a socially responsible corporate and has undertaken and implemented CSR activities for the upliftment of the economically and socially disadvantaged communities and shall continue to do in future.

2. Composition of CSR Committee:

Sl. No.	Name of Directors	Designation/ Nature of Directorship	Number of meeting of CSR Committee held during the year	Number of meeting of CSR Committee attended during the year
1	Mr. Anil Harish	Independent Director	1	1
2	Mr. Paul Abraham	Non Executive-Non Independent Director	1	1
3	Mr. Partha DeSarkar	Whole-time Director	1	1

During the year, the CSR Committee meeting was held on March 29, 2023.

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company:

- Composition of the CSR Committee: <https://hgs.cx/about-us/leadership/>
- CSR Policy: <https://hgs.cx/investors/corporate-policies/>
- CSR projects approved by the Board are disclosed on the website of the company: <https://hgs.cx/investors/other-reports/>

4. Provide the executive summary along with weblink of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report) - **Not Applicable**

- Average net profit of the company as per section 135(5) : ₹33,370.47 Lakhs
 - Two percent of average net profit of the company as per section 135(5): ₹667.41 Lakhs
 - Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
 - Amount required to be set off for the financial year, if any: Nil
 - Total CSR obligation for the financial year (5b+5c-5d): ₹667.41 Lakhs
- Amount spent on CSR Projects (both ongoing Project and other than Ongoing Project): ₹668 Lakhs
 - Amount spent in Administrative Overheads : Nil
 - Amount spent on Impact Assessment, if applicable: Not Applicable
 - Total amount spent for the Financial Year (6a+6b+6c): ₹668 Lakhs
 - CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (₹ in lakhs)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
Amount	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
668	Nil / Not Applicable				

(f) Excess amount for set-off, if any:

Sl. No.	Particulars	Amount (₹ in lakhs)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	667.41
(ii)	Total amount spent for the Financial Year	668
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	0.59
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	0.59

7. Details of Unspent CSR amount for the preceding three financial years: Nil
8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: – No
 If yes, enter the number of Capital assets created/ acquired : **Not Applicable**
 Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **Not Applicable**
9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135: **Not Applicable**

Place: Mumbai
 Date : August 9, 2023

Partha DeSarkar
Whole-time Director
DIN: 00761144

Anil Harish
Chairman - CSR Committee
DIN: 00001685

Annexure 'F'

TO THE DIRECTORS' REPORT**PARTICULARS OF CONTRACTS/ ARRANGEMENTS WITH RELATED PARTIES-FORM AOC-2**

[Pursuant to Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014.]

This Form is for disclosure of particulars of contracts/ arrangements entered into by Hinduja Global Solutions Limited ('HGS' or the 'Company') with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013.

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

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2023, which were not at arm's length basis.

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

a)	1. Name of Related Party	HGS (USA) LLC
	2. Nature of Relationship	Wholly owned step-down subsidiary
b)	Nature of Contract/ Arrangement	Sub-contract Agreement
c)	Duration of Contract/ Arrangement	April 1, 2022 to March 31, 2023
d)	1. Salient terms of the Contract/ Arrangement	Your Company provides BPM services to HGS (USA) LLC and diligently perform the contract in a timely manner and provide services in accordance with the SOWs.
	2. Value	₹ 2,687.62 million
e)	Date of Board's approval(s)	Not applicable, since the contract was entered into in the ordinary course of business and at arm's length basis.
f)	Amount paid as advances, if any:	NIL

For and on behalf of the Board of Directors

Place: Dubai
Date: August 9, 2023

Ashok P. Hinduja
Chairman
DIN: 00123180

TO THE DIRECTORS' REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Hinduja Global Solutions Limited
Hinduja House, 171,
Dr. Annie Besant Road Worli,
Mumbai - 400018.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Hinduja Global Solutions Limited (hereinafter called "the Company") having CIN: L92199MH1995PLC084610 for the period ended 31 March 2023 ("Audit Period"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the period of Secretarial Audit, I hereby report that in my opinion, the Company has, during the Audit Period complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company for the Audit Period according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 (SCRA) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):
 - a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations);
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
 - e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
 - f) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
 - g) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (vi) The Secretarial Standards 1 & 2 issued by the Institute of Company Secretaries of India.
- (vii) Laws specifically applicable to the Company :
 - a) Information Technology Act, 2000 and Information Technology Amendment Act, 2008 and rules thereunder;
 - b) Encryption Rules and Regulations under Comptroller of IT;
 - c) Telecom Regulatory Authority of India Act, 1997;
 - d) The Telecom Commercial Communications Customer Preference Regulations, 2010;
 - e) The National Do Not Call Registry (NDNC);
 - f) DoT/ OSP Regulations;
 - g) The Indian Wireless Act, 1933;
 - h) Data Security and Data confidentiality rules (HIPPA and GLBA to the extent of technology infrastructure to be deployed);
 - i) The Information Technology (Reasonable security practices and procedures and sensitive personal data or information) Rules, 2011;

- j) Payment Card Industry Standard – PCI DSS; and
- k) The EU General Data Protection Regulations 2017 to the extent applicable while handling EU citizen's information, (UK DPA 2018 supplementing EU-GDPR to the UK's requirements).

(viii) Other laws to the extent applicable to the Company as per the representations made by the Company.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above (hereinafter together referred to as "Applicable Laws") to Company.

During the period under review, provisions of the following regulations were not applicable to the Company:

- a) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and
- b) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021.

I further report that:

Composition

- (i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors, Nominee Director and a Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Applicable Laws;

Business in compliance with Memorandum of Association

- (ii) All the business activities undertaken by the Company were authorised under Clause III (i.e. Object Clause) of the Memorandum of Association of the Company;

Board Function

- (iii) Adequate notice is given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting;

- (iv) All the decisions at Board meetings and Board committee meetings were unanimously consented and that there was no instance of dissent in any of the business matters at the Board or Board committee meetings.

- (v) I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, the following specific event / action has occurred:

- a. Final dividend of Rs 25 per equity share (on an equity share of par value of Rs.10/- each) for the financial year ended 31 March 2022 and three interim dividends aggregating to Rs 12.5, already paid, per equity share of Rs 10/- each during the financial year ended 31 March 2023.
- b. The Company entered into Scheme of Arrangement ('Scheme') for amalgamation of NXTDIGITAL Limited into Company pursuant to approval the Equity Shareholders of the Company on 2 September 2022 and order of Hon'ble National Company Law Tribunal, Mumbai Bench dated 11 November 2022 in compliance with Sections 230-232 and other applicable provisions of the Companies Act, 2013 whereby, Equity Shares of the Company were given to shareholders of NXTDIGITAL Limited as consideration, in the ratio of 20 Equity Shares of the Company of Rs.10/- each, fully paid up for every 63 Equity Shares of Rs.10/- each held by the Shareholders of NXTDIGITAL Limited.
- c. Rolled out Offer to Buyback Upto 60,00,000. Fully Paid-Up Equity Shares of the Company, having face value of ₹10 Each ("Equity Shares"), representing 11.42% of the total number of equity shares in the Paid-Up Equity Capital of the Company, from the Equity Shareholders / Beneficial Owners of Equity Shares of the Company as on 6 March 2023 (Record Date) on a proportionate basis, through the "Tender Offer" route as prescribed under the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 using the Stock Exchange mechanism, at a price of ₹1,700 per Equity Share, payable in cash, for an aggregate amount not exceeding ₹1020,00,00,000 excluding transaction Costs (the "Buyback"). Following was the calendar of events:

Sr. No	Activity	Date
1.	Date of Board Meeting approving the proposal for the Buyback	December 19, 2022
2.	Date of declaration of results of postal ballot for special resolution by the Equity Shareholders of the Company, approving the Buyback	January 27, 2023
3.	Date of the Public Announcement for the Buyback	January 30, 2023
4.	Date of publication of the Public Announcement for Buyback	January 31, 2023
5.	Record Date for determining the Buyback Entitlement and the names of Eligible Shareholders	March 6, 2023
6.	Buyback Opening Date	May 22, 2023
7.	Buyback Closing Date	June 02, 2023
8.	Last date of receipt of completed Tender Form and other specified documents by the Registrar	June 02, 2023
9.	Last date of verification of Tender Forms by Registrar to the Buyback	June 02, 2023
10.	Last date of intimation to the Designated Stock Exchange regarding acceptance or non-acceptance of tendered Equity Shares by the Registrar	June 12, 2023
11.	Last date of completion of settlement of bids by the Clearing Corporation/ Designated Stock Exchange	June 13, 2023
12.	Last date of dispatch of share certificate(s) by the Registrar to the Buyback/ unblocking/ return of unaccepted Equity Shares by Designated Stock Exchange to Eligible Shareholders/ Seller Member	June 13, 2023
13.	Last date for payment of consideration to Eligible Shareholders who participated in the Buyback	June 13, 2023
14.	Last Date of Extinguishment of Equity Shares bought back	June 20, 2023

Based on verification of records, we understand that the shares were extinguished on June 15, 2023.

No other notable specific events/actions which took place in the Company are required to be reported in this report.

For Amrita Nautiyal & Associates
PR. No: 1332/2021

CS Amrita Nautiyal

Proprietor
FCS No. 5079/CP No. 7989
UDIN:F005079E000767808

Date: August 9, 2023

Place: Mumbai

This report shall be read with Annexure I enclosed along with this report.

Annexure I

To,

**The Members,
Hinduja Global Solutions Limited**

The Secretarial Audit Report of even date is to be read along with this letter.

Auditor's Responsibility

1. My objective is to obtain reasonable assurance about the compliance under applicable laws, maintenance of records and issue a report that includes my opinion. While reasonable assurance in high level assurance, due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the standards.
2. I have followed the audit practices and processes in accordance with CSAS-1 to CSAS-4 i.e. the Auditing Standards issued by ICSI, which were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial and other legal records, legal compliance mechanism and corporate conduct.

Management Responsibility

3. The compliance of provisions of all laws, rules, regulations, standards applicable to the Company is the responsibility of the management of the Company. My examination was limited to the verification of records and procedures maintained by the Company and required for the purpose of issue of the Secretarial Audit Report.
4. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. My responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished by the Company, along with explanations where so required.

Others

5. The verification compliance and records was done on test check basis to ensure that correct facts are reflected in secretarial and other records produced. I believe that the processes and practices I followed, provides a reasonable basis for my opinion for the purpose of issue of the Secretarial Audit Report.
6. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company and relied on the report presented by the Statutory Auditors of the Company
7. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and major events during the audit period.
8. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Amrita Nautiyal &
Associates
PR. No: 1332/2021**

**CS Amrita Nautiyal
Proprietor
FCS No. 5079/CP No. 7989
UDIN: F005079E000767808**

Place: Mumbai
Date: August 9, 2023

Annexure 'H'

TO THE DIRECTORS' REPORT

[Statement of Disclosures pursuant to Section 197(12) of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

- (i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year; and the percentage increase in remuneration of each director in the financial year 2022-23;

Name of Director	Ratio of Remuneration to MRE*	% increase / (decrease) in remuneration for FY 2022-23
Mr. Ashok P. Hinduja	2.19	N.A.
Mr. Yashodhan Madhusudan Kale [#]	9.04	(67.74)
Mr. Anil Harish	15.86	(44.33)
Mr. Sudhanshu Tripathi	12.01	(57.62)
Ms. Bhumika Batra	16.52	(50.76)
Dr. Ganesh Natarajan	12.81	(55.04)
Mr. Paul Abraham	4.04	N.A.
Mr. Pradeep Udhas	3.92	N.A.
Mr. Munesh Khanna	2.19	N.A.

[#] Ceased to be a Director of the Company w.e.f. December 19, 2022.

*MRE = Median Remuneration of Employees

- (ii) The percentage increase in remuneration of Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager ('KMP') in the financial year 2022-23;

Name of KMP	Designation	% increase in remuneration for FY 2022-23
Mr. Partha DeSarkar [#]	Whole time Director	43.2
Mr. Vynsley Fernandes*	Whole time Director	N.A. (Refer Note 2 below)
Mr. Srinivas Palakodeti	Chief Financial Officer	10.5
Mr. Narendra Singh	Company Secretary	12.7

[#] Ratio of Remuneration to MRE: 325.24

* Appointed as Whole-time Director w.e.f. November 14, 2022 and Ratio of Remuneration to MRE: 34.92

Note:

- Annual remuneration includes fixed pay, perquisites and Annual Performance Incentive.
- Appointed as Whole-time Director and employed for part of the year during FY 2022-23, hence % increase is not provided.

- (iii) The percentage increase in the median remuneration of employees in the financial year 2022-23

The median remuneration of employees (MRE) for FY 2022-23 increased by 5.29% as compared to FY 2021-22.

- (iv) The number of permanent employees on the rolls of the Company: 12,198

- (v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average percentage increase in the salaries of employees, other than KMPs in the last financial year is 5.29% and the percentage increase in the remuneration of KMP is 30.2%. There has been an increase in the remuneration of KMP in FY 2022-23 due to increment, impact of relocation of a KMP from India to USA and higher payments of Annual Performance Incentives for earlier year.

- (vi) The Company affirms remuneration is as per the Remuneration Policy of the Company.

For and on behalf of the Board of Directors

Place : Dubai
Date : August 9, 2023

Ashok P. Hinduja
Chairman
DIN: 00123180

Annexure I

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity	L92199MH1995PLC084610
2. Name of the Listed Entity	Hinduja Global Solutions Limited (the 'Company' or 'HGS')
3. Year of incorporation	13-1-1995
4. Registered office address	Hinduja House, 171, Dr. Annie Besant Road, Worli, Mumbai - 400018
5. Corporate address	1 st Floor, Gold Hill Square Software Park, No. 690, Hosur Road, Bommanahalli, Bengaluru-560068
6. E-mail	investor.relations@teamhgs.com
7. Telephone	+91 22 6136 0407/+91 80 46431 200
8. Website	www.hgs.cx
9. Financial year for which reporting is being done	Financial year 2022-23 (April 1, 2022 – March 31, 2023)
10. Name of the Stock Exchange(s) where shares are listed	BSE Limited(Formerly Bombay Stock Exchange) NSE (National Stock Exchange of India Limited)
11. Paid-up Capital	₹ 52,52,02,850 (As on March 31, 2023) (During the FY 2023-24, the Company had bought back 60,00,000 Equity Shares. Hence, as on date, the paid up Share Capital of the Company is ₹ 46,52,02,850)
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Narendra Singh Company Secretary Telephone no: +91 22 6136 0407 E-mail id: Narendra.singh@teamhgs.com
13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone basis

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Business Process Management Services (BPM)	Offers digital-led customer experience solutions, BPM and HRO services to clients globally	59%
2	Digital Media (i.e. Media and Communication Services)	This business is India's premier integrated Digital Delivery Platforms Company delivering services via satellite, digital cable and broadband to over 5 million customers	41%

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Business Process Management	63999	59%
2	Digital Media and Communication Services	6110	41%

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
BPM			
- National	-	11	11
- International	-	4	4
Digital Media Business			
- National	54	89	143
- International	-	-	-

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States and UTs)	31
International (No. of Countries)	11

b. What is the contribution of exports as a percentage of the total turnover of the entity? 18%

c. A brief on types of customers

BPM Business: Our customers are primarily HGS subsidiaries globally, who then provide tech-led CX, BPM and HRO services to and bill many of the world's largest brands on a B2B model across nine verticals.

Digital Media Business: The business model for the Digital Video business is a B2B2C model wherein the company delivers digital signals via cable and satellite to Local Cable Operators who in turn re-distribute to retail consumers. The type of customers are basically Local Cable Operators who would be largely operating under sole proprietorship or partnership entities.

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total	Male		Female	
		(A)	No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1	Permanent (D)	12,198	7,751	63.5%	4,447	36.5%
2	Other than Permanent (E)	156	108	69.2%	48	30.8%
3	Total employees (D + E)	12,354	7,859	63.6%	4,495	36.4%
WORKERS						
4	Permanent (F)	Not Applicable (N.A.)				
5	Other than Permanent (G)					
6	Total workers (F + G)					

b. Differently abled Employees and workers:

S. No	Particulars	Total	Male		Female	
		(A)	No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1	Permanent (D)	25	19	76.0%	6	24.0%
2	Other than Permanent (E)	98	69	70.4%	29	29.6%
3	Total differently abled employees (D + E)	123	88	71.5%	35	28.5%
DIFFERENTLY ABLED WORKERS						
4	Permanent (F)	N.A.				
5	Other than Permanent (G)	N.A.				
6	Total differently abled workers (F + G)	N.A.				

19. Participation/Inclusion/Representation of women

Category	Total	No. and percentage of Females	
	(A)	No. (B)	% (B / A)
Board of Directors	10	1	10
Key Management Personnel #	2	-	-

Other than Whole-time Directors

20. Turnover rate for permanent employees and workers*(Disclose trends for the past 3 years)*

Category	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	24%	31%	54%	22%	31%	52%	11%	15%	26%
Permanent Employees Digital Media	9%	23%	32%	8%	21%	29%	3%	9%	12%
Permanent Employees - Philippines	41%	44%	85%	32%	47%	78%	16%	21%	37%
Permanent Employees-HRO	30%	30%	60%	24%	20%	44%	13%	15%	28%
Others	15%	25%	39%	23%	35%	58%	11%	16%	27%

Note: Figures for FY 2020-21 and 2021-22 includes data of Healthcare Business which was sold of in FY 22. FY 2022-23 include figures for Digital media Business

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding / subsidiary / associate companies / joint ventures:

S.No	Name of the holding /subsidiary / associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity
1	HGS International, Mauritius	Subsidiary	100
2	Hinduja Global Solutions LLC	Subsidiary	100
3	Hinduja Properties LLC, USA	Subsidiary	100
4	HGS Canada Holdings LLC	Subsidiary	100
5	HGS Canada Inc., Canada	Subsidiary	100
6	HGS (USA), LLC	Subsidiary	100
7	Affina Company, Canada	Subsidiary	100
8	Hinduja Global Solutions UK Limited	Subsidiary	100
9	Customer Contact Centre Inc.	Subsidiary	100
10	C-Cubed N.V., Curacao	Subsidiary	100
11	C-Cubed B.V., Netherlands	Subsidiary	100
12	HGS CX Technologies Inc.	Subsidiary	100
13	HGS St. Lucia Limited	Subsidiary	100
14	Team HGS Limited, Jamaica	Subsidiary	100
15	HGS Mena FZ LLC	Subsidiary	100
16	HGS Digital LLC	Subsidiary	100
17	Falcon Health Solutions Puerto Rico Holding LLC	Subsidiary	100
18	Falcon Health Solutions Puerto Rico LLC	Subsidiary	100
19	Diversify Offshore Solutions Cebu Inc., Philippines	Subsidiary	100
20	Diversify Offshore Staffing Solutions Pty Limited	Subsidiary	100
21	Diversify Intelligent Staffing Solutions Inc. Philippines	Subsidiary	100
22	Diversify ISS BGC Inc. Philippines	Subsidiary	100
23	Teklink International LLC (formerly known as Teklink International Inc)	Subsidiary	100
24	HGS Colombia S.A.S	Subsidiary	100
25	Indusind Media & Communications Limited (IMCL)	Subsidiary	77.55
26	ONEOTT Intertainment Limited (OneOTT)	Subsidiary	71.65
27	IN Entertainment (India) Limited [#]	Subsidiary	100
28	OneMahanet Intertainment Private Limited [#]	Subsidiary	100
29	Gold Star Noida Network Private Limited ^{##}	Subsidiary	100
30	Bhima Riddhi Infotainment Private Limited ^{##}	Subsidiary	51
31	Apna Incable Broadband Services Private Limited ^{##}	Subsidiary	100

S.No	Name of the holding /subsidiary / associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity
32	U S N Networks Private Limited ^{##}	Subsidiary	100
33	United Mysore Network Private Limited ^{##}	Subsidiary	99.45
34	Sainath In Entertainment Private Limited ^{##}	Subsidiary	51
35	Sangli Media Services Private Limited ^{##}	Subsidiary	51
36	Goldstar Infotainment Private Limited ^{##}	Subsidiary	98.93
37	Darpita Trading Company Private Limited ^{##}	Subsidiary	51
38	Sunny Infotainment Private Limited ^{##}	Subsidiary	51
39	Ajanta Sky Darshan Private Limited ^{##}	Subsidiary	51
40	RBL Digital Cable Network Private Limited ^{##}	Subsidiary	51
41	Vistaar Telecommunication & Infrastructure Pvt Ltd ^{##}	Subsidiary	51
42	Vinsat Digital Private Limited ^{##}	Subsidiary	51.15
43	Teklink International AG	Subsidiary	100

These entities are Subsidiaries of ONEOTT and % shareholding represents shareholding of ONEOTT.

These entities are Subsidiaries of IMCL and % shareholding represents shareholding of IMCL.

Does the entity indicated at Column A, participate in the Business Responsibility initiatives of the listed entity? : NO

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013-Yes

(ii) Turnover (in ₹) : 13,23,30,73,000

(iii) Net worth (in ₹): 44,07,29,96,474

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)#	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	-	-	-	-	-	-
Investors (other than shareholders)	Yes	-	-	-	-	-	-
Shareholders	Yes. There is a mechanism in place to interact, raise queries/ complaints at email ID: investor_relations@teamhgs.com	21	23	-	5	2	-
Employees and workers	Yes	-	-	-	-	-	-
Customers	Yes https://www.indigital.co.in/media/documents/subscription-process.pdf https://www.indigital.co.in/media/documents/manual-of-practice.pdf https://nxtdigital.in/static/pdf/channel-subscription-process.pdf https://nxtdigital.in/static/pdf/manual-of-practice.pdf	1,43,156	644	-	2,58,040	-	-
Value Chain Partners	Yes	-	-	-	-	-	-
Other (please specify)	Yes. In the website of the Company, there is a Section 'Contact us' where queries/ grievances can be raised [URL: https://hgs.cx/contact-us/]						

The policies framed by the Company for stakeholders are available at <https://hgs.cx/investors/corporate-policies/>

24. Overview of the entity's material responsible business conduct issues:

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Societal: Talent management: The company's ability to attract, develop and retain talent.	Risk	Challenges in hiring best in class talent and high attrition levels can impact the company's ability to fulfil demand and revenue.	Adequate and timely focus on employee engagement and support. Focus on employee retention and recognition efforts with opportunities for career growth and development.	Negative
2	Governance : Data privacy and information Security.	Risk	Increased exposure to cyber-attacks, ransomware attacks and security breaches .Data privacy and information security risks as our employees continue to work from environments that may be less secure than those of our delivery centers.	Continue to maintain a robust cybersecurity and data privacy framework with focus on region-specific data protection controls at various levels. Enable adequate investment in technology to prevent/ minimize incidents.	Negative
3	Societal: Disruptive Business Models/ Technologies & New Products/ Services.	Risk & Opportunity	Technology changes driven by external factors, compliance requirements and dynamic customer requirements demands an organisation to be nimble and respond to quickly adapt and deliver.	Tracking , monitoring and identifying technology landscape changes that could enhance Customer E n g a g e m e n t Experience and also positively impact the overall growth of organisation.	Negative and Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P 1	P 2 [@]	P 3	P 4	P 5	P 6	P 7 ^{\$}	P 8	P 9									
Policy and management processes																		
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	-	Y	Y	Y	Y	-	Y	Y									
b. Has the policy been approved by the Board? (Yes/No)	Policies, wherever stated, have been approved by the Board/ Management of the Company.																	
c. Web Link of the Policies, if available	*	-	^	*	^	*	-	*	^									
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	-	Y	Y	Y	Y	-	Y	Y									
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Adherence to the Company's Policies such as Code of Conduct, Prevention, Prohibition and Redressal of Sexual Harassment at Workplace Policy, Diversity and Inclusion Policy, if any, are included in business contract with value chain partners.																	
4. Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	The Policies adopted by the Company are in conformity with the applicable laws/ guidelines/ rules etc. framed by the Govt. and / or Regulatory Bodies. Further, some of the Policies have been formulated keeping in view the accepted industry practices and standards.																	
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Y	-	Y	Y	Y	Y	-	Y	Y									
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The Company has disclosed performance in Section C of this Report and committed to monitor the same from time to time.																	
@	Not Applicable, as the Company is in the business of providing services.																	
\$	No. However Company is member of various trade bodies through which areas of concern or significance are voiced for consideration at appropriate forums.																	
*	Available at the website of the Company, www.hgs.cx																	
^	Available at Internal portal of the Company, accessible to the employees.																	
Governance, leadership and oversight																		
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	As the Company is in the service business, the operations of the Company does not involve ESG risks. However, the Company recognises the importance of ESG and endeavour to reduce adverse effects of global warming and climate change. The Company have also invested heavily in the last year to move to a hybrid infrastructure model (combining on-prem and cloud telephony). HGS carries its activities in an environmentally friendly and energy efficient manner to reduce carbon foot-print.																	
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Partha DeSarkar, Whole-time Director Mr. Vynsley Fernandes, Whole-time Director																	
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes/ No). If yes, provide details.	No																	
10. Details of Review of NGRBCs by the Company:																		
Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other - please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance above policies and follow up action	Yes									The Policies are evaluated and reviewed on periodically and/ or as per the process laid down in the respective Policy or on need basis.								
Compliance with statutory requirements of relevance to the principles, and rectification of any non- compliances	Yes. The Company has necessary procedure in place to ensure the compliance with applicable laws.																	
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.										No								
12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:																		
Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9									
The entity does not consider the Principles material to its business (Yes/No)	N.A.																	
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)																		
The entity does not have the financial or/human and technical resources available for the task (Yes/No)																		
It is planned to be done in the next financial year (Yes/No)																		
Any other reason (please specify)																		

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective Category Covered by awareness programmes
Board of Directors	8	During the periodic meetings, the Board of Directors have been briefed about Regulatory updates, detailing of compliances involved in M&A activities, acquisition of business through Business Transfer Agreement, Buyback of Shares, briefings on digital, media business and broadband over satellite.	100%
Key Managerial Personnel (KMP)	4	All nine principles laid down in BRSR are covered by HGS KMP's apart from HGS code of Conduct, POSH awareness sessions, which is adhered.	100%
Employees other than BoD and KMPs	12,194	During induction, all new employees are made aware of the following policies: Professionalism at workplace, Code of conduct, Personal Relationships at workplace, Alcohol, Drugs and Narcotics, Non Disclosure of intellectual property, Conflict of interest, Customer Vendor relations, Prevention of Sexual Harassment of Women at workplace (POSH). Further, all existing employees at HGS are required to undergo POSH certification. The Company regularly conduct Health and Safety trainings such as Fire Drill on quarterly basis, Information Security etc.	100%
Workers	N.A.		

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: The entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
Particulars	NGRBC Principle	Name of the regulatory/ enforcement/ agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Nil				
Settlement					
Compounding Fee					
Non-Monetary					
Particulars	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case		Has an appeal been preferred? (Yes/No)
Imprisonment	Nil				
Punishment					

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
N.A.	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes. The Company's Code of Conduct for Board Members, the Senior Management Personnel and Employees prohibits receipt or payment of bribes, or any sort of inducement for any business or financial gain. Weblink: <https://hgs.cx/wp-content/uploads/2022/08/HGS-Code-of-Conduct-for-Board-Members-Sr-Mgt-Personnel.pdf>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Particulars	FY 2022-23	FY 2021-22
Directors	Nil	
KMPs		
Employees		
Workers		

6. Details of complaints with regard to conflict of interest:

Particulars	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil			
Number of complaints received in relation to issues of Conflict of Interest of the KMPs				

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not applicable

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Particulars	FY 2022-23	FY 2021-22	Details of improvements in environmental and social impacts
R&D	Nil / Not applicable		
Capex			

- 2.a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Not Applicable. However, the Company endeavors to source the goods that helps sustainability

- 2.b. If yes, what percentage of inputs were sourced sustainably?

Not applicable

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste

Not Applicable. However, e-waste is disposed through scrapping process with the identified vendors. **Digital Media Business:** The Company's business involves distribution of digital television signals to consumers. This business involves use of electronic equipments at the time of distribution, during distribution and the final delivery. The Company's process for disposal of E- waste and other waste is by engaging with parties who are certified to purchase and dispose of such waste in a regulated manner. The Company ensures that all such scrap/waste is sold only to certified E-waste third party contractors. With respect to re-use and repair of customer premises equipments, the Company's process provide for receiving such equipment at its various locations for repair and once repaired and re-furnished the same are re-deployed in the market.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same

As the Company does not produce any goods, EPR is not applicable to the Company's operations.

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	3,601	3,444	96%	3,601	100%	NA	NA	3,601	100%	2,225*	62%
Female	2,597	2,409	93%	2,597	100%	2,597	100%	NA	NA	1,484*	57%
Total	6,198	5,853	94%	6,198	100%	2,597	41.90%	3601	58.10%	3,709	60%
* Day Care facility is not compulsory in Philippines. In India, the coverage is 100%											
Other than Permanent employees											
Male	4,089	3,335	82%	4,066	99%	Nil	Nil	Nil	Nil	Nil	Nil
Female	1,630	1,367	84%	1,620	99%	1,617	99%				
Total	5,719	4,702	82%	5,686	99%	1,617	28%				

b. Details of measures for the well-being of workers:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent Workers											
Male	N.A.										
Female											
Total											

2. Details of retirement benefits, for Current FY and Previous FY

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	N.A.	Y	100%	N.A.	Y
Gratuity	100%	N.A.	Y	100%	N.A.	Y
ESI	100%	N.A.	Y	100%	N.A.	Y
Others - please specify	N.A.					

Notes:

1. In Philippines, there is no requirement of PF and ESI.
2. All permanent employees are covered under PF and Gratuity from their date of joining.
3. Employees with monthly Gross salary upto ₹ 21,000/- are covered under ESI.
4. ESI is remitted as applicable.

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes. The premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes. At HGS, Diversity is core to the way we conduct business as HGS is an equal opportunity employer. The Company envision a diverse workplace (gender, disability, sexual orientation, race, age, nationality, attitude, experience, etc.) offering an inclusive environment for everyone. This will ensure we learn, grow, respect and accept a diverse workforce thereby helping us achieve our vision - "Together We Progress". This policy is to provide a framework which sets out our workplace diversity, equity and inclusion objectives to meet our goal of being an employer of choice and preferred business partner. Policy is accessible / available to employees on the company's local intranet-<https://hgsconnect.teamhgs.com/hgs-policies>

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	N.A.	
Female	92%	92%		

- Return to work: Rate of employees who joined back from their parental leave in FY 2023.
- Parental leave includes maternity leave, paternity leave and adoption leave.

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Category	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Employees	Yes, Employees who believe that they have suffered any form of discrimination whether real or perceived, must contact the Managers, Liaison Officer, HR or DEI team. The Company has Policy that defines the process of raising the grievance and published to all employees.
Other than Permanent Employees	Yes. Non-permanent employees can raise the grievances via email to the concerned stakeholders.
Permanent Workers	N.A.
Other than Permanent Workers	N.A.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2022-23			FY 2021-22		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	There are no Unions / Associations in HGS that Employees are affiliated to.					
Male	Nil			Nil		
Female						
Total Permanent Workers						
Male						
Female						

8. Details of training given to employees and workers:

Category	FY 2022-23					FY 2021-22				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	3,601	3,601	100%	2,780	77%	1,178	1,178	100%	1,001	85%
Female	2,597	2,597	100%	2,150	83%	887	887	100%	815	92%
Total	6,198	6,198	100%	4,930	80%	2,065	2,065	100%	1,816	88%
Workers										
Male	N.A.					N.A.				
Female	N.A.					N.A.				
Total	N.A.					N.A.				

9. Details of performance and career development reviews of employees and workers:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	3,601	3,601	100%	621	621	100%
Female	2,597	2,597	100%	405	405	100%
Total	6,198	6,198	100%	1,026	1,026	100%
Workers						
Male	N.A.			N.A.		
Female						
Total						

10. Health and Safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such system?

Yes. At HGS, high standard of occupational health and safety across offices are maintained. These include one to one help program to Employees, Fire Drill, Wellness Room, Emergency Response Team - ERT, First Aid, Workplace inspections, Hazard Identification and risk assessment, Incident Reporting and Investigations, Company provided Transport facilities.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Nature of work at HGS doesn't involve any significant hazards. HGS is certified on ISO 9001 and ISO 27001 standards. The Company have identified and mitigated risks related to physical and environmental security. The Company has installed fire detection, alarm, and suppression systems and regularly maintain the system. Employees are trained on emergency evacuation through quarterly drills and responding to medical emergencies.

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Yes. The Company has safety incident reporting and management processes to ensure that all work-related incidents are reported and closed after taking necessary corrective actions. As a part of the OSH annual exercise, there are all drills organized by the building admin where support staff participates (fire, earthquake drill, etc)

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes. HGS has taken a holistic approach for well-being to cover mental health, ergonomic health, physical health, and safety, delivered through digital channels.(Online Yoga by experts, Parental care, One to One Help etc..)

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil/ Not applicable	Nil/ Not applicable
	Workers		
Total recordable work-related injuries	Employees		
	Workers		
No. of fatalities	Employees		
	Workers		
High consequence work-related injury or ill-health (excluding fatalities)	Employees		
	Workers		

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

Refer response to point 10 above. Further, Philippines Branch has Occupational, Safety & Health Committee (OSH), as mandated by Philippines law.

13. Number of Complaints on the following made by employees and workers:

Type	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil		No case reported	Nil		No case reported
Health & Safety						

14. Assessments for the year:

Type	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions

No corrective action plan has been necessitated as there were no health and safety related incidents and concern related to working conditions.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders**Essential Indicators****1. Describe the processes for identifying key stakeholder groups of the entity.**

The Company has mapped all its stakeholders. For example, the members of the CSR Committee, CSR Forum and any employee who is directly or indirectly involved in the execution of CSR initiatives have been mapped under the internal stakeholder category. The external stakeholder comprises NGOs or other project implementation partners, local government bodies, community members, program beneficiaries, vendors and suppliers.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Children from disadvantaged background	Yes	On-ground engagement with government schools through NGO representatives and Block Development Officers.	The learning and nutrition interventions at schools are done on a daily basis in order to ensure impact across the annual programs sponsored by HGS. The reporting, monitoring and evaluation is done on a monthly basis.	Mid-day meal program with the Akshaya Patra Foundation to enable mid-day meals for over 6,000 children every school working day of the year, across various schools in Bengaluru. The program focuses on providing basic nutrition to children to enable education, promote enrolment in schools and also ensure attendance.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
				<p>Comprehensive English Learning Program with Step-Up for India is designed to improve English language proficiency among children and teachers in Anekal, Bengaluru, as English reading and writing skills continue to be a major factor in employability.</p> <p>Learning Links Foundation's Road to School Program is supported by HGS in order to improve foundational numeracy and literacy (FNL) skills among children.</p> <p>HGS has also partnered with The Hinduja Foundation and Bhansali Trust to support free schooling from Class 1 to 10 across various hamlets in the vicinity of Bodhgaya, Bihar.</p>
Persons with Disability (PwD)	Yes	On-ground engagement at rural rehabilitation centres, tier-3 colleges, schools and gram panchayat offices by dedicated mobilization officers appointed by the NGO.	The domain-specific skills training for PwDs are conducted for 3-months per batch. The reporting, monitoring and evaluation is done on a monthly basis.	The scope of the program includes training and placement (60%) of 100 PwDs across specific domains such as finance & banking, BPM, retail, etc.
Youth from disadvantaged background	Yes	On-ground engagement with community leaders by dedicated mobilization officers appointed by NGO, word-of-mouth and alumni network.	Employability skills training for youth (16 year-25 years) are conducted for 3-months per batch (strength: 25).	The purpose of the Youth Livelihood Program is to provide employability skills training to make the youth job-ready and financially self-sufficient enough to supplement their family income and improve overall quality of life. The program also focuses on creating youth leaders within the community who can guide their peers towards employability.
Disadvantaged communities in rural areas	Yes	On-ground engagement with community leaders by dedicated mobilization officers appointed by NGO, word-of-mouth and alumni network.	Annual program sponsored by HGS, with activities ranging from weekly to monthly interventions.	<p>The Integrated Rural Development Program (IRDP) in association with Hinduja Foundation and Bhansali Trust is designed to provide support to Mushar community members across various villages in Bihar. The program supports education, health, financial empowerment and nutrition.</p> <p>In association with Samarpaka Seva Trust, HGS has sponsored the vocational training of women across 7 villages in Chikkaballapur District, Karnataka. The trainings are focused on empowering women financially by promoting vocational training included tailoring, beautician courses, computer training and spoken English.</p>

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders/ Investors	No	Quarterly results, Investor presentation, Annual Report, Annual General Meeting, Earnings Call, emails, newspaper advertisements, Press Releases and disclosures to the Stock Exchanges and on the website	On regular basis	Responding to queries of investors, presenting business performance highlights, compliance requirements and making requisite information available in public domain.
Regulators/ Policy makers	No	E-mails and/ or written communication, through Chamber of Commerce	Need based	Providing information, seeking clarification and disclosures.
Employees	No	E-mails, Town hall meetings, face to face meetings, newsletters	On regular basis	Learnings and development, Trainings, engagement session, reward / recognition, team building workshop, employee satisfaction survey.
Customer/ Vendors	No	E-mails, Phone calls, Face to face meetings	On regular basis	Update on services offerings, understanding the client needs, timelines, customer satisfaction and feedback, business opportunity and growth.

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees/ workers covered (B)	% (B / A)	Total (C)	No. of employees/ workers covered (D)	% (D / C)
Employees						
Permanent	12,198	12,198	100%	1,912	1,912	100%
Other than permanent	156	156	100%	6,112	6,112	100%
Total Employees	12,354	12,354	100%	8,024	8,024	100%
Workers						
Permanent	N.A.					
Other than permanent	N.A.					
Total Workers	N.A.					

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to Minimum		More than Minimum Wage		Total (D)	Equal to Minimum		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent	6,198	1,025	17%	5,173	83%	3,741	202	5%	3,539	95%
Male	3,601	548	15%	3,053	85%	1,926	109	6%	1,817	94%
Female	2,597	477	18%	2,120	82%	1,815	93	5%	1,722	95%
Other than Permanent	5,719	1,253	22%	4,466	78%	6,112	712	12%	5,400	88%
Male	4,089	683	17%	3,406	83%	4,466	414	9%	4,052	91%
Female	1,630	570	35%	1,060	65%	1,646	298	18%	1,348	82%
Workers										
Permanent	N.A.									
Male	N.A.									
Female	N.A.									
Other than Permanent	N.A.									
Male	N.A.									
Female	N.A.									

3. Details of remuneration/salary/wages, in the following format:

Category	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category ₹ in lakhs	Number	Median remuneration/ salary/ wages of respective category ₹ in lakhs
Board of Directors (BoD)#	7	13.75	1	38
Key Managerial Personnel (KMP)	4	-	-	-
Employees other than BoD and KMP	1,356	3.16	1,583	5.98
Workers	N.A.			

#Excludes 2 whole time Directors who are appearing under the row KMP

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company has compliance officer appointed for addressing Human rights or issues. Some of the common mechanism available to receive and redress grievances include-

@ Open door Policy

@ Grievance redressal committee

@ Whistle Blower Policy and Vigil Mechanism (Shared by top management to BOD on quarterly basis) One of the 5 HGS Global Values is Inclusion. From onboarding and as each employee journeys in our organization, we make sure that each is measured through their skill and performance, without prejudice nor bias. We have a DEI team, Diversity Equity Inclusion, dedicated to create awareness & put a sustained spotlight on equality across all levels.

6. Number of Complaints on the following made by employees and workers:

Particulars	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment			NIL			
Discrimination at workplace						
Child Labour						
Forced Labour/Involuntary Labour						
Wages						
Other human rights related issues						

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company conduct the annual survey where participation is enabled regardless of job level, ESAT & ICSAT. Recently we have revived the Voice of the Employee tool which is executed periodically. Together with our open door policy, IR system, and grievance management practices, all these enable us to capture and address grievances. Our Company Principles and Code of Conduct are mirrored against the law of the land which guarantees a just approach towards a fair resolution. Company observed none retaliation policy to safeguard employees from retaliation after reporting.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes

9. Assessments for the year:

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties) for 2022-23
Child labour	NIL
Forced/involuntary labour	NIL
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	NIL

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

No concerns or risks were identified during these assessments.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2022-23	FY 2021-22
Total electricity consumption (A)	79,39,022 Units	81,38,828 Units
Total fuel consumption (B)	11,848	7,536
Energy consumption through other sources (C)	-	-
Total energy consumption (A+B+C)	79,50,870	81,46,364
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.00060	0.00131
Energy intensity (optional) – the relevant metric may be selected by the entity	N.A.	N.A.
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.		No

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water	Not significant as company is in service business and water is used only for general usage/ consumption.	
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water:withdrawal (in kilolitres) (i+ii+iii+iv+v)		
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Water consumed / turnover)		
Water intensity (optional) – the relevant metric may be selected by the entity		
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.		No

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

N.A.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2022-23	FY 2021-22
Nox	N.A.	Not applicable as the Company is in Services business.	
Sox			
Particulate matter (PM)			
Persistent organic pollutants (POP)			
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others - please specify			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	N.A.	
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent		
Total Scope 1 and Scope 2 emissions per rupee of turnover	-		
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-		
Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.		No	

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

No

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-23	FY 2021-22
Total Waste generated (in metric tonnes)		
Plastic waste (A)	Nil	Nil
E-waste (B)	58.4	63.8
Bio-medical waste (C)	Nil	Nil
Construction and demolition waste (D)		
Battery waste (E)		
Radioactive waste (F)		
Other Hazardous waste. Please specify, if any. (G)		

Parameter	FY 2022-23	FY 2021-22
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	Nil	Nil
Total (A+B + C + D + E + F + G + H)	58.4	63.8
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	NIL, since entirely disposed off.	
(ii) Re-used		
(iii) Other recovery operations		
Total		
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	Sold to certified third party contractors post ensuring they are duly certified for disposal of E Waste.	
(ii) Landfilling		
(iii) Other disposal operations		
Total		
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.	No	

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Not Applicable. The Company's business does not involve usage of hazardous and toxic chemicals.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations / offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Nil/ Not applicable			

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Nil/ Not applicable					

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Nil/ Not applicable				

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

- 1 a. Number of affiliations with trade and industry chambers/ associations:

Five (5) in India and Five (5) in Philippines.

- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	National Association of Software and Services Companies (NASSCOM)	Active member of Nasscom nationally and globally; Group CEO Mr. Partha DeSarkar was a Member of the BPM Council in FY 2023.
2	Confederation of Indian Industry (CII)	Active member of CII, especially in Karnataka Chapter.
3	Bangalore Chamber of Industry and Commerce (BCIC)	Active member of the Association - Karnataka.
4	IT and Business Process Association of the Philippines (IBPAP)	Active member of the Association.
5	Contact Center Association of Philippines (CCAP)	HGS APAC President & CEO Mr. Pushkar Misra is a Board Member of CCAP since December 2022.
6	Philippine Chamber of Commerce and Industry	Active member of the Association.
7	Federation of Indian Chamber of Commerce of the Philippines Inc.	Active member of the Association.
8	India Business Forum Philippines Association Inc.	Active member of the Association.
9	All India Digital Cable Federation	Active member of the Association; CEO of HGS' Digital Media Business Mr. Vynsley Fernandes is the Vice Chair of the Federation.
10	Society for Cable Telecommunication Engineers	CEO of HGS' Digital Media Business Mr. Vynsley Fernandes is the Hon. Chairman of the Society.

- 2 Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities

Name of authority	Brief of the case	Corrective action taken
No adverse remarks from Regulatory Authorities		

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

- 1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of project	SIA Notification No.	Date of Notification	Whether conducted by independent external agency (Yes/ No)	Results communicated in public domain (Yes/ No)	Relevant Web Link
Not applicable. As per the applicable provision, the Company is not required to conduct the Social Impact Assessment.					

- 2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

S.No	Name of Project for which R&R is ongoing	State	District	No.of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY(in INR)
Not applicable. No project have been undertaken which requires R&R.						

- 3. Describe the mechanisms to receive and redress grievances of the community.**

The Company acknowledges its responsibility towards the society and supports inclusive growth and equitable development of all its stakeholders. Grievance Redressal Mechanism is an important aspect assuring strong relationship with the stakeholders and redressing their grievance or concern. As part of grievance redressal mechanism, the stakeholder have the options of sharing their concern at email investor.relations@teamhgs.com for speedy action.

- 4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

Particulars	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	13%	18%
Sourced directly from within the district and neighbouring districts [#]	The Company does not track this metric.	The Company does not track this metric.
#Not applicable. However, the Company supports local and small suppliers (MSME)s by procuring goods and services in proximity to its offices/ location.		

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

- 1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

BPM Business: The Company conducts “Annual Customer Satisfaction Survey” during September to November to seek feedback from clients about service delivery. The objectives of this survey are as follows:

- To get insights on where changes / improvement needs to be done to improve / sustain customer satisfaction.
- To acquire insightful information from the client’s perspective which will result in a competitive edge and value addition to the clients.

This survey is administered by our third-party market research partner. Survey questionnaire covers standard NPS question, key outcome measures, expectations, does well, areas for improvement, business dimensions & performance feedback. The survey responses are analysed, and findings are shared with leaders and respective verticals/accounts/functions for developing action plans. Post completion of action plans, respective team share the

updates with their clients. This annual program is managed centrally by the Business Excellence & Transformation team.

Digital Media Business: As per the Quality of Service regulations of TRAI (2017), we have the following mechanisms:

1. call centre with toll-free numbers for receiving customer related calls.
 2. call centre with toll-free numbers for receiving partner related calls.
 3. self care portal/mobile app for customers to create tickets for complaints.
 4. portal/mobile app for partners to create tickets for complaints.
 5. we publish our state-wise and national nodal officers on our websites in the event grievances are not resolved.
2. **Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

Particulars	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not applicable
Safe and responsible usage	
Recycling and/or safe disposal	

3. **Number of consumer complaints in respect of the following:**

Particulars	FY 2022-23		FY 2021-22	
	Received during the year	Pending resolution at end of year	Received during the year	Pending resolution at end of year
Data privacy	Nil/ N.A.		Nil/ N.A.	
Advertising				
Cyber-security				
Delivery of essential services				
Restrictive Trade Practices				
Unfair Trade Practices				
Other	=34539 (CATV) + 108617 (HITS)	=541 (CATV) + 103 (HITS)	= 104376 (CATV) + 153664 (HITS)	= NA (CATV) + NA (HITS)

4. **Details of instances of product recalls on account of safety issues:**

Particulars	Number	Reasons for recall
Voluntary recalls	Not applicable	
Forced recalls		

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

HGSL is committed towards protecting the data of customers and its employees. The principles and policy regarding data privacy are available on our website at:

<https://hgs.cx/policies/privacy/>

<https://nxtdigital.in/terms-and-conditions>

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services**

Not applicable

AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

To THE MEMBERS OF HINDUJA GLOBAL SOLUTIONS LIMITED

Report on the Audit of the Consolidated Ind AS Financial Statements (as amended)

Opinion

We have audited the accompanying consolidated Ind AS financial statements (as amended) of Hinduja Global Solutions 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 Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated Ind AS financial statements (as amended) including a summary of the significant accounting policies and other explanatory information, in which are incorporated the Returns for the year ended on that date audited by the branch auditor of the branch of the Group located at Philippines (hereinafter referred to as "consolidated Ind AS financial statements"). These consolidated Ind AS financial statements (as amended) replace the original consolidated Ind AS financial statements approved by the Board of Directors on May 26, 2023. The consolidated Ind AS financial statements (as amended) do not consider events which take place after the date on which original consolidated Ind AS financial statements were approved.

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 the branch auditor and other auditors on separate Ind AS financial statements and on the other financial information of the subsidiaries as noted in the Other Matters section below, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, of the consolidated state of affairs of the Group as at March 31, 2023, their consolidated profit (including other comprehensive income), their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to the following matters in the notes to the consolidated Ind AS financial statements:

1. Note 51 II (A) to the consolidated Ind AS financial statements (as amended) in respect of Scheme of Arrangement (the "Scheme") between the Hinduja Global Solutions Limited (the "Resulting Company") and NXTDIGITAL Limited (the "Demerged Company"), of merger of Demerged Company from the appointed date of February 01, 2022, as approved by the Hon'ble National Company Law Tribunal vide its order dated November 11, 2022. However, the accounting treatment pursuant to the Scheme has been given effect from the earlier period required under Ind AS 103 - Business Combinations, which is the beginning of the preceding period presented i.e. April 1, 2021. Accordingly, the consolidated Ind AS financial statements for year ended March 31, 2022 have been restated to give effect to the aforesaid merger.
2. Note 63 to the consolidated Ind AS financial statements (as amended) which relate to the facts known subsequent to May 26 2023, but which were existing as at that date, and which resulted in the amendments to the previously issued consolidated Ind AS financial statements, for the year ended March 31, 2023, issued on May 26 2023. Statutory Auditors of HGS International, Mauritius (subsidiary company), has amended its Audit report and issued unmodified opinion dated on August 8, 2023 on amended financial statements of HGS International, Mauritius for the year ended March 31, 2023. Hence, our auditor's report on the consolidated Ind AS financial statements (as amended) has been amended in this regard. Our audit procedures, in so far as they relate to the amendment to the consolidated Ind AS financial statements, have been carried out solely on this matter and no additional procedures have been carried out for any other events occurring after May 26, 2023 (being the date of our earlier audit report (UDIN: 23118970BGWTMQ8364) on the earlier consolidated Ind AS financial statements).

Our opinion is not modified in respect of these matters.

AUDITOR'S REPORT

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements (as amended) of the current year. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key audit matter(s)	How our audit addressed the key audit matter
1	<p>Intercorporate deposits and investment in non – convertible debentures (NCD) to the certain parties including related parties</p> <p>As described in note 5, note 6, note 13 and note 45, the Group has given intercorporate deposits and NCD of ₹ 3,55,809.73 lakhs during the year to certain parties including its related parties. We identified the aforesaid transactions with certain parties' including its related parties and its classification and disclosure, as set out in respective notes to the Consolidated Ind AS financial statements, was a significant area of focus and hence considered it as a Key Audit Matter.</p>	<ul style="list-style-type: none"> • Obtained and read the Group's policies, and procedures in respect of identification of related parties, obtaining approval, recording and disclosure of related party transactions. • In respect of unsecured loans given to other entities, we have reviewed the legal assessment by an external legal counsel appointed by the management in assessing and concluding such entities as not a related party under Ind AS 24, Related Party Disclosures • Read minutes of the meetings of the Board of Directors and Audit Committee, to trace related party transactions with limits approved by Audit Committee / Board of Directors, providing an unanimous approval of all directors present in the meeting approving the placement of the unsecured intercorporate deposits and investment, the terms thereof, degree of credit risk associated with the respective borrowers, the purpose and business rationale for giving intercorporate deposits, and the arms' length interest rates considered. • Tested intercorporate deposits and NCD on a sample basis, with the underlying contracts, confirmation letters, and other supporting documents. • Validated the Groups' assessment with respect to compliance, as applicable with the relevant provision of the Companies Act, 2013 on arm's length principles. • Reviewed the Company Secretary's assessment and conclusion that there exists no conflict of interest of the independent directors of the Company approving these intercorporate deposits. • Inspected Managements evaluation of recoverability by reference to the audited or unaudited financial statements as applicable including credit ratings of the respective borrowers. • Reviewed the classification and disclosures in the Consolidated Ind AS financial statements to assess whether the classification and disclosure is in accordance with the requirement of Schedule III and Ind AS 24 Related Party Disclosure.

AUDITOR'S REPORT

Sr. No.	Key audit matter(s)	How our audit addressed the key audit matter
2	<p>Impairment of the carrying value of Goodwill</p> <p>The Group annually carries out an impairment assessment of goodwill for every cash-generating unit (CGU) it belongs to using a value-in-use model which is based on the net present value of the forecast earnings of the respective CGU. Based on such test, the recoverable amount being higher than the carrying amount of CGU and accordingly no adjustment for impairment is considered necessary. We considered this as a key audit matter because of the significant carrying value of goodwill in every CGU and high estimation uncertainty in assumptions used such as discount rate, rate of growth over the estimation period and terminal growth rate which are affected by future market and economic conditions and, hence, are inherently uncertain.</p>	<ul style="list-style-type: none"> • Obtained an understanding of Management processes and controls with regard to testing the goodwill for Impairment. • Compared the assumptions with comparable benchmarks in relation to key inputs such as long-term growth rates and discount rates. • Assessed the appropriateness of the forecast cash flows within the budgeted period based on their understanding of the business. • Considered historical forecasting accuracy, by comparing previously forecasted cash flows to actual results achieved. • Assessed the management process of allocating goodwill acquired on business combination to respective CGU linking it to the concerned business process management activity. • For each CGU identified for impairment testing, we have checked the mathematical accuracy of the calculations. • We also assessed the adequacy of related disclosures for impairment of goodwill in note 40, note 1(b) (viii) for use of estimates and judgements and 1(u) of the Ind AS consolidated financial statements (as amended) for the related accounting policy on impairment of goodwill.
3	<p>Business Combination of Digital, Media & Communications Business under Common Control</p> <p>Refer note 51 (II) (A) to the Consolidated Ind AS financial statements in respect of scheme of Arrangement (the "Scheme") between the Hinduja Global Solutions Limited and NXTDIGITAL Limited (the "Demerged Company"), of merger of Demerged Company from the appointed date of February 01, 2022, as approved by the Hon'ble National Company Law Tribunal vide its order dated November 11, 2022.</p> <p>The Holding Company has accounted for the business combination using the pooling of interest method in accordance with Appendix C of Ind AS 103 – Business Combination. The carrying value of the identified assets and liabilities of the demerged company including its components as at April 1, 2021 (being the beginning of the previous period presented), have been incorporated in the books with merger adjustments, as applicable.</p> <p>The Holding Company has allotted 1,06,89,403 fully paid-up equity shares to the eligible shareholders of the erstwhile demerged company in accordance with the Scheme.</p> <p>The Holding Company has recognised capital reserve of ₹ 25,652.20 lakhs directly in "Other Equity".</p> <p>Considering the magnitude and complexity, the aforesaid business combination treatment in consolidated financial statements has been considered to be a key audit matter.</p>	<ul style="list-style-type: none"> • Understood from the management, assessed and tested the design and operating effectiveness of the Group's key controls over the accounting of the business combination. • Read and assessed the provisions of the Scheme and the NCLT order submitted with ROC. • Obtained an understanding and assessed the effectiveness of process followed by the management for recording the accounting treatment prescribed in the Scheme. • Evaluated whether the accounting treatment of the said transaction is in line with the applicable Indian Accounting Standards (Ind AS) and accounting guidance. • Verified whether the accounting entries recorded in the books are in line with the accounting treatment assessed above, including the arithmetical accuracy of the same. • Traced the assets and liabilities of Standalone and Consolidated condensed financial statement of demerged Company from the Independent practitioner's report on special purpose standalone and consolidated condensed financial statements as at January 31, 2022. • Assessed the adequacy and appropriateness of the disclosures made in the Consolidated Ind AS financial statements.

AUDITOR'S REPORT

Sr. No.	Key audit matter(s)	How our audit addressed the key audit matter
4.	<p>Business Combination under Acquisition method</p> <p>Refer note 51 (iii) (a) to the Consolidated Ind AS financial statements, Effective March 01, 2023, the Group has acquired 100% equity of Teklink International Inc. USA for a consideration of ₹71,342.25 lakhs. The Group determined the acquisition to be business combination in accordance with Ind AS 103, which requires the identified assets and liabilities to be recognised at fair value at the date of acquisition with the excess of acquisition cost over identified fair value of recognised assets and liabilities as Goodwill.</p> <p>Management has appointed independent external valuers (management's expert) to perform valuation of identifiable assets and liabilities as a part of Purchase Price Allocation (PPA) and basis reports of the valuers, the Management determined that the fair value of the net identifiable assets acquired and liabilities assumed was ₹20,868.65 lakhs (after adjusting deferred tax on intangibles) including ₹19,532.18 lakhs relating to intangible assets that arose from the business combination, resulting in Goodwill of ₹50,473.60 lakhs.</p> <p>This has been considered a key audit matter in view of the amounts involved and significant assumptions and estimates used by the Management and the professional valuer in determining the fair values of the assets acquired and liabilities assumed in the transaction.</p>	<ul style="list-style-type: none"> Understood from the management, assessed and tested the design and operating effectiveness of the Group's controls over the accounting of business combination. Assessed the appropriateness and completeness of the assets acquired and the liabilities assumed at the acquisition date and assessed the completeness, accuracy and valuation of the Purchase Price Allocation (PPA) adjustments to understand the appropriateness of accounting for Business Combination as per IND AS 103. Evaluated the competence, capabilities and objectivity of the management's expert, obtained an understanding of the work of the expert, and evaluated the appropriateness of the expert's work. Traced the value of the consideration transferred as per the terms of the transaction documents. Broadly reviewed and challenged the underlying business assumptions and estimates relating to future revenue growth but as the extent of impact is dependent on future developments, we primarily relied on those assumptions and estimates. These assumptions and estimates are a subject matter of periodic review by the Group. Held specific discussions and reviewed the PPA reports including the work done by management experts to assess reasonableness of the underlying key assumptions used in determining the fair value of assets and liabilities as at the acquisition date. Assessed and corroborated the adequacy and appropriateness of the disclosures made in the consolidated Ind AS financial statements. Verified the arithmetical accuracy of management's calculations of Goodwill'

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Holding Company's Director's report, Management Discussion & Analysis Report, Business responsibility report and Corporate Governance report but does not include the standalone Ind AS financial statements, consolidated Ind AS financial statements (as amended) and our auditor's report thereon. The Director's report, Management Discussion & Analysis, Report, Business responsibility report and Corporate Governance report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated Ind AS financial statements (as amended) 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 (as amended), our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated Ind AS financial statements (as amended) or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Director's report, Management Discussion & Analysis, Report, Business responsibility report and Corporate Governance report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

AUDITOR'S REPORT

Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements (as amended)

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements (as amended) 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 changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including Ind AS prescribed 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 the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 (as amended) by the Directors of the Holding Company, as aforesaid.

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

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements (as amended)

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements (as amended) 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 amended). 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 (as amended), 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, and subsidiary companies, which are companies incorporated in India, have 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.

AUDITOR'S REPORT

- 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 (as amended) 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 (as amended), including the disclosures, and whether the consolidated Ind AS financial statements (as amended) represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the branch, 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 (as amended). We are responsible for the direction, supervision and performance of the audit of the Ind AS financial statements of such entities included in the consolidated Ind AS financial statements (as amended) of which we are the independent auditors. For the other entities including branch included in the consolidated Ind AS financial statements (as amended), 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 (as amended) 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 (as amended) of the current year 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 Matters

- (a) We did not audit the Ind AS financial statements of one foreign branch included in the audited standalone financial statements of the Holding Company included in the Group, whose financial information reflect total assets of ₹91,588.14 Lakhs as at March 31, 2023, total revenues of ₹ 22,728.10 Lakhs for year ended March 31, 2023, total net profit (including other comprehensive income) after tax of ₹ 4,054.52 Lakhs for the year ended March 31, 2023 and net cash outflows of ₹ 53,134.87 Lakhs as considered in the respective standalone Ind AS financial statements of the Holding Company included in the Group. The financial information of the branch has been audited by the branch auditors whose reports has been furnished to us and our opinion in so far as it relates to the amounts and disclosures included in respect of this branch and our report in terms of section 143(3) of the Act, in so far as it relates to the aforesaid branch, is based solely on the report of such branch auditor.
- (b) We did not audit the Ind AS financial statements of 21 subsidiaries including step-down subsidiaries, whose Ind AS financial statements reflects total assets of ₹ 8,13,324.88 Lakhs total revenues of ₹ 1,75,817.23 Lakhs and net cash outflow amounting to ₹ 57,293.33 Lakhs for the year ended on that date, as considered in the consolidated

AUDITOR'S REPORT

Ind AS financial statements (as amended). These Ind AS financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated Ind AS financial statements (as amended), in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of section 143(3) of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

- (c) We did not audit the Ind AS financial statements / financial information of 14 subsidiaries, whose Ind AS financial statements / financial information reflects total assets of ₹ 36,544.72 Lakhs as at March 31, 2023, total revenues of ₹ 36,395.18 Lakhs and net cash inflows amounting to ₹ 5,309.12 Lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements (as amended). These Ind AS financial statements are unaudited and have been furnished to us by the management and our opinion on the consolidated Ind AS financial statements (as amended), in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of section 143(3) of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on such unaudited Ind AS financial statements. In our opinion and according to the information and explanations given to us by the management, these Ind AS financial statements are not material to the Group.

Our opinion on the consolidated Ind AS financial statements (as amended) 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 including amended report and the financial statements / financial information and financial information, certified by the Board of Directors.

- (d) The audit of consolidated Ind AS financial statements for the year ended March 31, 2022, was carried out and reported by M/s Deloitte Haskins & Sells LLP, vide their unmodified audit report dated May 29, 2022, whose report has been furnished to us by the management and which has been relied upon by us for the purpose of our audit of the consolidated Ind AS financial statements.

The above stated comparative financial information of the Group for the year ended March 31, 2022 have been restated and re-presented by the management to include the impact of the Scheme and sale of healthcare services business (as stated in Note no 51(II)(A) to the consolidated Ind AS financial statements) and the same have neither been reviewed nor audited by us.

Our opinion on the consolidated Ind AS financial statements (as amended) is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

1. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us and based on the CARO reports issued by us for the Holding Company and taking into consideration the reports of other auditors on separate Ind AS financial statements of subsidiaries included in the consolidated Ind AS financial statements (as amended) of the Holding Company, to which reporting under CARO is applicable, we report in "Annexure 1" the details of the qualifications or adverse remarks reported in the aforesaid CARO reports.
- (2) As required by section 143(3) of the Act, based on our audit and on the consideration of reports of the branch auditor and other auditors on separate Ind AS financial statements and the other financial information of the branch and subsidiaries as noted in the Other Matters section above 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 Ind AS financial statements; (as amended);

AUDITOR'S REPORT

- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements (as amended) have been kept so far as it appears from our examination of those books and the reports of the other auditors;
- c. The reports on the accounts of the branch office of the Holding Company included in the Group audited under section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report;
- d. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements (as amended) and with the returns received by us from the branch not visited by us and the other auditors;
- e. In our opinion, the aforesaid consolidated Ind AS financial statements (as amended) comply with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
- f. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group 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;
- g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure A2";
- h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration accrued/paid by the Company along with remuneration accrued/paid by one step down subsidiary to its whole-time directors during the year exceeds the prescribed limit of 10% of net profits laid down under section 197 and 198 of the Act. The remuneration accrued/paid for the year 2022-23 in excess of the limit laid down under this section is ₹3,036.72 lakhs and has been approved by the Nomination and Remuneration Committee of the Company. The remuneration is disclosed in Note 45 Related Party Transactions. The Company has obtain the necessary approval of the members of the Company, in this regard.

- 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 Ind AS financial statements (as amended) disclose the impact of pending litigations on the consolidated financial position of the Group Refer Note 36 to the consolidated Ind AS financial statements (as amended);
 - (ii) Provision has been made in the consolidated Ind AS financial statements (as amended), as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts in respect of such items as it relates to the Group;
 - (iii) The following are the instances of delay in transferring amounts, to the Investor Education and Protection Fund by the Holding Company:

AUDITOR'S REPORT

Sr. no.	Nature of Dues	Amount to be transferred	Due date for amount to be transferred	Actual date of transferred
1	3rd Interim unclaimed dividend for FY 2015-16	₹1.12 Lakhs	16 March 2023	15 May 2023

- iv) (a) Based on our audit report on separate Ind AS financial statements of the Holding Company and its subsidiary companies incorporated in India, and consideration of reports of the other auditors on separate Ind AS financial statements of its subsidiary companies incorporated in India, whose financial statements have been audited under the Act, the management of the Holding Company and the respective management of the aforesaid subsidiaries have represented that, to the best of their 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 Group to or in any other person or entity including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) Based on our audit report on separate Ind AS financial statements of the Holding Company and its subsidiary companies incorporated in India, and consideration of reports of the other auditors on separate Ind AS financial statements of its subsidiary companies incorporated in India, whose financial statements have been audited under the Act, the management of the Holding Company and the respective management of the aforesaid subsidiaries have represented that, to the best of their knowledge and belief, other than as disclosed in the notes 61(vi)(II) to the accounts of the consolidated Ind AS financial statements (as amended), no funds have been received by the Group from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group 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;
- (c) Based on the audit procedures that are considered reasonable and appropriate in the circumstances, and consideration of reports of the other auditors on separate Ind AS financial statements of the subsidiary companies incorporated in India, whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v) As stated in Note 44(B) to the consolidated Ind AS financial statements (as amended):
- (a) The final dividend proposed in the previous year, declared and paid by the Holding Company during the year is in compliance with section 123 of the Act, as applicable.

AUDITOR'S REPORT

- (b) The interim dividend declared and paid by the Holding Company during the year and until the date of this report is in compliance with section 123 of the Act.
- (c) 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 amount of dividend proposed is in compliance with section 123 of the Act, as applicable.

Further, based on the audit reports of the subsidiary companies incorporated in India, those entities have not declared nor paid any dividend during the year
- (vi) As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W / W100048

Purushottam Nyati

Partner

(Membership No. 118970)

(UDIN: 23118970BGWTNI6421)

Place : Mumbai
Date : May 26, 2023

[August 09, 2023 as to the effects of the matter arising from the matter referred under para Emphasis of Matter in point 2 above]

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditor's Report of even date to the members of Hinduja Global Solutions Limited on the consolidated Ind AS financial statements (as amended) for the year ended March 31, 2023]

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements (as amended) of Hinduja Global Solutions Limited ("Holding Company") as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company including branch located at Philippines and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company including branch located at Philippines and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of Holding Company including branch located at Philippines and its subsidiary companies, which are companies incorporated in India, 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 the 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 financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained 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 financial statements of Holding Company including branch located at Philippines and its subsidiary companies.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on consideration of reporting of other auditors as mentioned in Other Matters paragraph below, the Holding Company including branch located at Philippines and its subsidiary companies, which are companies incorporated in India, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to one foreign branch and five subsidiary companies, which are companies incorporated in India, is based on the corresponding reports issued by branch auditors and the auditors of such companies incorporated in India. In respect of thirteen subsidiaries, which are companies incorporated in India, respective auditor has not issued report on the adequacy and operating effectiveness of the internal financial controls over financial reporting.

Our opinion is not modified in respect of this matter.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W / W100048

Purushottam Nyati

Partner

(Membership No. 118970)

(UDIN: 23118970BGWTNI6421)

Place : Mumbai

Date : May 26, 2023

[August 09, 2023 as to the effects of the matter arising from the matter referred in the Independent Auditor's Report under para Emphasis of Matter in point 2]

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section in the Independent Auditor's Report of even date to the members of Hinduja Global Solutions Limited on the consolidated Ind AS financial statements (as amended) for the year ended March 31, 2023]

According to the information and explanations given to us, and based on the reports issued under the Order by:

- i) us for the Holding Company; and
- ii) the respective auditors of the subsidiaries;

included in the consolidated Ind AS financial statements of the Company, to which reporting under the Order is applicable, the details of qualifications or adverse remarks are as below:

Sr. No.	Name	CIN	Holding Company / Subsidiary	Clause number of the CARO report which is qualified or adverse
1	Hinduja Global Solutions Limited	L92199MH1995PLC084610	Holding Company	Clause i, Clause ii (a) & (b) and clause viii(a)

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W / W100048

Purushottam Nyati

Partner

(Membership No. 118970)

(UDIN: 23118970BGWTNI6421)

Place : Mumbai

Date : May 26, 2023

[August 09, 2023 as to the effects of the matter arising from the matter referred in the Independent Auditor's Report under para Emphasis of Matter in point 2]

CONSOLIDATED BALANCE SHEET

(All amounts are in Rupees Lakhs)

Particulars	Notes	As at March 31, 2023*	As at March 31, 2022**
ASSETS			
Non-current assets			
a) Property, plant and equipment	2	52,473.21	73,697.70
b) Right of use assets	3	70,920.52	56,531.43
c) Capital work-in-progress	2	1,289.64	919.90
d) Intangible assets	4b	60,582.39	42,400.95
e) Investment property	4a	2,303.02	201.02
f) Goodwill	4c	94,947.52	44,794.14
g) Financial assets			
(i) Investments	5a	274,382.56	247,273.50
(ii) Loans	6	350.00	350.00
(iii) Other financial assets	7	6,266.81	9,142.52
h) Deferred tax assets (net)	42	18,740.91	39,993.89
i) Income tax assets (net)	8a	40,309.98	22,664.90
j) Other non-current assets	9	5,936.52	5,791.06
Total non-current assets		628,503.08	543,761.01
Current assets			
a) Inventories	10	1,666.13	1,232.87
b) Financial assets			
(i) Investments	5b	897.63	896.14
(ii) Trade receivables	11	73,303.94	70,844.97
(iii) Cash and cash equivalents	12a	111,236.00	207,684.72
(iv) Bank balances other than (iii) above	12b	9,809.06	149,277.96
(v) Loans	13	281,401.85	160,687.77
(vi) Other financial assets	14	9,030.35	2,522.79
c) Other current assets	15	20,589.93	20,845.01
d) Assets classified as held for sale	16	-	5,923.34
Total current assets		507,934.89	619,915.57
Total assets		11,36,437.97	1,163,676.57
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	17	5,252.03	4,179.51
b) Share Application Money Pending Allotment	48	-	1,068.94
c) Other equity		849,400.30	802,284.39
Equity attributable to the equity holders of the company		854,652.33	807,532.84
d) Non-controlling interest		15,581.45	15,439.79
Total equity		870,233.78	8,22,972.63
Liabilities			
Non-current liabilities			
a) Financial liabilities			
(i) Borrowings	18a	9,440.42	13,459.12
(ii) Lease Liabilities	19a	42,952.57	43,642.05
(iii) Other financial liabilities	20	9,639.16	2,104.74
b) Provisions	21	5,714.57	3,743.48
c) Contract Liabilities	25	97.90	75.92
d) Deferred tax liabilities (net)		7,638.74	3,150.61
Total non-current liabilities		75,483.36	66,175.92
Current liabilities			
a) Financial liabilities			
(i) Borrowings	18b	22,636.78	68,458.51
(ii) Lease Liabilities	19b	24,778.22	15,315.14
(iii) Trade payables			
i. Total outstanding dues of micro enterprises and small enterprises	22	570.19	198.82
ii. Total outstanding dues of creditors other than micro enterprises and small enterprises	22	41,090.61	62,819.20
(iv) Other financial liabilities	23	74,971.32	33,669.31
b) Provisions	24	3,009.49	24,962.12
c) Contract Liabilities	26	5,698.84	6,455.33
d) Current tax liabilities (net)	8b	8,828.74	49,623.61
e) Other current liabilities	27	9,136.64	13,025.98
Total current liabilities		190,720.83	274,528.02
Total liabilities		266,204.19	340,703.93
Total equity and liabilities		1,136,437.97	1,163,676.57

The accompanying notes form an integral part of these consolidated financial statements.

* Refer Note 63

** Refer Note 51

As per our report of even date

For Haribhakti & Co LLP
Firm registration no. 103523W / W100048
Chartered Accountants

Purushottam Nyati
Partner
Membership No. 118970

Place : Mumbai
Date : August 09, 2023

For and on behalf of the Board of Directors of Hinduja Global Solutions Limited

Anil Harish
Director
DIN: 00001685
Place : Mumbai

Vynsley Fernandes
Whole-time Director
DIN: 02987818
Place : Mumbai

Partha DeSarkar
Whole-time Director & Chief Executive Officer
DIN: 00761144
Place : Mumbai

Srinivas Palakodeti
Chief Financial Officer
Place : Mumbai

Narendra Singh
Company Secretary
Place : Mumbai

Date : August 09, 2023

CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

(All amounts in Rupees Lakhs, except per share data)

Particulars	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022*
Continuing Operations			
I Revenue from operations	28	450,516.35	427,336.22
II Other income	29	50,152.97	20,552.87
III Total income (I+II)		500,669.32	447,889.09
IV Expenses			
a) Purchases of stock in trade		4,406.70	4,490.33
b) Changes in inventories	30	(433.26)	(352.33)
c) Employee benefit expenses	31	275,715.24	259,947.07
d) Finance costs	32	13,726.95	15,684.52
e) Depreciation and amortization expenses	33	45,538.36	34,461.75
f) Other Expenses	34	146,415.91	136,915.81
Total expenses		485,369.90	451,147.15
V Profit before exceptional items and tax		15,299.42	(3,258.06)
VI Exceptional items		(3,286.91)	7,729.61
VII Profit/(Loss) before tax		18,586.33	(10,987.67)
VIII Tax expense			
(a) Current Tax	41	4,891.71	2,461.90
(b) Deferred Tax	42	(5,831.97)	(9,203.66)
(c) Tax relating to prior years	41	(9,287.91)	(347.26)
Total tax expense		(10,228.17)	(7,089.02)
IX Profit/ (Loss) for the year from continuing operations (VII-VIII)		28,814.50	(3,898.65)
Discontinued Operations			
a) Profit before tax from discontinued operations	51	386.96	711,750.14
b) Tax expense of discontinued operations	51	(4,235.15)	101,707.97
X Profit after tax from discontinued operations [(a)-(b)]		4,622.11	610,042.17
XI Profit for the year		33,436.61	606,143.52
XII Other comprehensive income			
A. Items that will not be reclassified to statement of profit and loss			
a) Remeasurements of defined benefit plans		(856.92)	349.58
b) Net Profit / (Loss) on fair valuation of equity instruments through other comprehensive income		(279.54)	(12.77)
c) Income tax on above items		37.14	68.13
Net other comprehensive income not to be reclassified to profit or loss in subsequent year (A)		(1,099.32)	404.94
B. Items that will be reclassified to profit or loss			
a) Effective Portion of designated portion of hedging instruments in a cash flow hedge		158.85	(2,930.00)
b) Income tax on above item		12.73	620.73
c) Exchange differences in translating the financial statements of foreign operation		33,175.58	(1,086.32)
d) Income tax on above item		(1,318.70)	(143.57)
Net other comprehensive income to be reclassified to profit or loss in subsequent year (B)		32,028.46	7,207.30
XIII Other comprehensive income for the year, net of tax [A + B]		30,929.14	(2,794.00)
XIV Total comprehensive income for the year		64,365.75	613,350.82
XV Profit for the year attributable to:			
a) Equity holders of the company		33,205.21	604,683.49
b) Non-controlling interests		231.40	1,460.03
		33,436.61	606,143.52
XVI Other comprehensive income for the year attributable to:			
a) Equity holders of the company		31,018.88	7,208.86
b) Non-controlling interests		(89.74)	(1.56)
		30,929.14	7,207.30
XVII Total Other comprehensive income attributable to:			
a) Equity holders of the company		64,224.09	611,892.35
b) Non-controlling interests		141.66	1,458.47
		64,365.75	613,350.82
XVIII Earning per equity share (both continuing and discontinued operations) [equity share par value share ₹10/- each] (Refer Note 37)			
Basic	38	63.66	1,155.14
Diluted	38	63.66	1,154.18
Earning per equity share (continuing operations) [equity share par value share ₹10/- each] (Refer Note 37)			
Basic	38	54.86	(7.43)
Diluted	38	54.86	(7.43)
Earning per equity share (discontinued operations) [equity share par value share ₹10/- each] (Refer Note 37)			
Basic	38	8.80	1,162.57
Diluted	38	8.80	1,161.61

The accompanying notes form an integral part of these consolidated financial statements.

* Refer Note 63

** Refer Note 51

As per our report of even date

For Haribhakti & Co LLP
Firm registration no. 103523W / W100048
Chartered Accountants

Purushottam Nyati
Partner
Membership No. 118970

Place : Mumbai
Date : August 09, 2023

For and on behalf of the Board of Directors of Hinduja Global Solutions Limited

Anil Harish
Director
DIN: 00001685
Place : Mumbai

Vynsley Fernandes
Whole-time Director
DIN: 02987818
Place : Mumbai

Partha DeSarkar
Whole-time Director & Chief Executive Officer
DIN: 00761144
Place : Mumbai

Srinivas Palakodeti
Chief Financial Officer
Place : Mumbai

Narendra Singh
Company Secretary
Place : Mumbai

Date : August 09, 2023

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(All amounts are in Rupees Lakhs)

A. Equity Share Capital

Particulars	Notes	Amount
Balance as at March 31, 2021		2,087.73
Changes in Equity Share Capital due to prior period errors		2,091.78
Restated balance at the April 1, 2021		4,179.51
Changes in equity share capital during the year	17	1,072.52
Balance as at March 31, 2022		5,252.03
Changes in Equity Share Capital due to prior period errors		-
Restated balance at the April 1, 2022		4,179.51
Changes in equity share capital during the year	17	1,072.52
Balance As at March 31, 2023		5,252.03

B. Other Equity

	Reserves and Surplus			Employee stock options outstanding	Foreign currency translation reserve	Other comprehensive income			Total attributable to equity holders of the company	Non-controlling interest	Total	
	Capital reserve	Securities Premium reserve	General reserve			Retained Earnings	Cash Flow Hedging Reserve Account	Fair valuation of equity instruments				Remeasurements of defined benefit plans
As at March 31, 2021	24,273.83	1,309.54	53,897.61	121,217.99	65.95	9,904.07	1,841.78	-	(6,111.17)	206,399.60	-	206,399.60
Profit for the year*	(5,413.58)	-	-	610,097.07	-	-	(1,977.46)	-	436.50	604,683.49	1,460.03	606,143.52
Other Comprehensive Income*	(215.81)	-	-	-	-	8,960.26	-	5.37	-	7,208.86	(1.56)	7,207.30
Total	18,644.44	1,309.54	53,897.61	731,315.06	65.95	18,864.33	(135.68)	-	(5,674.67)	818,291.98	1,458.44	819,750.42
Transaction with owners in their capacity as Equity holders of the company:												
Adjustment during the year	6.65	-	-	-	-	-	-	-	-	6.65	-	6.65
Acquisition of Media Division during the period	31,281.59	-	-	-	-	-	-	-	-	31,281.56	14,066.08	45,347.67
Bonus issue	-	-	-	(2,089.76)	-	0.25	-	-	-	(2,089.51)	-	(2,089.51)
Employee stock options	-	116.79	-	(64.95)	-	-	-	-	-	51.84	-	51.84
Dividends (including dividend tax thereon)	-	-	-	(45,342.89)	-	-	-	-	-	(45,342.89)	-	(45,342.89)
As at March 31, 2022	49,932.68	1,426.33	53,897.61	683,882.41	1.00	18,864.58	(135.68)	-	(5,674.67)	802,199.63	15,524.55	817,724.18
Profit for the year	-	-	-	33,205.21	-	-	154.98	-	(740.48)	33,205.21	231.40	33,436.61
Other Comprehensive Income	-	-	-	-	-	31,856.88	-	(252.50)	-	31,018.88	(89.74)	30,929.14
Total	49,932.68	1,426.33	53,897.61	717,087.62	1.00	50,721.46	19.30	(252.50)	(6,415.15)	866,423.72	15,666.21	882,089.93
Transaction with owners in their capacity as Equity holders of the company:												
Adjustment during the year	-	1.00	-	82.55	(1.00)	-	-	-	-	82.55	(84.76)	(2.21)
Capital Reserve on acquisition of Media Division	-	-	-	(733.12)	-	-	-	-	-	(735.34)	-	(735.34)
Buyback expenses (Refer Note 62)	-	103.97	-	(16,475.82)	(1.00)	-	-	-	-	102.97	-	102.97
Employee stock options	-	-	-	(16,475.82)	-	-	-	-	-	(16,475.82)	-	(16,475.82)
Dividends (including dividend tax thereon)	-	-	-	699,972.01	-	50,721.46	19.30	(252.50)	(6,415.15)	849,400.30	15,581.45	864,981.75
As at March 31, 2023	49,932.68	1,530.30	53,897.61	699,972.01	-	50,721.46	19.30	(252.50)	(6,415.15)	849,400.30	15,581.45	864,981.75

* Refer Note 51

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(All amounts are in Rupees Lakhs)

The following table summarizes activity in the cash flow hedging reserve within equity related to all derivative instruments classified as cash flow hedges

	As at	
	March 31, 2023	March 31, 2022
Balance as at the beginning of the year	(48.03)	2,456.25
Deferred cancellation gain/(loss),net	(657.36)	3,377.92
Changes in fair value of effective portion of derivatives	799.61	(5,882.20)
Net (gain)/loss reclassified to statement of profit and loss on occurrence of hedged transactions		
Gain/(loss) on cash flow hedging derivatives, net		
Balance as at the end of the year	94.22	(48.03)
Deferred tax thereon	(74.92)	(87.65)
Balance as at the end of the year, net of deferred tax	19.30	(135.68)

Nature and purpose of reserves

Capital reserve amounting to ₹38.83 lakhs, ₹1,399.12 lakhs, ₹(1,341.15) lakhs and ₹ 25,652.20 lakhs was created upon acquisition of business of Mphasis limited & Msource India private limited , merger of HGS International Services Private Limited with HGS Business services Private Limited, merger of HGS International Services Private Limited with Hinduja Global Solutions Limited effective from 01.04.2017 and Merger of Digital, Media& Communication busines of NXT Digital with Hinduja Global Solutions Limited effective from 01.02.2022 respectively . The reserve has restriction for use.

Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilized in accordance with the provisions of the Act.

General Reserve

General Reserve is used form time to time to transfer profits from retained earnings for appropriation purposes. As general reserve is created by transfer from one component of equity to another and not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

Cash flow hedging reserve

The Group uses hedging instruments as part of its management of foreign currency risk associated with its highly probable forecast sale, as described within note 47. 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. Amounts recognized in the cash flow hedging reserve is reclassified to profit or loss when the hedged item affects statement of profit and loss.

Employee Stock Options Outstanding

The share options outstanding account is used to recognize the grant date fair value of options issued to employees under Hinduja Global Solutions Employee stock option plan. The amounts recorded in this reserve are transferred to Securities premium upon excercise of stock options.

Foreign currency translation reserve

Exchange differences relating to the translation of the results and net assets of the Company's foreign operations from their functional currencies to the Company's presentation currency i.e. indian rupee (₹) are recognized directly in other comprehensive income and accumulated in Foreign currency translation reserve.

CONSOLIDATED CASH FLOW STATEMENT

(All amounts are in Rupees Lakhs)

	For the year ended March 31, 2023*	For the year ended March 31, 2022**
Cash Flow from Operating Activities		
Profit before tax for the Year		
- Continuing operations	18,586.33	(10,987.67)
- Discontinuing Operations	386.96	711,750.14
Profit before tax	18,973.29	700,762.47
Adjustments for:		
Depreciation and amortization expenses	45,538.36	50,536.17
Net Loss/(Gain) on fair valuation and sale of investments	(340.93)	(12.77)
Employee share-based compensation (income)/expense	-	(64.95)
Loss/ (Gain) on disposal of property, plant and equipment and Write-off	-7,291.01	20.71
Allowance for bad and doubtful debts/ advances	2,411.85	2,173.45
Dividend Income	(12.17)	(2.11)
Liabilities/ Provision no longer required written-back	(2,993.47)	(3,789.05)
Unwinding of discount on security deposits	(443.16)	(2,316.20)
Amortisation of security deposit	-	44.30
Interest income classified as investing cash flows	(28,853.79)	(11,157.15)
Gain on termination of leases	471.46	(421.53)
Finance costs	13,726.95	20,217.17
Bad debts and Advances written off	182.52	353.70
Net exchange differences	32.58	-1,260.16
Non cash exceptional items	(3,286.90)	7,729.61
Profit from sale of business reclassified as investing activities	-	(655,431.38)
Change in operating assets and Liabilities		
(Increase)/ Decrease in trade receivables	(5,125.34)	(14,149.36)
Decrease/ (Increase) in Inventories	(433.26)	3,366.99
(Increase)/ Decrease in other financial assets	(1,260.51)	7,791.41
(Increase)/ Decrease in other assets	(2,376.31)	(6,728.88)
Increase/ (Decrease) in trade payables	6,698.04	7,673.41
Increase/ (Decrease) in other financial liabilities	18,867.09	(12,949.53)
Increase/ (Decrease) in provisions	(16,343.69)	(1,115.82)
Increase/ (Decrease) in other liabilities	(7,741.83)	25,975.08
Net cash generated from operating activities	30,399.77	117,245.60
Income taxes paid (net)	(18,615.61)	(64,264.54)
Net cash generated from operating activities	11,784.16	52,981.07
Cash flows from investing activities		
Payments for property, plant and equipment	(29,472.51)	(49,836.37)
Proceeds from sale of property, plant and equipment	35,591.94	6,798.83
Payments for purchase of investments	(26,898.31)	(246,474.88)
Proceeds from sale of investments	527.87	44.45
Cash proceeds from sale of healthcare business (net of expenses)	-	744,156.89
Dividends Received	12.17	2.11
Payments for acquisition of Diversify Entity	-	(21,180.21)
Payments for acquisition of Teklink Entity	(39,132.05)	-
Bank Deposits	139,468.91	(139,155.46)

CONSOLIDATED CASH FLOW STATEMENT

(All amounts are in Rupees Lakhs)

	For the year ended March 31, 2023*	For the year ended March 31, 2022**
Loans repaid	170,200.70	188,183.00
Loans Given	(286,911.42)	(301,381.23)
Interest received	27,142.72	10,952.53
Net cash generated/(used) in investing activities	(9,469.98)	192,109.66
Cash flows from financing activities		
Proceeds from issues of shares	107.55	118.81
Payment for acquisition of Non-controlling interest	-	(1,840.81)
Proceeds from borrowings	16,092.40	68,538.00
Repayment of borrowings	(73,524.01)	(88,377.67)
Repayment of Lease liability	(28,377.50)	(381.83)
Interest paid	(14,204.38)	(20,317.40)
Dividends paid (including dividend tax)	(10,877.28)	(44,472.92)
Net cash used in financing activities	(110,783.22)	(86,733.82)
Net increase/ (decrease) in cash and cash equivalents	(108,469.04)	158,356.90
Cash and cash equivalents at the beginning of the financial year	207,684.72	54,310.33
Transfer of Opening Balances on account of acquisition of entities	3,539.67	443.57
Transfer of cash due to Healthcare Business transfer	-	(6,469.67)
Effects of exchange rate changes on cash and cash equivalents	8,480.65	1,043.59
Cash and cash equivalents at end of the financial year	111,236.00	207,684.72
Balances per statement of cash flows (Refer Note 12(a))	111,236.00	207,684.72

* Refer Note 63

** Refer Note 51

Reconciliation of borrowings as disclosed in financing activities and Note 16 to the financial statements:

Particulars	As at April 1, 2022	Cash Changes		Non Cash Changes		Additions due to Merger/Acquisitions**	Exchange difference/ FCTR	Others*	As at March 31, 2023
		Repayment	Proceeds	IND AS 116 Amendment	Additions/ Deletions to Lease liabilities(net)				
Borrowings	81,917.63	(73,524.01)	16,092.40	-	-	9,000.00	(1,408.82)	-	32,077.20
Lease liabilities	58,957.19	(28,377.50)	-	-	36,614.38	-	536.72	-	67,730.79
Others	-	-	-	-	-	-	-	-	-

Particulars	As at April 1, 2021	Cash Changes		Non Cash Changes		Additions/ Deletions due to Merger/ Demerger**	Exchange difference/ FCTR	Others*	As at March 31, 2022
		Repayment	Proceeds	IND AS 116 Amendment	Additions/ Deletions to Lease liabilities(net)				
Borrowings	102,077.78	(88,377.67)	68,538.00	-	-	-	(320.48)	(23,924.59)	81,917.63
Lease liabilities	78,580.31	(11,695.66)	11,313.83	-	-	(18,788.73)	(452.56)	-	58,957.19
Others	296.34	-	(296.34)	-	-	-	-	-	-

* Refer Note 51

As per our report of even date

For Haribhakti & Co LLP

Firm registration no. 103523W / W100048

Chartered Accountants

Purushottam Nyati

Partner

Membership No. 118970

For and on behalf of the Board of Directors of Hinduja Global Solutions Limited

Anil Harish

Director

DIN: 00001685

Place : Mumbai

Vynsley Fernandes

Whole-time Director

DIN: 02987818

Place : Mumbai

Partha DeSarkar

Whole-time Director & Chief Executive Officer

DIN: 00761144

Place : Mumbai

Srinivas Palakodeti

Chief Financial Officer

Place : Mumbai

Narendra Singh

Company Secretary

Place : Mumbai

Place : Mumbai
Date : August 09, 2023

Date : August 09, 2023

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

1 Background

Hinduja Global Solutions Limited (“HGS” or the “Company”) is a public limited Company, domiciled in India and it's incorporated under the provisions of The Companies Act 1956 and is engaged in Business Process Management and Media and Communication business. Business Process Management segment offer voice and non-voice based services such as contact center solutions and back office transaction processing across America, Canada, Europe, Asia and Middle East. HGS' Digital media & Communications business, is India's premier integrated Digital Delivery Platforms Company delivering services via satellite, digital cable and broadband to over 5 million customers across 1,500 cities and towns. Its ordinary shares (equity) are listed on the two registered stock exchanges in India i.e National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) . The address of its registered office is 171, Hinduja House, Dr. Annie Besant Road, Worli, Mumbai 400018.

These Consolidated financial statements were authorized to be approved by the Board of Directors on August 09, 2023.

a Basis of preparation of financial statements

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

(i) Statement of compliance and basis of preparation

These financial statements have been prepared in accordance with Indian Accounting Standards (IND AS) notified under sec. 133 of Companies Act 2013 as applicable. The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accounting policies have been applied consistently to all periods presented in these consolidated financial statements, except for the adoption of new accounting standards, amendments and interpretations effective from April 1, 2023.

The financial statements correspond to the classification provisions contained in Ind AS 1, “Presentation of Financial Statements”. For clarity, various items are aggregated in the statements of profit and loss and balance sheet. These items are disaggregated separately in the notes to the financial statements, where applicable.

All amounts included in the financial statements are reported in lakhs of Indian rupees (in lakhs) except share and per share data, unless otherwise stated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures. Previous year figures have been regrouped/re-arranged, wherever necessary.

(ii) Basis of Measurement

The financial statements have been prepared on a historical cost basis, except for the following:

- a. certain financial assets and liabilities (including derivative instruments) that is measured at fair value;
- b. The defined benefit liability / (Asset) is recognised as the present value of present value of defined benefit obligation less fair value of plan assets; and
- c. Share-based payments

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety which are described as follows:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly and
- Level 3 inputs are unobservable inputs for the asset or liability. All assets and liabilities have been classified as current or non-current as per Group normal operating cycle and presented as per criteria set out in the Division II format of Schedule III to the Act. The Group has identified its operating cycle as twelve months.

b Use of estimates and judgements

The preparation of these financial statements in conformity with Ind AS requires the management to make judgements, accounting estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Accounting estimates are monetary amounts in the consolidated financial statements that are subject to measurement uncertainty. An accounting policy may require items in consolidated financial statements to be measured at monetary amounts that cannot be observed directly and must instead be estimated. In such a case, management develops an accounting estimate to achieve the objective set out by accounting policy. Developing accounting estimates involves the use of judgements or assumptions based on the latest available and reliable information. Actual results may differ from those accounting estimates.

Accounting estimates and underlying assumptions are reviewed on an ongoing basis. Changes to the accounting estimates are recognized in the period in which the estimates are changed and in any future period affected. In particular, information about material areas of estimation, uncertainty and critical judgement in applying accounting policies that have the material effect on the amounts recognized in the consolidated financial statements are included in the following areas.

i) Revenue recognition

The Group applies judgement to determine whether each product or services promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised product or services are combined and accounted as a single performance obligation. The Group allocates the arrangement consideration to separately identifiable performance obligation deliverables based on their relative stand-alone selling price. In cases where the Group is unable to determine the stand-alone selling price the Group uses expected cost-plus margin approach in estimating the stand-alone selling price. The Group estimates the unbilled receivables (representing revenues recognized for services rendered between the last billing date and the balance sheet date), discounts, incentives, performance bonuses, etc. based on estimates of performance obligations satisfied and historical experience.

ii) Estimation of Provisions & Contingent Liabilities.

The group estimates the provisions that have present obligations as a result of past events, and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting date and are adjusted to reflect the current best estimates.

The group uses significant judgement to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation, or a reliable estimate of the amount cannot be made. Contingent assets are neither recognized nor disclosed in the financial statements. (Refer note 36).

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

iii) Estimation of Defined Benefit Obligation

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for post employment plans include the discount rate. Any changes in these assumptions will impact the carrying amount of such obligations. The group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the defined benefit obligations. In determining

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

the appropriate discount rate, the Group considers the interest rates of government bonds of maturity approximating the terms of the related plan liability. Refer note 43 for the details of the assumptions used in estimating the defined benefit obligation.

iv) Useful lives of property, plant and equipment

The Group depreciates property, plant and equipment on a straight-line basis over estimated useful lives of the assets. The charge in respect of periodic depreciation is derived based on an estimate of an asset's expected useful life and the expected residual value at the end of its life. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. The estimated useful life is reviewed at least annually.

v) Useful lives of intangible assets

The Group amortizes intangible assets on a straight-line basis over estimated useful lives of the assets. The useful life is estimated based on a number of factors including the effects of obsolescence, demand, competition and other economic factors such as the stability of the industry and known technological advances and the level of maintenance expenditures required to obtain the expected future cash flows from the assets. The estimated useful life is reviewed at least annually.

vi) Income taxes

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

vii) Deferred taxes

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry-forwards become deductible. The Group considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.

viii) Impairment testing

Goodwill is required to be assessed for impairment for every Cash Generating Unit (CGU) on a yearly basis. For the purposes of the same, the group calculates the recoverable amount of the CGU. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to dispose. The calculation of value in use of the CGU is based on discounted cash flow model. The cash flows are derived from the budget for the future years. The recoverable amount is sensitive to the discount rates used in discounted cash flow model as well as growth rate used for estimate and involves use of significant estimates and assumptions including turnover, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions. Refer note 40 for the details of assumptions used in estimation of impairment of goodwill.

ix) Expected credit losses on financial assets

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 impairment 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.

x) Business combination

The share based compensation expense is determined based on the Company's estimate of equity instruments that will eventually vest. Accounting of derivative hedging instruments designated as cash flow hedges involves significant estimates relating to the occurrence of forecast transaction.

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 (including useful life estimates) and liabilities acquired, 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

xi) Leases

Critical judgements required in the application of Ind AS 116 may include, among others, the following:

- i) Identifying whether a contract (or part of a contract) includes a lease;
- ii) Determining whether it is reasonably certain that an extension or termination option will be exercised;
- iii) Classification of lease agreements (when the entity is a lessor);
- iv) Determination of whether variable payments are in-substance fixed;
- v) Establishing whether there are multiple leases in an arrangement;
- vi) Determining the stand-alone selling prices of lease and non-lease components.

Key sources of estimation uncertainty in the application of Ind AS 116 may include, among others, the following:

- i) Estimation of the lease term;
- ii) Determination of the appropriate rate to discount the lease payments;
- iii) Assessment of whether a right-of-use asset is impaired.

xii) Other estimates

The share based compensation expense is determined based on the Group's estimate of equity instruments that will eventually vest. Fair valuation of derivative hedging instruments designated as cash flow hedges involves significant estimates relating to the occurrence of forecast transaction.

Estimation uncertainty relating to COVID-19 outbreak:

The outbreak of corona virus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. There were no changes to our internal control over Consolidated financial statements that have materially affected or are reasonably likely to materially affect our internal control over financial reporting during the period covered in this Consolidated financial statements.

In assessing the recoverability of receivables including unbilled receivables, contract assets and contract costs, goodwill, intangible assets, and certain investments, the Group has considered internal and external information up to the date of approval of these consolidated financial statements including credit reports and economic forecasts. The Group has performed sensitivity analysis on the assumptions used herein. Based on the current indicators of future economic conditions, the Group expects to recover the carrying amount of these assets.

The Group basis its assessment believes that the probability of the occurrence of forecasted transactions is not impacted by

COVID-19. The Group has also considered the effect of changes, if any, in both counterparty credit risk and own credit risk while assessing hedge effectiveness and measuring hedge ineffectiveness and continues to believe that there is no impact on effectiveness of its hedges.

The impact of COVID-19 remains uncertain and may be different from what we have estimated as of the date of approval of these consolidated financial statements and the Group will continue to closely monitor any material changes to future economic conditions.

c Principles 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. All intra group balances, transactions, income and expenses are eliminated in full on consolidation

The acquisition method of accounting is used to account for business combinations by the group other than common control transactions which is accounted as per Pooling of interest method.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. InterGroup transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the Company's equity. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interest's proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition to acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interest is the amount of those interests at initial recognition plus the non-controlling interest's share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interest having a deficit balance.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet 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 any consideration paid or received is recognized within equity.

When the group ceases to consolidate an investment because of a loss of control, any retained interest in the entity is premeasured to its fair value with the change in carrying amount recognized in statement of profit and loss. This fair value becomes the initial carrying amount for the purposes 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 in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to statement of profit and loss.

d 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'). The consolidated financial statements are presented in Indian rupee (₹), which is Hinduja Global Solutions Limited's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in statement of profit and loss. They are deferred in equity if they relate to qualifying cash flow hedges.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or 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:

- a. assets and liabilities are translated at the closing rate at the date of balance sheet.
- b. income and expenses are translated at average exchange 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
- c. All resulting exchange differences are recognized in other comprehensive income and held in foreign currency translation reserve (FCTR) a component of equity except to the extent that translation difference is allocated to non controlling interest.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

- d. On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognized in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to statement of profit and loss, as part of the gain or loss on sale.

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 rate.

- e Revenue from contracts with customers

The Company has adopted Ind AS 115 Revenue from Contracts with Customers which sets forth a single comprehensive model for recognising and reporting revenues.

Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those services in the normal course of business.

Revenue is based on the transaction price of the consideration received or receivable excluding taxes collected on behalf of the government and is reduced for estimated credit notes and other similar allowances.

To recognise revenues, we apply the following five step approach:

- (1) identify the contract with a customer,
- (2) identify the performance obligations in the contract,
- (3) determine the transaction price,
- (4) allocate the transaction price to the performance obligations in the contract and
- (5) recognise revenues when a performance obligation is satisfied.

- i) **Business process management services.**

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Group expects to receive in exchange for those products or services.

Nature of the services :

The Group derives its revenue from business process management (BPM) which includes services like back office processing, contact center and HRO solutions. The Group provides BPM services, which typically involve claim processing and call center services for telecom industry, which it administers and manages those services for its client on an ongoing basis. The Group combines technology powered services in automation, analytics and digital with domain expertise focusing on back office processing, contract centers and HRO solutions to deliver transformational impact to clients.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

- A. Time and Material contracts**

Revenue from time and material transactions and outcome based contracts are recognised as the services are performed.

- B. Fixed price contracts**

In respect of fixed-price contracts, where performance obligations are satisfied over a period of time, revenue is recognised by means of percentage of completion method. Under this method, revenue is recognised by applying the percentage of completion on the transaction price.

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 statement of profit and loss in the period in which such losses become probable based on the current contract estimates as an onerous contract provision.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

C. Contract Asset and Liabilities

The Group classifies its right to consideration in exchange for deliverables as either a receivable or a contract asset.

A receivable is a right to consideration that is unconditional. A right to consideration is unconditional if only the passage of time is required before payment of that consideration is due. For example, the Group recognizes a receivable for revenues related to time and materials contracts or volume-based contracts. The Group presents such receivables as part of Trade receivables at their net estimated realizable value. The same is tested for impairment as per the guidance in Ind AS 109 using expected credit loss method.

D. Remaining Performance Obligations

Revenue allocated to remaining performance obligations represents contracted revenue that has not yet been recognised which includes unearned revenue and amounts that will be invoiced and recognised as revenue in future periods. Applying the practical expedient, the Group has not disclosed its right to consideration from customer in an amount that corresponds directly with the value to the customer of the Group's performance completed to date which are, contracts invoiced on time and material basis and volume based.

E. Others

Any change in scope or price is considered as a contract modification. The Group accounts for modifications to existing contracts by assessing whether the services added are distinct and whether the pricing is at the stand-alone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract if the additional services are priced at the stand-alone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the stand-alone selling price.

The Group accounts for variable considerations like, volume discounts, rebates and pricing incentives to customers 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.

Revenues are shown net of allowances/ returns, sales tax, value added tax, goods and services tax and applicable discounts and allowances.

Incremental costs that relate directly to a contract and incurred in securing a contract with a customer are recognised as an asset when the Group expects to recover these costs and amortised over the contract term.

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. The Group may enter into arrangements with third party suppliers to resell products or services. In such cases, 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 services before it is transferred to the customer. If Group controls the services before it is transferred to the customer, Group is the principal; if not, the Group is the agent. The Group has concluded that it falls under the definition of principal for all its contracts relating to business service division. Since it is the primary obligor and has pricing latitude which establishes control before transferring products and services to the customer, hence, the Group recognises the revenue earned from such contracts on gross basis in its books of accounts.

Estimates of transaction price and total costs or efforts are continuously monitored over the term of the contract and are recognized in net profit in the period when these estimates change or when the estimates are revised. Revenues and the estimated total costs or efforts are subject to revision as the contract progresses.

F. Reconciliation of revenue recognised

The Group recognises Volume discounts, Penalties and Incentives against each transaction price as per the terms of the contract with the customer, the disclosures related to the reconciliation of revenue

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recognised with the transaction price have not been provided as the same is not material to the Group.

ii) Digital, Media and Communication business

Performance obligations

A performance obligation is a promise in a contract to transfer a distinct good or service to the client and is the unit of accounting in Ind AS 115.

The performance obligations of the Group are satisfied over time as services are rendered.

Determination of transaction price

Revenue is measured based on transaction price which includes variable consideration only to the extent it is probable that a significant reversal of revenues recognised will not occur when the uncertainty associated with the variable consideration is resolved. Revenues also exclude taxes collected from customers.

Allocation of transaction price

A contract's transaction price is allocated to each distinct performance obligation and recognised as revenue when, or as, the performance obligation is satisfied. For contracts with multiple performance obligations, we allocate the contract's transaction price to each performance obligation based on the relative standalone selling price. The primary method used to estimate standalone selling price is the adjusted market assessment approach, under which the Company evaluates the price in that market that a customer is willing to pay for those services. While determining relative standalone selling price and identifying separate performance obligations require judgment, generally relative standalone selling prices and the separate performance obligations are readily identifiable as we sell those performance obligations unaccompanied by other performance obligations.

Lease Income - Optic Fibre Cable

The policy for recognition of revenue from operating leases is described in 1h below

Installation revenue

Installation revenue on Set Top Boxes (STBs) is recognised over the estimated period of customer relationships. Revenue is recognised on satisfaction of performance obligation upon transfer of promised products or services in an amount that reflects the consideration which the Company expects to receive in exchange of those products and services. Installation revenue on Set Top Boxes (STBs) is deferred and is recognised over the estimated period of customer relationship. Amount billed for services as per contractual terms but not recognised as revenue, is shown as income received in advance under other deferred income. Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for providing services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognized when it becomes unconditional. Revenue in excess of invoicing are disclosed as contracts assets ("unbilled receivables") and invoicing in excess of revenues are disclosed as contract liabilities.

Rendering of other services

Revenue from services is recognised when the services are rendered in accordance with the specific terms of contract and when collectability of the resulting receivable is reasonably assured.

e) Income 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 Group and its subsidiaries 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.

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

f) Deferred taxes

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However,

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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 liabilities are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries and associates 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 recognized 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 utilized.

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.

Current and deferred tax is recognized in statement of profit and 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.

The Group has thus disclosed the Income Tax Assets/ Liabilities on a net basis to the extent that the same is settled within the same tax jurisdictions, which is in line with Accounting statements prescribed under Ind AS 12.

g Leases

As a lessee

The Group enters into an arrangement for lease of land, buildings, plant and machinery including computer equipment and furnitures. Such arrangements are generally for a fixed period but may have extension or termination options. The Group assesses, whether the contract is, or contains, a lease, at its inception. A contract is, or contains, a lease if the contract conveys the right to –

- (a) control the use of an identified asset,
- (b) obtain substantially all the economic benefits from use of the identified asset, and
- (c) direct the use of the identified asset.

The Group determines the lease term as the non-cancellable period of a lease, together with periods covered by an option to extend the lease, where the Group is reasonably certain to exercise that option.

The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. This expense is presented within 'other expenses' in statement of profit and loss.

Lease Liabilities:

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- i) fixed lease payments (including in-substance fixed payments), less any lease incentives;
- ii) variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- iii) the amount expected to be payable by the lessee under residual value guarantees;
- iv) the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and

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- v) payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.
- vi) The lease liability is presented as a separate line in the statement of financial position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.
- vii) Lease liability payments are classified as cash used in financing activities in the Statement of cash flows.

The Group has adopted the amendments to Ind AS 116. The amendments provide practical relief to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19 by introducing a practical expedient to Ind AS 116. The practical expedient permits a lessee to elect not to assess whether a COVID-19-related rent concession is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the COVID-19- related rent concession the same way it would account for the change applying Ind AS 116 if the change were not a lease modification.

The practical expedient applies only to rent concessions occurring as a direct consequence of COVID-19 and only if all of the following conditions are met:

- (a) The change in lease payments results in revised consideration for the lease that is substantially the same as or less than the consideration for the lease immediately preceding the change;
- (b) Any reduction in lease payments affects only payments originally due on or before 30 June 2021 (a rent concession meets this condition if it results in reduced lease payments on or before 30 June 2021 and increased lease payments that extend beyond 30 June 2021); and
- (c) There is no substantive change to other terms and conditions of the lease.

The Group has applied the practical expedient retrospectively to all eligible rent concessions and has not restated prior period figures.

The Group has benefited from a 12 month waiver of lease payments on buildings in India. The waiver of lease payments of for FY 2022-23 ₹ Nil (FY 2021-22 ₹ 232.89 lakhs) has been accounted for as a negative variable lease payment in profit or loss.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever

- i) the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- ii) the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- iii) a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate. The Group did not make any such adjustments during the periods presented.

The Group's lease asset classes primarily consist of leases for Plant and Machinery – Optic Fibre Cable. 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. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

Assets leased out under operating leases are capitalised. Rental income from operating lease is recognised on a straight-line basis over the lease term. Rental income, based on agreement, is recognised based on product of number of pairs of dark fibre assets leased out and length of dark fibre assets leased out (in kilometres) and the rate at which lease rent is charged per pair per kilometre of dark fibre assets including minimum guarantee lease rental.

Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Group's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease. In assessing whether the Group is reasonably certain

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to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

Right-of-Use Assets:

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. Prepaid lease payments (including the difference between nominal amount of the deposit and the fair value) are also included in the initial carrying amount of the right of use asset.

They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated on a straight line basis over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the balance sheet.

The Group applies Ind AS 36 to determine whether a ROU asset is impaired and accounts for any identified impairment loss as described in the impairment of non-financial assets below.

The Group incurs obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease. The Group has assessed that such restoration costs are negligible and hence no provision under Ind-AS 37 has been recognised.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "other expenses" in the statement of profit and loss.

As a practical expedient, Ind AS 116 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has not used this practical expedient.

The Group as a lessor

Leases under which the Group is a lessor are classified as a finance or operating lease. Lease contracts where all the risks and rewards are substantially transferred to the lessee are classified as a finance lease. All other leases are classified as operating lease. For leases under which the Group is an intermediate lessor, the Group accounts for the head-lease and the sub-lease as two separate contracts. The sub-lease is further classified either as a finance lease or an operating lease by reference to the RoU asset arising from the head-lease.

h Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the group; and
- fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognizes any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

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The excess of the:

- consideration transferred;
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognized in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognized directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently premeasured to fair value with changes in fair value recognized in statement of profit and loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is premeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognized in statement of profit and loss or other comprehensive income, as appropriate.

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 (including useful life estimates) and liabilities acquired, 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.

i Impairment

i) Impairment of non financial assets

The group assesses long-lived assets such as property, plant and equipment, ROU assets and acquired intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or group of assets may not be recoverable. If any such indication exists, the group estimates the recoverable amount of the asset or group of assets. Goodwill is tested for impairment at least annually at the same time and when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The goodwill impairment test is performed at the level of cash-generating unit or groups of cash-generating units which represents the lowest level at which goodwill is monitored for internal management purposes. The recoverable amount of an asset or cash generating unit is the higher of its fair value less cost of disposal ("FVLCD") and its value-in-use ("VIU"). The VIU of long-lived assets is calculated using projected future cash flows. FVLCD of a cash generating unit is computed using turnover and earnings multiples. If the recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the reporting date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment losses previously recognized are reversed such that the asset is recognized at its recoverable amount but not exceeding written down value which would have been reported if the impairment losses had not been recognized initially.

ii) Impairment of financial assets

The group applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, debt instruments classified as FVTOCI, lease receivables, trade receivables and other financial assets. Expected credit loss is the difference between the contractual cash flows and the cash flows that the entity expects to receive discounted using effective interest rate.

Loss allowances for trade receivables and lease receivables are measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from

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all possible default events over the expected life of a financial instrument. Lifetime expected credit loss is computed based on a provision matrix which takes in to the account historical credit loss experience adjusted for forward looking information.

For other financial assets, expected credit loss is measured at the amount equal to twelve months expected credit loss unless there has been a significant increase in credit risk from initial recognition, in which case those are measured at lifetime expected credit loss.

iii) Impairment of Investment in subsidiaries:

The Group assesses investments in subsidiaries for impairment whenever events or changes in circumstances indicate that the carrying amount of the investment may not be recoverable. If any such indication exists, the Group estimates the recoverable amount of the investment in subsidiary. The recoverable amount of such investment is the higher of its fair value less cost of disposal ("FVLCD") and its value-in-use ("VIU"). The VIU of the investment is calculated using projected future cash flows. If the recoverable amount of the investment is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss.

j Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on 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 overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

k Trade receivables

Trade receivables are recognized initially at transaction price and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

l Contract balances

Contract Asset

A contract asset is right to consideration in exchange of services that the company has rendered to a customer when that right is conditioned on something other than passage of time. Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Contract Liability

A contract liability is the obligation to render services to a customer for which the company has received consideration from the customer. If a customer pays consideration before the company renders services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company renders services as per the contract.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

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

m Investments and other financial assets

(i) Classification

The group classifies its financial assets in the following measurement categories:

- a. those to be measured subsequently at fair value (either through other comprehensive income, or through statement of profit and loss), and
- b. those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

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(ii) Measurement

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through statement of profit and loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit and loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

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. Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in statement of profit and loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Currently there are no debt instruments measured at Fair value.

(iii) Derecognition of financial assets

A financial asset is derecognized only when

- a. The Group has transferred the rights to receive cash flows from the financial asset or
- b. retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the group has not retained control of the financial asset. Where the group retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset, and the transfer qualifies for derecognition under Ind AS 109. If the Group retains substantially all the risks and rewards of a transferred financial asset, the Group continues to recognize the financial asset and recognizes a borrowing for the proceeds received. A financial liability (or a part of a financial liability) is derecognized from the Group's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

iv) Investments in equity instruments:

The Company carries certain equity instruments which are not held for trading. At initial recognition, the Company may make an irrevocable election to present subsequent changes in the fair value of an investment in an equity instrument in other comprehensive income (FVTOCI) or through statement of profit and loss (FVTPL). For investments designated to be classified as FVTOCI, movements in fair value of investments are recognised in other comprehensive income and the gain or loss is not transferred to statement of profit and loss on disposal of investments. For investments designated to be classified as FVTPL, both movements in fair value of investments and gain or loss on disposal of investments are recognised in the statement of profit and loss.

Dividends from these investments are recognised in the statement of profit and loss when the Company's right to receive dividends is established.

v) Investments in subsidiaries:

Investment in equity instruments of subsidiaries are measured at cost less impairment. Investment in redeemable preference shares of subsidiaries are measured at FVTPL. These investments are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in statement of profit and loss. The gain or loss on disposal is recognised in statement of profit and loss.

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vi) Other financial assets

Other financial assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. These are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any impairment losses. These comprise finance lease receivables, employee and other advances and other eligible current and non-current assets.

(vi) Income recognition

a. Interest income

Interest income from debt instruments is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

b. Dividends

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

n Derivatives and hedging activities

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

The group designates their derivatives as hedges of foreign exchange risk associated with the cash flows of highly probable forecast transactions and variable interest rate risk associated with borrowings (cash flow hedges).

The group documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The group documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

(i) Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognized immediately in statement of profit and loss, within other gains/(losses).

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 and deferred costs of hedging in equity at that time 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 within other gains/(losses).

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 statement of profit and loss at the time of the hedge relationship rebalancing.

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(ii) Hedges of net investment in foreign operations

The Company designates derivative financial instruments as hedges of net investments in foreign operations. The Company has also designated a foreign currency denominated borrowing as a hedge of net investment in foreign operations. Changes in the fair value of the derivative hedging instruments and gains/losses on translation or settlement of foreign currency denominated borrowings designated as a hedge of net investment in foreign operations are recognised in other comprehensive income and presented within equity in the FCTR to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognised in the consolidated statement of profit and loss and reported within foreign exchange gains/(losses), net within results from operating activities.

iii) Others:

Changes in fair value of foreign currency derivative instruments not designated as cash flow hedges are recognised in the statement of profit and loss and reported within foreign exchange gains/(losses), net, within results from operating activities. Changes in fair value and gains/(losses), net, on settlement of foreign currency derivative instruments relating to borrowings, which have not been designated as hedges are recorded in finance costs.

o 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.

p Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. 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. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.

Cost

Property, plant and equipment held for use in the supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost (net of duty / tax credit availed) less accumulated depreciation / amortisation and accumulated impairment loss if any. Cost includes freight, duties, taxes, professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Set Top Boxes ('STBs') issued to customers are capitalized at moving average price on issuance / installation. Spares that do not meet the definition of property, plant and equipment and do not satisfy the criteria of Ind AS 16 are charged off to the Statement of profit and loss.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

The residual values and useful lives of Property, plant and equipment are reviewed at each financial year end, and changes, if any, are accounted prospectively.

Capital work in progress

The Set Top Boxes ('STBs') which are not issued to customers are recorded as Capital work-in-progress at moving average price issued. Certain encoders and other plant and machinery not installed at the customer premises are categorised under Capital work-in-progress until installed and ready for intended use.

Subsequent expenditure

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is possible that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

separate asset is derecognized when replaced. All other repairs and maintenance are charged to the Statement of profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Particulars	Useful life
Leasehold Land, Leasehold building and Leasehold improvement	Over the period of Lease
Building	Upto 60 years
Plant and machinery	6-18 years
Set Top Boxes	8 years
Office Equipment	Upto 7 years
Computers	Upto 6 years
Furniture and Fixtures	Upto 10 years
Vehicles	8 years

Assets costing less than ₹5000 each are depreciated fully in the year of acquisition.

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the group will obtain ownership at the end of the lease term.

The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting year.

Assets given to employees on contractual obligations are depreciated to the extent of 50% of the value over a period of four years, at the end of which these assets are transferred to the respective employees at the residual book value.

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

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in statement of profit and loss within other gains/(losses).

Borrowing costs include interest, other costs incurred in connection with borrowing and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to the interest cost. 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 cost of property, plant and equipment not available for use before such date are disclosed under capital work- in-progress.

Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property is measured at its cost, including related transaction costs and where applicable borrowing costs less depreciation and impairment if any. Depreciation on building is provided over its useful life using the straight-line method method, in a manner similar to Property, plant and equipment.

q Other Intangible assets

(i) Computer software

Costs associated with maintaining software programmes are recognized as an expense as incurred. Cost associated with acquisition of intangible assets is capitalized when it is controlled by entity and probable future economic benefits are expected to flow.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

(ii) Commercial Rights

These rights were acquired as part of erstwhile business combination.

(iii) Amortization methods and periods

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

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately is capitalised and carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Particulars	Useful life
Computer Software	3 to 6 years
Customer Relationship	5 -8 years
Customer Contracts	2 years
Acquired Technology	4 years
Internally developed Software	3 year
Computer Software (Acquired)	6 years
Network rights	10 years
Licence fees	10 years

Gains or Losses arising from the retirement or disposal of intangible assets are determined as the difference between the net disposal proceeds and the carrying amount of asset and recognized as income or expense in the Statement of Profit and Loss.

The Group incurs certain costs including discounts on packs provided to new subscribers. These costs have been treated as the customer acquisition cost and therefore capitalized as Other Intangible Assets. The assets are amortized over the period of customer's life cycle i.e. 60 months.

r Impairment of tangible and intangible assets

At the end of each reporting period, the Group determines whether there is any indication that its assets have suffered an impairment loss with reference to their carrying amounts. If any indication of impairment exists, the recoverable amount (i.e. higher of the fair value less costs of disposal and value in use) of such assets is estimated and impairment is recognized, if the carrying amount exceeds the 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 for which the estimates of future cash flows have not been adjusted.

When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

s Inventory

Inventory (network cable and equipment and other media inventory), consisting of cables, head-end equipment and other network items like modems etc., are valued at lower of cost and net realizable value. Cost includes all expenses incurred to bring the inventory to its present location and condition. Cost is determined on a weighted average basis.

t Goodwill

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 include the carrying amount of goodwill relating to the entity sold.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

u Disposal of assets

The gain or loss arising on disposal or retirement of assets are recognised in the statement of profit and loss.

v Trade and other payables

These amounts represent liabilities for goods and services provided to the group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 60 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

w Cash flow statement

Cash flow are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash from operating, investing and financing activities of the Group are segregated.

The amendment to Ind AS 7, require entities to provide disclosures about changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses).

x Borrowings

Borrowings are initially recognised at Amortised cost, net of transaction cost incurred. Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in statement of profit and loss.

y Provisions

Provisions 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 measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

z Employee benefits

(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

- a. The liabilities for earned 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 market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in statement of profit and loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

- b. The Group has introduced a deferred performance incentive plan during the year which is 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. The benefits are discounted using the market yields at the end of the reporting period.

(iii) Post-employment obligations

The group operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity and pension
- (b) defined contribution plans such as provident fund.

Defined benefit obligations

The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

In accordance with the Payment of Gratuity Act, 1972, applicable for Indian companies, the Company provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Company. These plans are partially funded and managed by the third-party fund managers.

The Group also maintains pension and similar plans for employees outside India, based on country specific regulations. These plans are partially funded, and the funds are managed by third party fund managers. The plans provide for monthly payout after retirement as per salary drawn and service period or for a lumpsum payment as set out in rules of each fund.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized 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.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in statement of profit and loss as past service cost.

Defined contribution plans

The group pays provident fund contributions to publicly administered provident funds as per local regulations. The group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

(iv) Share-based payments

Share-based compensation benefits are provided to employees via the Hinduja Global Solutions Limited Employee Stock Option Plan.

Employee options

The fair value of options granted under the Hinduja Global Solutions Limited 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

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 statement of profit and loss, with a corresponding adjustment to equity.

(v) Termination benefits

Termination benefits are payable when employment is terminated by the group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The group recognizes termination benefits at the earlier of the following dates: (a) when the group can no longer withdraw the offer of those benefits; and (b) when the entity recognizes costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

za Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in Other equity as a deduction, net of tax, from the proceeds.

zb Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

zc Earnings per share

(i) Basic earning per share

Basic earnings per share is calculated by dividing:

- a. the profit attributable to owners of the Group
- b. by the 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.

(ii) Diluted earning per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- a. the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- b. the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

zd Business combination, and Goodwill

a) Business combination

"Business combinations are accounted for using the purchase (acquisition) method. The cost of an acquisition is measured as the fair value of the assets transferred, liabilities incurred or assumed and equity instruments issued at the date of exchange by the Group. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at fair value at the date of acquisition. Transaction costs incurred in connection with a business acquisition are expensed as incurred.

The cost of an acquisition also includes the fair value of any contingent consideration measured as at the date of acquisition. Any subsequent changes to the fair value of contingent consideration classified as liabilities, other than measurement period adjustments, are recognised in the statement of profit and loss.

In respect of common control business combinations, accounting is done as per pooling of interest method in accordance with Part C of Ind AS 103 - Business Combination.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

b) Goodwill

The excess of the cost of an acquisition over the Company's share in the fair value of the acquiree's identifiable assets and liabilities is recognised as goodwill. If the excess is negative, a bargain purchase gain is recognised in equity as capital reserve. Goodwill is measured at cost less accumulated impairment (if any).

Goodwill associated with the disposal of an operation that is part of cash-generating unit is measured on the basis of the relative values of the operation disposed of and the portion of the cash-generating unit retained, unless the entity can demonstrate that some other method better reflects the goodwill associated with the operation disposed of.

ze Non Controlling Interests

Non-controlling interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the Company's equity. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interest's proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition to acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interest is the amount of those interests at initial recognition plus the non-controlling interest's share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interest having a deficit balance.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the noncontrolling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as required/permitted by applicable Ind AS Standards). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109 when applicable, or the cost on initial recognition of an investment in an associate or a joint venture.

zf Finance cost

Finance cost comprise interest cost on borrowings, gain or losses arising on re-measurement of financial assets at FVTPL, gains/ (losses) on translation or settlement of foreign currency borrowings and changes in fair value and gains/ (losses) on settlement of related derivative instruments. Borrowing costs that are not directly attributable to a qualifying asset are recognised in the statement of profit and loss using the effective interest method.

zg Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The Board of Directors of the Company has been identified as CODM consists of key managerial personnel of the Company. Refer note 49 for segment information.

zh Non-current assets (or disposal groups) held for sale and discontinued operations

An impairment loss is recognized for any initial or subsequent write-down of the asset (or disposal group) to fair value less cost to sell. A gain is recognized for any subsequent increase in the fair value less cost to sell of any asset (or disposal group), but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset (or disposal group) is recognized at the date of de-recognition.

Non-Current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the asset of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

A discontinued operations is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is a part of a single co-ordinated plan to dispose of such line of business or area of business of operations, or is a subsidiary acquired exclusively with a view of resale. The result of discontinued operations are presented separately in the statement of profit and loss.

Non-current assets (or disposal group) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and sale is considered highly probable. They are measured at the lower of carrying amount or fair value less cost to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

zi Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Parent Company.

When the Group loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognized in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e., reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

zj Subsequent events

The Group evaluates all transactions and events that occur after the balance sheet date but before the financial statements are issued. Based upon the evaluation, the Group did not identify any recognized or non-recognized subsequent events that would have required adjustment or disclosure in the consolidated financial statements, except as disclosed.

zk Rounding off amounts

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

zl New Accounting standards adopted by the Group during year

Amendments to Ind AS 16, Property Plant and equipment

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The adoption of these amendments did not have any material impact on the Consolidated statement of profit and loss for the year ended March 31, 2023.

Amendments to Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The adoption of these amendments did not have any material impact on the Consolidated statement of profit and loss for the year ended March 31, 2023.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Amendments to Ind AS 103 – Business Combinations – Reference to Conceptual Framework

The amendments specifies that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The adoption of these amendments did not have any material impact on the Consolidated statement of profit and loss for the year ended March 31, 2023.

zm New Accounting standards not yet adopted by the Group

The 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

New Amendments not yet adopted by the Group

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 amendment and the impact of the amendment is insignificant in the Consolidated financial statements.

Ind AS 8, Accounting Policies, Changes 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 beginning on or after April 1, 2023. The Group has evaluated the amendment and there is no impact on its Consolidated financial statements.

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 amendment and there is no impact on its Consolidated financial statements.

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(All amounts are in Rupees Lakhs)

2 Property, Plant and Equipment

	Land	Building	Furniture and Fixtures	Vehicle	Office Equipment	Computers	Leasehold Improvements	Plant and equipments	Settop boxes	Total	Capital work-in-progress
Year ended March 31, 2022											
Gross carrying amount	1,431.81	9,488.90	8,767.75	378.67	7,563.58	34,231.12	25,776.04	-	-	87,637.87	320.99
Additions	-	7.56	1,330.68	0.42	458.87	16,920.48	3,699.39	892.48	293.56	23,603.44	2,570.19
Transfer pursuant to sale of healthcare business*	-	-	(3,406.47)	(83.80)	(1,086.14)	(35,885.35)	(13,097.94)	-	-	(53,559.70)	-
Additions pursuant to acquisition*	-	3,514.55	140.24	272.43	523.07	1,463.94	413.70	38,827.56	37,984.43	83,139.92	1,408.01
Assets reclassified as Investment Property **	-	(279.11)	76.40	-	-	-	-	-	-	(202.71)	-
Effect of foreign currency differences	46.48	291.69	140.81	(7.04)	(27.52)	(27.07)	(138.48)	-	-	278.88	-
Disposals	-	-	(1,482.85)	(49.12)	(171.71)	(6,035.35)	(2,484.20)	(16.10)	(4,760.21)	(14,999.55)	(3,379.29)
Gross carrying amount	1,478.29	13,023.59	5,566.56	511.56	7,260.15	10,667.77	14,168.51	39,703.94	33,517.78	125,898.15	919.90
Accumulated depreciation	-	1,737.78	5,129.89	288.40	4,082.71	14,747.30	14,565.25	-	-	40,551.33	-
Depreciation	-	310.91	1,102.59	4.69	323.47	7,492.03	2,229.68	732.06	1,240.10	13,435.54	-
Additions pursuant to acquisition*	-	480.20	75.86	214.69	401.77	770.68	52.29	14,778.47	17,117.56	33,891.52	-
Assets reclassified as Investment Property **	-	(1.69)	-	-	-	-	-	-	-	(1.69)	-
Effect of foreign currency differences	-	-	2,095.30)	(46.86)	(364.71)	(16,317.75)	(6,334.64)	-	-	(25,159.27)	-
Disposals	-	133.08	149.46	(6.24)	(7.50)	38.35	(154.25)	-	-	152.90	-
Others	-	-	(810.64)	(49.12)	(169.11)	(4,538.91)	(1,347.08)	(1.96)	(3,753.05)	(10,669.87)	-
Accumulated depreciation	-	2,660.28	3,551.87	405.56	4,266.62	2,191.69	9,011.25	15,508.57	14,604.61	52,200.45	-
Net carrying amount as at March 31, 2022***	1,478.29	10,363.33	2,014.69	106.00	2,993.53	8,476.08	5,157.26	24,195.37	18,913.17	73,697.70	919.90
Year ended March 31, 2023											
Gross carrying amount	1,478.29	13,023.59	5,566.56	511.56	7,260.15	10,667.77	14,168.51	39,703.94	33,517.78	125,898.15	919.90
Additions due to acquisition	-	-	3.53	-	13.91	65.30	-	-	-	82.74	-
Additions	-	7.04	614.47	80.02	584.59	6,264.19	752.56	1,370.36	4,520.48	14,193.73	4,867.10
Assets moved to Investment Property	-	(2,476.51)	-	-	-	-	-	-	-	(2,476.51)	-
Effect of foreign currency differences	99.76	491.16	340.58	3.30	92.70	996.24	557.42	-	-	2,581.17	-
Disposals	(94.92)	(1,858.67)	(3,063.69)	(129.65)	(104.73)	(6,366.19)	(4,632.38)	(3,414.81)	(21,958.93)	(41,623.96)	(4,497.36)
Gross carrying amount	1,483.13	9,186.61	3,461.45	465.24	7,846.64	11,627.31	10,846.11	37,659.49	16,079.33	98,655.31	1,289.64
Accumulated depreciation	-	2,660.29	3,551.87	405.56	4,266.62	2,191.69	9,011.25	15,508.57	14,604.61	52,200.45	-
Depreciation	-	310.59	639.50	41.35	245.94	5,808.34	1,485.02	3,484.80	3,667.70	15,683.24	-
Assets moved to Investment Property	-	(371.15)	-	-	-	-	-	-	-	(371.15)	-
Effect of foreign currency differences	-	175.44	198.85	0.51	35.17	790.99	187.59	-	-	1,388.55	-
Disposals	-	(1,050.38)	(2,890.07)	(112.35)	(47.96)	(6,314.48)	(4,252.87)	(1,097.17)	(6,953.71)	(22,718.99)	-
Others	-	1,724.79	1,500.15	335.07	4,499.78	2,476.53	6,430.99	17,896.20	11,318.60	46,182.11	-
Accumulated depreciation	-	1,724.79	461.46	335.07	4,499.78	2,476.53	1,741.57	17,896.20	11,318.60	40,454.00	-
Net carrying amount as at March 31, 2023 ***	1,483.13	7,461.82	1,961.30	130.17	3,346.86	9,150.78	4,415.12	19,763.29	4,760.73	52,473.21	1,289.64

* Refer note 51(ii) for details on disposal of Healthcare Services business (HS Business) and Refer note 51(iii) for details on Acquisition of business.

** Refer note 51(i) for details.

*** Refer the note 39 and note 58.

Note: The title deeds of immovable properties are in the name of the Group (including lease properties, where the lease agreements are in the name of the company) except few lease agreements pertains to Media, Digital and Communication division where the company is in the process of novation of those agreements in the name of the Group. (Refer Note No. 48 (ii))

Note : The Group has not revalued any of Property, Plant and Equipment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Capital work-in-progress (CWIP) aging schedule- Property, Plant and Equipment As at March 31, 2023

Particulars	Amount in Capital work-in-progress (CWIP) for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	1,216.43	-	73.21	-	1,289.64
(ii) Projects temporarily suspended	-	-	-	-	-

Capital work-in-progress (CWIP) aging schedule- Property, Plant and Equipment As at March 31, 2022

Particulars	Amount in Capital work-in-progress (CWIP) for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	827.12	90.70	2.08	-	919.90
(ii) Projects temporarily suspended	-	-	-	-	-

3. Right of use assets

	Category of Right of use assets							Total
	Building	Computers	Furniture & Fixtures	Office equipments	Set up Box	Plant & equipments	Transponder	
Year ended								
March 31, 2022								
Carrying amount as at April 1, 2021	82,804.36	283.41	686.84	1,785.13	-	-	-	85,559.74
Adjustments	27,283.98	-	188.12	-	-	-	-	27,472.10
Additions	18,287.46	210.49	-	-	-	779.18	-	19,277.13
Additions pursuant to merger and acquisition**	2,979.62	-	-	-	14,249.30	9,693.61	11,145.89	38,068.42
Disposals*	(80,077.80)	-	(391.67)	(677.34)	-	(131.07)	-	(81,277.88)
Effect of Foreign currency differences	(121.99)	(5.95)	21.64	(1.25)	-	-	-	(107.55)
Gross carrying amount	51,155.63	487.95	504.93	1,106.54	14,249.30	10,341.72	11,145.89	88,991.96
Accumulated depreciation	14,107.69	177.90	537.12	854.63	-	-	-	15,677.34
Adjustments	27,283.98	-	188.12	-	-	-	-	27,472.10
Depreciation	13,771.01	121.58	108.88	269.06	369.40	111.87	197.38	14,949.18
Additions pursuant to merger and acquisition**	1,052.35	-	-	-	2,048.97	2,792.73	2,808.56	8,702.61
Disposals*	(33,935.76)	-	(357.08)	(20.69)	-	(13.11)	-	(34,326.64)
Effect of Foreign currency differences	(29.13)	(4.81)	20.00	(0.12)	-	-	-	(14.06)
Accumulated depreciation	22,250.14	294.67	497.04	1,102.88	2,418.37	2,891.49	3,005.94	32,460.52
Net carrying amount as at March 31, 2022	28,905.49	193.28	7.89	3.66	11,830.93	7,450.23	8,139.95	56,531.43
Year ended								
March 31, 2023								
Carrying amount as at April 1, 2022	51,155.63	487.95	504.93	1,106.54	14,249.30	10,341.72	11,145.89	88,991.96
Additions	8,395.98	456.08	-	-	14,659.96	16,107.58	997.10	40,616.71
Disposals	(5,565.61)	-	-	-	-	(7,072.58)	-	(12,638.20)
Effect of Foreign currency differences	1,420.35	39.26	(0.81)	-	-	-	-	1,458.79
Gross carrying amount	55,406.34	983.30	504.12	1,106.54	28,909.27	19,376.72	12,142.99	118,429.27

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

	Category of Right of use assets							Total
	Building	Computers	Furniture & Fixtures	Office equipments	Set up Box	Plant & equipments	Transponder	
Accumulated depreciation	22,250.14	294.67	497.04	1,102.88	2,418.37	2,891.49	3,005.94	32,460.52
Depreciation	8,592.35	300.28	7.91	3.67	4,939.44	6,878.17	1,913.85	22,635.66
Disposals	(5,281.49)	-	-	-	-	(2,576.31)	-	(7,857.79)
Effect of Foreign currency differences	228.71	42.48	(0.83)	-	-	-	-	270.37
Accumulated depreciation	25,789.70	637.43	504.12	1,106.55	7,357.81	7,193.35	4,919.79	47,508.75
Net carrying amount as at March 31, 2023***	29,616.63	345.86	-	-	21,551.47	12,183.38	7,223.21	70,920.52

* Refer note 51(ii) for details on disposal of Healthcare Services business (HS Business).

** Refer note 51(iii) for details on Acquisition of business.

*** Refer Note 53 for Leases

4a Other Intangible Assets

	Computer Software	Non Compete fees	Customer Relationship	Customer Contracts	Acquired Technology	Brands	Network rights	License fee	Movie rights#	Trade name	Marketing Collateral	Other Intangibles	Total
Year ended March 31, 2022													
Gross carrying amount	20,815.65	155.10	2,580.04	488.32	929.33	-	-	-	-	-	-	-	24,968.44
Additions	2,914.48	-	-	-	-	-	313.45	-	189.57	-	-	203.22	3,620.72
Additions pursuant to acquisition*	7,440.28	-	21,791.12	-	-	-	5,377.76	1,023.71	10,539.38	3,820.00	14.14	1,952.99	51,959.40
Transfer pursuant to sale of healthcare business*	(14,708.63)	-	-	(73.68)	(943.80)	-	-	-	-	-	-	-	(15,726.11)
Effect of foreign currency differences	9.42	5.05	75.47	16.67	14.47	-	-	-	-	-	-	-	121.08
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	(3,120.11)
Gross carrying Amount	13,351.09	160.15	24,446.63	431.31	-	-	5,691.21	1,023.71	10,728.95	3,820.00	14.14	2,156.21	61,823.42
Accumulated amortisation	15,446.79	155.10	1,317.83	488.32	696.34	-	-	-	-	-	-	-	18,104.38
Amortisation	2,430.52	-	324.62	-	181.26	-	49.78	86.41	729.84	332.00	0.60	59.20	4,194.23
Additions pursuant to acquisition*	4,497.99	-	3,059.72	-	-	-	1,765.33	596.60	1,062.08	701.78	4.31	115.53	11,803.34
Effect of foreign currency differences	43.62	5.05	33.45	16.67	10.61	-	-	-	-	-	-	-	109.40
Transfer pursuant to sale of healthcare business*	(10,981.46)	-	-	(73.68)	(888.21)	-	-	-	-	-	-	-	(11,943.35)
Disposals	(2,845.55)	-	-	-	-	-	-	-	-	-	-	-	(2,845.55)
Accumulated amortisation	8,591.91	160.15	4,735.62	431.31	-	-	1,815.11	683.01	1,791.92	1,033.78	4.91	174.73	19,422.45
Net carrying amount as at March 31, 2022	4,759.18	-	19,711.01	-	-	-	3,876.10	340.70	8,937.03	2,786.22	9.23	1,981.48	42,400.95
Year ended March 31, 2023													
Gross carrying amount	13,351.09	160.15	24,446.63	431.31	-	-	5,691.21	1,023.71	10,728.95	3,820.00	14.14	2,156.21	61,823.40
Additions	1,735.40	-	-	-	-	-	1,046.49	250.00	101.36	-	-	3,015.16	6,148.41
Additions due to merger or acquisition*	-	-	16,526.17	1,766.26	-	1,239.77	-	-	-	-	-	-	19,532.20
Effect of foreign currency differences	(377.53)	11.47	171.47	35.30	-	-	-	-	-	-	-	-	(159.29)
Disposals	(1,625.73)	-	-	-	-	-	-	-	-	-	-	-	(1,625.73)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

	Computer Software	Non Compete fees	Customer Relationship	Customer Contracts	Acquired Technology	Brands	Network rights	License fee	Movie rights#	Trade name	Marketing Collateral	Other Intangibles	Total
Gross carrying Amount	13,083.23	171.62	41,144.27	2,232.87	-	1,239.77	6,737.70	1,273.71	10,830.31	3,820.00	14.14	5,171.37	85,719.00
Accumulated amortisation	8,591.91	160.15	4,735.62	431.31	-	-	1,815.11	683.01	1,791.92	1,033.78	4.91	174.73	19,422.46
Amortisation	1,589.13	-	3,074.99	143.86	-	33.66	936.01	120.65	253.57	382.00	3.68	632.20	7,169.75
Effect of foreign currency differences	323.21	11.47	157.67	44.84	-	5.40	-	-	-	-	-	-	542.59
Disposals	(1,998.21)	-	-	-	-	-	-	-	-	-	-	-	(1,998.21)
Accumulated amortisation	8,506.05	171.62	7,968.28	620.01	-	39.06	2,751.12	803.66	2,045.49	1,415.78	8.59	806.93	25,136.59
Net carrying amount as at March 31, 2023	4,577.18	-	33,175.99	1,612.86	-	1,200.71	3,986.58	470.05	8,784.82	2,404.22	5.55	4,364.44	60,582.41

* Refer note 51(ii) for details on disposal of Healthcare Services business (HS Business) and Refer note 51(iii) for details on Acquisition of business.

Intangible assets under development aging schedule As at March 31, 2023

Particulars	Amount in Intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	-	-	-	-	-
(ii) Projects temporarily suspended	-	-	-	-	-

Intangible assets under development aging schedule As at March 31, 2022

Particulars	Amount in Intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	-	-	-	-	-
(ii) Projects temporarily suspended	-	-	-	-	-

4b Investment property Reconciliation of carrying amount

Particulars	Investment property
Year ended March 31, 2022	
Gross carrying amount	-
Additions due to merger or acquisition	202.71
Gross carrying amount	202.71
Accumulated depreciation	1.69
Depreciation for the year	-
Accumulated depreciation	1.69
Net carrying amount as at March 31, 2022	201.02
Year ended March 31, 2023	
Gross carrying amount	202.71
Reclassification from property, plant and equipment	2,476.51
Gross carrying amount	2,679.22
Accumulated depreciation	1.69
Reclassification from property, plant and equipment	324.79
Depreciation for the year (Refer Note 33)	49.72
Accumulated depreciation	376.20
Net carrying amount as at March 31, 2023	2,303.02
Fair value	
As at March 31, 2023	3,617.30

Note : During the year the Group has transferred a building to investment in property from Property, Plant and Equipment because it was not used by the Group and it was decided that building would be leased to third party.

** The fair value of investment property was determined by an accredited external independent property valuer. The said property valuer is a registered valuer as defined under Rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

i) Amounts recognised in profit or loss

Rental income recognised by the Group during the year ended 31 March 2023 was ₹400.88 lakhs (31 March 2022: ₹ Nil lakhs) and was included in 'Other income' (see Note 29). Repairs and maintenance expense, included in 'other expenses' (see Note 34), was as follows.

Particulars	As at March 31, 2023	As at March 31, 2022
a) Rental income derived from investment properties	400.88	-
b) Direct operating expenses (including repairs and maintenance) generating rental income	-	-
Income arising from investment properties before depreciation	400.88	-
Depreciation	49.73	-
Income arising from investment properties (Net)	351.15	-

4c Goodwill

Particulars	Goodwill
<u>Year ended March 31, 2022</u>	
Gross carrying amount	33,972.04
Acquisition through business combination*	27,909.74
Deletion due to disposal of Healthcare Services business.(HS Business) **	(17,748.51)
Impairment (Refer Note 40)	-
Effect of foreign currency differences	660.87
Carrying amount	44,794.14
Net carrying amount as at March 31, 2022	44,794.14
<u>Year ended March 31, 2023</u>	
Gross carrying amount	44,794.14
Acquisition through business combination*	50,473.60
Deletion due to disposal	-
Impairment (Refer Note 40)	-
Effect of foreign currency differences	(320.22)
Carrying amount	94,947.52
Net carrying amount as at March 31, 2023	94,947.52

* Refer note 40 & 51(iii) for details on Acquisition of business.

** Refer note 51(ii) for details on disposal of Healthcare Services business (HS Business)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

5 Investments

Particulars	Face Value Per Share/ Unit	As at March 31, 2023		As at March 31, 2022	
		Quantity Nos.	Amount (₹ in Lakhs)	Quantity Nos.	Amount (₹ in Lakhs)
5a Non-Current Investments					
(i) <u>Unquoted and Non-Trade investment in Non-convertible debentures at amortized cost (NCDs)</u>					
Unsecured Non-convertible debentures (NCDs) (Coupon rate @2.50%-4.50% p.a.)		-	273,435.62	-	246,676.62
(ii) <u>A. Unquoted - Investment in Equity shares (at fair value through OCI)</u>					
Uactive Technology Private Limited	10	-	-	1,769.00	20.00
Alkymia	Euro 1	-	-	340.00	337.40
Others		-	0.91	-	0.88
<u>B. Unquoted- Investment in Preference shares (at fair value through OCI)</u>					
Elemental Labs Private Limited	100	242.00	38.39	242.00	38.39
Less: Adjustment towards Impairment loss allowance			(38.39)		(38.39)
Total (a)			0.91		358.28
<u>C. Unquoted - Investment in Government securities (measured at Cost)</u>					
National Saving Certificate VIII Series Under lien with the Sales Tax Department			-		0.05
Total (b)			-		0.05
<u>D. Quoted Investments in equity instruments (at fair value through OCI)</u>					
GOCL Corporation Limited	2	13,166.00	38.79	1,916.00	5.22
Gulf Oil Lubricants India Limited	2	12,264.00	49.60	1,916.00	8.05
IndusInd Bank Limited	10	80,302.00	857.64	33,400.00	312.49
VCK Capital Market Services Limited	10	24,007.00	-	24,007.00	-
Less: Reclassified as held for sale (Refer Note 16)			-		(87.21)
Total			946.03		238.55
			274,382.56		247,273.50
5b Current Investments					
Investments in equity instruments (at fair value through Profit and Loss)					
<u>A. Quoted equity shares (fully paid up)</u>					
IndusInd Bank Limited	10	57,500.00	614.07	104,402	976.82
GOCL Corporation Limited	2	-	-	11,250	30.66
Gulf Oil Lubricants India Limited	2	-	-	11,250	47.25
Less: Reclassified as held for sale (Refer Note 16)			-		(438.96)
			614.07		615.77
<u>Unquoted and Non-Trade investment at amortized cost</u>					
Investment in Treasury bill			283.56		280.37
			897.63		896.14
Total investments			275,280.19		248,169.64
Aggregate Value of quoted Investments (at market value)			1,560.10		854.32
Aggregate Value of Unquoted Investments			273,720.09		247,315.32

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Terms of Non-convertible debentures (NCD)

Name of Scrip	Coupon Rate	Terms of redemption*	Nature	Amount o/s as at March 31, 2023 (USD in Lakhs)	Amount o/s as at March 31, 2023 (₹ in Lakhs)	Amount o/s as at March 31, 2022 (USD in Lakhs)	Amount o/s as at March 31, 2022 (₹ in Lakhs)
Investment in NCD in IndusInd Finance Limited	2.50%-4.50%	24 months from 6 January, 2022 - with the option to renew with mutual agreement.	Un-Secured	2,330.00	191,322.82	1,650.00	125,235.83
Investment in NCD in Hinduja Capital Ltd	2.50%	24 months from 12 January, 2022 - with the option to renew with mutual agreement.	Un-Secured	1000	82,112.80	1,000.00	75,900.50
Investment in NCD in Lalun Holding Ltd	2.50%	24 months from 25th Feb, 2022 - with the option to renew with mutual agreement.	Un-Secured	-	-	600.00	45,540.30
Total				3,330.00	273,435.62	3,250.00	246,676.63

*The Company has a right to demand partial redemption of the NCDs upto 25% of the Issue Size with 45 business days' notice and an additional 25% of the Issue Size post the first redemption with 90 business days' notice.

** Based on an external legal opinion obtained, the group has concluded that Hinduja Capital Limited and IndusInd Finance limited is not a related party in accordance with Ind AS 24 - Related Party Disclosures.

Terms of Treasury bill FY 2022-23

	Name of Bank	ISIN	Maturity Date	Rate of Interest	Face Value in' PHP as on March 31, 2023 (PHP. in Lakhs)	Face Value in' PHP as on March 31, 2023 (₹ in Lakhs)
1	Union bank plaza*	PIBL1222F269	June 28, 2023	7.60%	186.90	283.56
Total					186.90	283.56

*These investments carry a fixed rate of interest and it is maturing through June 28, 2023.

Terms of Treasury bill FY 2021-22

	Name of Bank	ISIN	Maturity Date	Rate of Interest	Face Value in' PHP as on March 31, 2022 (PHP. in Lakhs)	Face Value in' PHP as on March 31, 2022 (₹ in Lakhs)
1	Union Bank	PIBL1221E191	May 11, 2022	7.60%	189.82	280.37
Total					189.82	280.37

These investments carry a fixed rate of interest and it is maturing through May 11, 2022.

Note: The Group has complied with the requirements of the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

6 Loans

Particulars	As at March 31, 2023	As at March 31, 2022
Loan carried at amortised cost* (Unsecured, considered good)		
Opening balance	350.00	350.00
Loans given during the year	-	-
Loans repaid	-	-
Total	350.00	350.00

* One of the subsidiary companies has given a loan of ₹350 lakhs to other entities at the interest rate of 9% p.a.

7. Other non current financial asset

Particulars	As at March 31, 2023	As at March 31, 2022
Security Deposit	6,117.88	4,920.82
Deposits with bank for Margin Money*	135.86	110.44
Deposits with maturity exceeding 12 months**	-	4,069.76
Miscellaneous	13.07	41.50
Total	6,266.81	9,142.52

* Under lien with bank towards guarantees issued by them on behalf of the company.

** Amount held by a bank as an interest reserve against amount owed under loan agreement.

8a Income Tax Assets (net)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance tax and tax deducted at source	136,129.78	78,625.71
Less: Provision for Income tax	95,819.80	55,960.81
Total	40,309.98	22,664.90

8b Current tax liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for Income tax	10,409.05	91,146.09
Less: Advance tax and tax deducted at source	1,580.31	41,522.48
Total	8,828.74	49,623.61

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

9 Other non current assets

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good unless otherwise specified:		
Capital Advances	1.44	33.88
Balances with Government Authorities	5,243.46	5,250.16
Prepaid Expenses	266.71	448.22
Loans and advance	16.32	21.86
Others	408.59	36.94
Total	5,936.52	5,791.06

10 Inventories

Particulars	As at March 31, 2023	As at March 31, 2022
(at lower of cost and net realisable value)		
Stock of network cable, equipments and traded goods	1,189.08	1,074.11
Media Inventory	477.05	158.76
Total	1,666.13	1,232.87

Note : Refer Note 56.

11 Trade receivables

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured Trade Receivables	55,184.38	53,680.49
Unsecured Unbilled Receivables	18,119.56	17,164.48
Trade Receivables - Significant increase in credit risk	5,012.52	2,886.00
Less: Allowance for bad and doubtful debts	(5,012.52)	(2,886.00)
Total	73,303.94	70,844.97
Current portion	73,303.94	70,844.97
Non-current portion	-	-

Trade Receivables ageing schedule As at March 31, 2023

Particulars	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	
(i) Undisputed Trade receivables – considered good	37,011.69	14,804.34	1,932.14	112.59	569.27	754.35	55,184.38
(ii) Undisputed Trade Receivables – considered Significant increase in credit risk	-	500.64	722.34	2,221.67	341.21	319.87	4,105.73
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Particulars	Not due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(iv) Disputed Trade Receivables considered Significant increase in credit risk	-	-	-	396.93	297.96	211.91	906.79
Less: Allowance for bad and doubtful debts	-	(500.64)	(722.34)	(2,618.60)	(639.17)	(531.77)	(5,012.52)
Unbilled Receivable							
Undisputed Unbilled Receivable – considered good	18,119.56	-	-	-	-	-	18,119.56

Trade Receivables ageing schedule As at March 31, 2022

Particulars	Not due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	38,260.10	11,372.16	2,408.84	671.84	46.18	748.79	53,507.91
(ii) Undisputed Trade Receivables – considered Significant increase in credit risk	-	196.34	762.28	598.89	148.04	113.39	1,818.94
(iii) Disputed Trade Receivables considered good	-	169.92	2.66	-	-	-	172.58
(iv) Disputed Trade Receivables considered Significant increase in credit risk	-	-	0.30	508.78	347.26	210.72	1,067.06
Less: Allowance for bad and doubtful debts	-	(196.34)	(762.58)	(1,107.67)	(495.30)	(324.11)	(2,886.00)
Unbilled Receivable							
Undisputed Unbilled Receivable – considered good	17,164.48	-	-	-	-	-	17,164.48

There were no loans due by directors or other officers of the company or any of them severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a member.

For Related party transactions refer Note 45.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

12a Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks		
in current accounts	71,857.42	51,196.10
in EEFC accounts	80.22	153.26
in deposit accounts	32,198.20	140,588.67
in cash credit accounts (Refer note 58)	6,482.22	15,472.70
Cheques on hand	294.30	158.54
Cash on hand	323.64	115.45
Total	111,236.00	207,684.72

Balances with banks in current account and EEFC account does not carry any interest. Short-term deposits are made for varying periods between one day to three months, depending on the immediate cash requirements of the company, and earn interest at the respective short-term deposit rates.

There are no restrictions with regard to cash and cash equivalents as at the end of the reporting year and prior years.

12b Bank balances other than 12a above

Particulars	As at March 31, 2023	As at March 31, 2022
Earmarked Balances with Banks		
Unpaid dividend	6,509.77	911.23
Unpaid bonus	1.79	1.79
Margin money deposits #	-	189.73
Bank Deposits maturing more than 3 months but less than 12 months	3,099.91	148,151.17
in Escrow account	16.16	-
Restricted Bank Balances	181.43	24.04
Total	9,809.06	149,277.96

Under Lien with Banks towards Guarantees/ Letter of credit issued by them on behalf of the Group and towards margin against forward contracts.

13 Loans

Particulars	As at March 31, 2023	As at March 31, 2022
Loan carried at amortised cost		
Unsecured, considered good		
Loan to related parties (Refer Note 45)		
Opening balance	111,797.98	31,710.00
Loans given during the year	231,529.00	215,251.98
Loans repaid	(162,184.46)	(135,164.00)
Closing balance	181,142.52	111,797.98

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Loan to other entities		
Opening balance	48,889.79	16,278.87
Loans given during the year	55,382.42	86,129.25
Loans repaid	(8,016.24)	(53,019.00)
Effect of foreign currency differences	4,003.35	(499.33)
Closing balance	100,259.33	48,889.79
Total	281,401.85	160,687.77

Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are repayable on demand.

Type of Borrower	As at March 31, 2023		As at March 31, 2022	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Related Parties	1,51,270.00	54%	111,797.98	69%

Particulars of loan granted u/s 186 of the Companies act 2013.

Loans/Inter Corporate Deposits Receivable Related Party wise.(Non Current Loans and Current Loans)	For FY 2022-23		For FY 2021-22	
	Loan o/s as at March 31, 2023	Maximum O/s Balance in FY 2022-23	Loan o/s as at March 31, 2022	Maximum O/s Balance in FY 2021-22
Hinduja Group Limited	46,200.00	50,450.00	50,471.04	53,000.00
Hinduja Realty Ventures Limited	52,628.00	56,346.00	53,000.00	53,000.00
Hinduja Energy (India) Ltd	79,853.54	80,000.00	-	-
Hinduja Finance Limited	-	-	6,811.00	6,811.00
Cyqurex System Private Limited	2,460.98	2,442.00	1,515.94	1,518.00
Total	181,142.52		111,797.98	

Refer Note 6 & 13

* Based on an external legal opinion obtained, the company has concluded that Hinduja Leyland Finance Limited is not a related party in accordance with Ind AS 24 - Related Party Disclosures.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

14 Other current financial asset

Particulars	As at March 31, 2023	As at March 31, 2022
Security Deposit	286.18	367.86
Interest accrued on deposits/ loans	3,052.69	1,047.63
Advance to related parties	-	14.75
Derivatives - Foreign Exchange Forward Contracts (Refer Note 47)	52.47	42.90
Finance lease receivables	3,245.68	-
Retention money Receivable.	856.33	-
Other receivables	1,685.49	1,145.54
Income receivable	7.09	8.57
Less : Provision for Other receivables	(155.58)	(104.46)
Total	9,030.35	2,522.79

15 Other current assets

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured and considered good, unless otherwise stated		
Balances with Government Authorities	9,177.30	9,431.00
Advance to employees		
Good	234.54	305.32
Doubtful	12.98	12.98
	247.52	318.30
Less: Provision for Doubtful Advances	(12.98)	(12.98)
	234.54	305.32
Advance to Vendors	1,929.73	2,585.43
Prepaid Expenses	7,658.29	4,016.15
Gratuity (Refer note 43)	359.55	177.93
Others**	1,230.52	4,329.18
Total	20,589.93	20,845.01

There were no loans due by directors or other officers of the company or any of them severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a member.

** Includes interest accrued but not due on debentures ₹ NIL (March 31, 2022 – 1,163.65 Lakhs) and sub-lease receivables ₹ NIL (March 31, 2022 – 2,209.14 Lakhs).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

16 Assets classified as held for sale

Particulars	Face value per share (in ₹)	As At March 31, 2023		As At March 31, 2022	
		Number of shares	Amount	Number of shares	Amount
Investments in equity instruments at fair value through other comprehensive income:					
A. Quoted equity shares (fully paid up)					
GOCL Corporation Limited	2.00	-	-	1,916.00	5.22
Gulf Oil Lubricants India Limited	2.00	-	-	1,916.00	8.05
IndusInd Bank Limited	10.00	-	-	7,900.00	73.94
VCK Capital Market Services Limited	10.00	-	-	24,007.00	-
Total I			-		87.21
Investments in equity instruments at fair value through profit and loss:					
A. Quoted equity shares (fully paid up)					
IndusInd Bank Limited	10.00	-	-	46,902.00	438.96
Total II			-		438.96
Total investments - Held for Sale			-		526.17
Liabilities associated with Financial Assets classified as held for sale			-		-
Net assets classified as held for sale			-		5,923.34

17 Equity share capital

Particulars	As at March 31, 2023	As at March 31, 2022
Authorized Share capital:		
7,98,50,000 (March 31, 2022: 7,98,50,000) equity shares of ₹ 10/- each	7,985.00	7,985.00
150,000 (March 31, 2022:150,000) 1% Participatory redeemable Non cumulative preference shares of ₹10/- each	15.00	15.00
Total	8,000.00	8,000.00
Issued, subscribed and Paid up :		
52,520,285 (March 31, 2022: 41,795,132) equity shares of ₹10/- each fully paid	5,252.03	4,179.51
Total	5,252.03	4,179.51

(i) Movements in equity share capital

Particulars	No.of shares	Equity share Capital (par value)
As at April 1, 2021	20,877,255	2,087.73
Shares issued to Employees under Employee Stock Option Plan	20,311	2.02
Bonus Shares issued	20,897,566	2,089.76
As at March 31, 2022	41,795,132	4,179.51
Shares issued to Employees under Employee Stock Option Plan	35,750	3.58
Shares issued other than Cash due to Merger of Digital, Media & Communications Business (Refer Note 51)	10,689,403	1,068.94
As at March 31, 2023	52,520,285	5,252.03

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

(a) Terms and rights attached to equity shares

Equity Shares: The company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend which are approved by Board of Directors in Board Meeting. 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 the number of equity shares held by the shareholders.

(b) Number of shares reserved for issue under the Employee Stock Option Plan (Refer note 35)

Particulars	As at March 31, 2023	As at March 31, 2022
i) Hinduja Global Solutions Limited Employee Stock Option Plan 2008	-	15,000
ii) Hinduja Global Solutions Limited Employee Stock Option Plan 2011	-	5,375

(ii) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the Shareholder	As at March 31, 2023		As at March 31, 2022	
	Number of Shares	% held	Number of Shares	% held
Hinduja Group Limited	18,600,791	35.42	14,254,891	34.11%
Hinduja Realty Ventures Limited	3,404,492	6.48	2,614,490	6.26%
Hinduja Group Limited jointly with Hinduja Realty Ventures Limited	2,014,490	3.84	2,014,490	4.82%
Amas Mauritius Limited	6,529,371	12.43	5,522,854	13.21%

(iii) Shareholding of promoters

Name of the Promoters	As at March 31, 2023		As at March 31, 2022		% Change during the year
	Number of Shares	% held	Number of Shares	% held	
Hinduja Group Limited	18,600,791	35.42	14,254,891	34.11	1.31
Hinduja Realty Ventures Limited	3,404,492	6.48	2,614,490	6.26	0.22
Hinduja Group Limited jointly with Hinduja Realty Ventures Limited	2,014,490	3.84	2,014,490	4.82	-0.98
Hinduja Properties Limited	67,569	0.13	-	-	0.13
Amas Mauritius Limited	6,529,371	12.43	5,522,854	13.21	-0.78
Aasia Corporation LLP	417,809	0.8	417,809	1.00	-0.2
Harsha Ashok Hinduja Jt. Ashok P. Hinduja	1,339,995	2.55	1,114,996	2.67	(0.12)
Ashok P. Hinduja, Karta of S.P. Hinduja HUF (Bigger)	1,301,625	2.48	1,064,966	2.55	(0.07)
Ambika Ashok Hinduja	438,884	0.84	354,484	0.85	(0.01)
Shom Ashok Hinduja	346,683	0.66	280,014	0.67	(0.01)
Ashok P. Hinduja Jt. Harsha Ashok Hinduja	112,203	0.21	90,626	0.22	(0.01)
Vinoo S. Hinduja	141,515	0.27	122,130	0.29	(0.02)
Ashok P. Hinduja, Karta of A.P. Hinduja (HUF)	134,523	0.26	108,654	0.26	-
Shanoo S. Mukhi	2,213	-	1,910	-	-
Harsha Ashok Hinduja	41,340	0.08	33,390	0.08	-
Ashok P. Hinduja	78,247	0.15	63,200	0.15	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Name of the Promoters	As at March 31, 2022		As at March 31, 2021		% change during the year
	No. of Shares	% held	No. of Shares	% held	
Hinduja Group Limited	14,254,891	34.11	14,254,891	34.11	-
Hinduja Realty Ventures Limited	2,614,490	6.26	2,614,490	6.26	-
Hinduja Group Limited jointly with Hinduja Realty Ventures Limited	2,014,490	4.82	2,014,490	4.82	-
Amas Mauritius Limited	5,522,854	13.21	5,522,854	13.21	-
Aasia Corporation LLP	417,809	1.00	417,809	1	-
Harsha Ashok Hinduja Jt. Ashok P. Hinduja	1,114,996	2.67	1,114,996	2.67	-
Ashok P. Hinduja, Karta of S.P. Hinduja HUF (Bigger)	1,064,966	2.55	1,064,966	2.55	-
Ambika Ashok Hinduja	354,484	0.85	354,484	0.85	-
Shom Ashok Hinduja	280,014	0.67	280,014	0.67	-
Ashok P. Hinduja Jt. Harsha Ashok Hinduja	90,626	0.22	90,626	0.22	-
Vinoo S. Hinduja	122,130	0.29	122,130	0.29	-
Ashok P. Hinduja, Karta of A.P. Hinduja (HUF)	108,654	0.26	108,654	0.26	-
Shanoo S. Mukhi	1,910	-	1,910	0	-
Harsha Ashok Hinduja	33,390	0.08	33,390	0.08	-
Ashok P. Hinduja	63,200	0.15	63,200	0.15	-

- (iv) The Board of Directors at their meeting held on January 6, 2022 have approved issuance of Bonus Equity Shares of the Company in the proportion of 1 (One) Bonus Equity Share of ₹ 10/- each for every 1 (One) existing Equity Share of ₹ 10/- each, with a record date of February 23, 2022.
- (v) There are no shares which are reserved for issuance pursuant to contract or options except in previous year 10,689,403 equity shares which is to be issued pursuant to the scheme of arrangement.(Refer Note 51).
- (vi) Refer note 62 for Buyback of shares.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

18 Borrowings

	As at March 31, 2023	As at March 31, 2023
A. Borrowings - non-current at amortized cost (Refer Note 58)		
Secured		
Term Loans from Banks		
Corporate loan	13,951.63	17,087.85
Unsecured		
Others	11.61	15.36
Total borrowings	13,963.24	17,103.21
Less: Current maturities of long-term debt	4,222.74	3,385.38
Less: Interest accrued (included in note 23)	300.08	258.71
Non-current borrowings (Refer Note 58)	9,440.42	13,459.12
B. Borrowings - current at amortized cost (Refer Note 58)		
Secured		
Bank Overdrafts (Including working capital demand loan)	16,955.22	2,160.75
Revolver Loan	78.94	-
Others	-	223.04
Unsecured - at amortised cost		
Loans from related parties (Refer note 45)	-	60,985.81
Loans from other parties	1,379.88	1,703.53
Total Current borrowings	18,414.04	65,073.13
C. Current maturities of Long term borrowings	4,222.74	3,385.38
Total Current borrowings	4,222.74	3,385.38
Total Current borrowings	22,636.78	68,458.51
Total borrowings	32,077.20	81,917.63

* Refer Note 39 & 58.

19 Lease Liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
a. Lease Liabilities - non-current		
Total lease liabilities	67,730.79	58,957.19
Less: Current Maturities of Lease Obligations	(24,778.22)	(15,315.14)
	42,952.57	43,642.05
b. Lease Liabilities - current	24,778.22	15,315.14
	24,778.22	15,315.14
Total	67,730.79	58,957.19

Note: Refer Note 53

20 Other non-current financial liabilities

	As at March 31, 2023	As at March 31, 2022
Security deposits	655.44	390.00
Payable towards LC	1,612.21	1,312.22
Deferred consideration payable (Refer note 51)	7,319.70	-
Others	51.81	402.52
Total	9,639.16	2,104.74

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

21 Provisions

	As at March 31, 2023	As at March 31, 2022
Pension (Refer Note 43)	2,984.64	2,058.51
Gratuity (Refer Note 43)	1,014.65	587.75
Compensated absences (Refer Note 43)	1,425.05	788.13
Others	290.23	309.09
Total	5,714.57	3,743.48

22 Trade Payables

	As at March 31, 2022	As at March 31, 2021
i. Total outstanding dues of micro enterprises and small enterprises (Refer Note 52)	570.19	198.82
ii. Total outstanding dues of creditors other than micro enterprises and small enterprises	41,090.61	62,819.20
Total	41,660.80	63,018.02

Note: For Related party transactions refer Note 45.

Trade Payables ageing schedule As at March 31, 2023

	Not due & Accrued	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Micro enterprises and small enterprises	127.86	442.33				570.19
(ii) Others	24,189.31	13,852.51	467.47	78.95	2,502.38	41,090.62
(iii) Disputed dues – Micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Disputed dues	-	-	-	-	-	-

Trade Payables ageing schedule As at March 31, 2022

	Not due & Accrued	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Micro enterprises and small enterprises	53.06	145.76	-	-	-	198.82
(ii) Others	47,629.76	11,780.37	771.72	1,453.38	1,183.96	62,819.19
(iii) Disputed dues – Micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Disputed dues	-	-	-	-	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

23 Other current financial liabilities

	As at March 31, 2023	As at March 31, 2022
Interest Accrued but Not Due	300.08	258.71
Employee benefits payable	27,271.54	19,068.07
Capital Creditors (other than those payable to MSME)	2,941.64	5,521.35
Unpaid Dividend [Refer note (a) below]	6,509.77	911.23
Deferred consideration payable (Refer Note 51 (iii))	25,623.39	-
Security deposits	391.62	399.74
Derivatives - Foreign Exchange Forward Contracts (Refer Note 47)	51.81	185.69
Book overdraft	3,316.36	479.23
Other payable	8,565.11	6,845.29
Total	74,971.32	33,669.31

- a. There was a delay in depositing the unclaimed dividend to Investor Education and Protection Fund (IEPF) due to technical difficulties. Subsequently to year end March 31, 2023, the Group has deposited the same to IEPF.

24 Provisions

	As at March 31, 2023	As at March 31, 2022
Gratuity (Refer Note 43)	6.87	56.54
Compensated Absences (Refer Note 43)	3,002.62	3,767.81
Deferred compensation Payable (Refer note 43)	-	21,137.77
Total	3,009.49	24,962.12

25 Contract liabilities - Non Current

	As at March 31, 2023	As at March 31, 2022
Income received in advance	97.90	75.92
Total	97.90	75.92

26 Current Contract liabilities

	As at March 31, 2023	As at March 31, 2022
Deferred revenue	-	1,170.63
Income received in advance	5,698.84	5,284.70
Total	5,698.84	6,455.33

27 Other current liabilities

	As at March 31, 2023	As at March 31, 2022
Advances from customers	3,912.76	4,425.46
Statutory dues payable	5,110.83	6,989.49
Other payables	113.05	1,611.04
Total	9,136.64	13,025.99

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

28 Revenue from operations

	Year ended March 31, 2023	Year ended March 31, 2022
Sale of products		
- Traded Goods	3,588.78	5,516.96
- Sale of set top boxes (net)	-	380.82
Sale of services		
- Business Process Management	356,814.23	326,286.52
- Subscription - direct / cable operators	44,804.32	51,256.71
- Installation charges	1,313.78	2,061.66
- Internet Service	26,241.36	23,341.67
- Channel placement fees	10,950.14	9,942.74
- LCN Incentive	4,678.87	4,548.07
- Network Operations	31.73	871.85
- Sale of Film Rights	83.25	17.60
- Infrastructure charges	67.79	120.72
Other operating revenues		
- Technical advisory fees	27.60	35.65
- Commission income	0.60	3.60
- Assignment of movie rights	385.00	1,205.25
- Advertisement income	1,495.00	542.53
- Other lease income	33.90	1,203.87
Total	450,516.35	427,336.22

In response to the COVID-19 pandemic, the Group initiated business continuity program in March 2020 and facilitated its employees to work remotely/work from home where customers have consented. Our business continuity program and the design of our processes allow for remote execution with accessibility to secure data. Due to the nature of the pandemic, the Group will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.

Revenue is recognized at Point in Time basis in respect of the services provided by the Group.

The Group believes that the below disaggregation best depicts the nature, amount, timing and uncertainty of revenue and cash flows from economic factors.

Country / region	Year ended March 31, 2023	Year ended March 31, 2022
USA and Canada	198,069.43	440,633.29
India	36,859.66	34,218.23
UK & Europe	95,294.66	97,698.79
Rest of the world	26,590.48	7,042.15
Total revenue from contracts with customers*	356,814.23	579,592.46

Major product/service lines	Year ended March 31, 2023	Year ended March 31, 2022
Business Process Management	356,814.23	579,592.46
Total revenue from contracts with customers*	356,814.23	579,592.46

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Category of customer	Year ended March 31, 2022	Year ended March 31, 2021
Health Insurance, Pharma and Healthcare	6,899.27	262,378.01
Consumer Electronics, Products, Services and Retail	89,726.33	59,372.15
Banking and Financial services	69,638.59	58,391.62
Telecom and Technology	52,951.35	62,570.25
Media	48,240.88	25,306.75
Chemicals and Biotech	-	11,134.56
Others	89,357.81	100,439.12
Total revenue from contracts with customers*	356,814.23	579,592.46

* Above revenues are including both Continuing and Discontinued operations.

ii) Media and Digital

“While the Company believes strongly that it has a rich portfolio of services, the impact on future revenue streams could come from resource constraints or their services no-longer being availed by their customers due to pro-longed lock-down situations and the customers postponing their discretionary spends due to change in priorities.

The Company has considered such impact to the extent known and available currently. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration.

The Company earns installation revenue on activation of set-top boxes ('STB') at customer premises, thus money is collected on or before installation of STB. In case of subscription income, the Company largely operates on limited customer base / geographies where the credit limit is less than a year. Also, channel placement / carriage income and LCN income from broadcasters have similar credit risks.

Media & Communications business, is India's premier integrated Digital Delivery Platforms Company delivering services via satellite, digital cable and broadband to over 5 million customers across 1,500 cities and towns in India.

The following table provides a reconciliation of the revenue recognised in the statement of profit and loss with the contract price:

Subscription revenue	March 31, 2023	March 31, 2022
Contracted price	45,437.84	51,654.06
Add: Allocation of transaction price from bundled contracts	-	-
Add: Deferred revenue adjustments	-	236.14
Less: Unbilled revenue adjustments	-	-
Discounts to LCO's	(633.52)	(633.49)
Revenues recognised as per the Statement of profit and loss	44,804.32	51,256.71

Installation revenue	March 31, 2023	March 31, 2022
Contracted price	1,008.96	748.02
Less: Allocation of transaction price to subscription revenue for bundled contracts	-	-
Add: Adjustment for deferral for installation revenue	304.82	1,313.64
Revenues recognised as per the Statement of profit and loss	1,313.78	2,061.66

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Channel placement fees	March 31, 2023	March 31, 2022
Contracted price	10,792.54	9,841.49
Add: Adjustment for deferral for channel placement revenue	157.60	101.25
Revenues recognised as per the Statement of profit and loss	10,950.14	9,942.74

Subscription - Internet Service	March 31, 2023	March 31, 2022
Contracted price	28,222.99	25,414.94
Less: Allocation of transaction price for bundled contracts	-	-
Add/Less : Adjustment for deferral and unbilled revenue adjustments	(1,981.63)	(2,073.27)
Revenues recognised as per the Statement of profit and loss	26,241.36	23,341.67

The table below discloses the movement in contract liabilities during the year:

	Contract Asset (Unbilled Revenue)	Contract Liability (Advance billing)	Contract Liability Advance from customer
Balance as at 31 March 2021	1,360.78	4,894.42	1,042.52
Less: revenue recognised that was included in the contract liabilities at the beginning of the year	(1,360.78)	(4,050.87)	(1,042.52)
Add: invoices raised for which no revenue is recognised during the year	1,344.73	3,616.98	900.09
Balance as at 31 March 2022	1,344.73	4,460.53	900.09
Less: revenue recognised that was included in the contract liabilities at the beginning of the year	(1,344.73)	(2,103.37)	(900.09)
Add: invoices raised for which no revenue is recognised during the year	1,263.52	2,027.29	841.03
Balance as at 31 March 2023	1,263.52	4,384.44	841.03

The table below discloses the movement in contract assets during the year:

Unbilled receivables	March 31, 2023	March 31, 2022
Balance as at Beginning of the year	982.41	785.63
Less: Invoices issued in the current year that was included in contract assets in the beginning of the year	(982.41)	(85.63)
Add: Revenue recognised in the current year for which no invoice is raised in the current year	1,019.69	982.41
Balance as at closing of the year	1,019.69	982.41

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

29 Other income

	Year ended March 31, 2023	Year ended March 31, 2022
Interest income on financial assets carried at amortised cost	24,790.55	9,818.06
Interest income on income tax refund	4,063.24	497.38
Dividend income:		
- from quoted equity investments measured at FVTPL/FVTOCI	12.17	2.11
Lease income	652.38	924.84
Fair value gains on :		
- net gain on financial instruments at fair value through profit or loss	36.95	10.93
Net gain on sale of financial instruments at fair value through profit or loss	91.43	-
Unwinding of discount on security deposits	443.16	40.22
Foreign Exchange Gain (net)	5,628.36	2,185.00
Income from discontinuation of leases	471.46	417.57
Profit on Sale of property, plant and equipment	7,291.02	921.83
Bad debts recovered	130.64	7.29
Provision for Doubtful Debts no longer required written-back	2,993.47	4,789.86
Miscellaneous income	3,548.14	937.78
Total	50,152.97	20,552.87

30 Changes in Inventories

	Year ended March 31, 2023	Year ended March 31, 2022
At the beginning of the year		
Network cable, equipment and traded goods	1,074.11	695.78
Media inventory	158.76	184.76
	1,232.87	880.54
At the end of the year		
Network cable, equipment and traded goods	(1,189.08)	(1,074.11)
Media inventory	(477.05)	(158.76)
	(1,666.13)	(1,232.87)
Total	(433.26)	(352.33)

31 Employee benefits expenses

	Year ended March 31, 2023	Year ended March 31, 2022
Salaries and wages	252,655.25	244,731.68
Contribution to provident and other funds (Refer Note 43)	20,442.07	12,952.36
Gratuity and Pension expense (Refer Note 43)	202.04	533.21
Staff welfare expenses	2,415.88	1,729.82
Total	275,715.24	259,947.07

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

32 Finance costs

	Year ended March 31, 2023	Year ended March 31, 2022
Interest expense on		
-Term loans from bank	1,377.70	3,147.03
-Cash credit and others	292.82	36.97
- intercorporate deposit	1,401.53	7,342.08
- delayed payment of taxes and others	279.55	137.89
- financial Liabilities carried at amortised cost	2,994.67	-
- other loans	200.58	289.71
Interest expense on leases	6,932.15	4,033.09
Other Borrowing Costs		
- amortisation of loan processing fees	48.03	270.19
- financial Liabilities carried at FVTPL	34.77	28.44
- bank guarantee Charges	4.75	-
- other cost	160.40	399.12
Total	13,726.95	15,684.52

33 Depreciation and Amortization expenses

	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation on property, plant and equipment (Refer Note 2)	15,683.24	17,011.53
Depreciation on Right of use assets (Refer Note 3)	22,635.65	12,169.20
Amortization of intangibles (Refer Note 4a)	7,169.75	5,281.02
Investment Properties (Refer Note 4b)	49.72	-
Total	45,538.36	34,461.75

34 Other expenses

	Year ended March 31, 2023	Year ended March 31, 2022
Subscription - pay channels	38,976.73	39,391.68
Lease rental - duct	238.20	107.72
Bandwidth charges	3,811.71	7,017.15
Link charges	126.00	126.00
Installation expenses	213.99	108.04
Maintenance Charges	38.45	528.43
Distribution and operation charges	360.00	360.00
Fiber charges/ infrastructure fees	3,895.20	4,567.50
Contract - services	4,226.44	4,811.41
Power and Fuel	3,064.75	2,438.07
Rent	2,936.33	1,804.11
Repairs and Maintenance - Machinery	1,028.41	974.83

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
Repairs and Maintenance - Leased Premises	1,174.29	2,746.60
Repairs and Maintenance - Others	3,595.95	4,421.46
Insurance	1,459.36	1,132.60
Rates and Taxes	1,897.48	3,321.11
Directors' Remuneration	241.70	824.16
Technical and management fees	143.99	133.25
Connectivity Cost	19,148.76	12,162.84
Advertisement and Business Promotion	3,642.43	2,596.95
Communication	4,388.52	4,402.54
Travelling, Conveyance and Car Hire Charges	4,526.55	3,575.63
Legal and Professional	17,920.74	17,099.90
Royalty	659.84	692.85
Training and Recruitment	3,289.08	2,874.39
Commission	7,510.01	6,109.96
Call centre charges	270.79	284.09
Donations	26.31	50.90
Software Expenses	8,436.66	6,507.86
Fulfillment Cost	87.18	119.38
Corporate Social Responsibility (Refer Note no 39)	706.88	607.85
Bad Debts/ Advances Written off	182.52	526.69
Allowance for bad and doubtful debts/ advances	2,126.52	2,075.60
Provision for Deferred consideration	-	113.81
Loss on Sale of Assets (net)	-	323.75
Property, plant and equipment Written Off	-	43.53
Bank Charges and Commission	373.01	439.04
Fair value loss on financial asset measured through profit & loss	547.95	10.95
Miscellaneous Expenses	5,143.17	1,483.19
Total	146,415.91	136,915.81

35 Corporate Social Responsibility (CSR)

	March 31, 2023	March 31, 2022
I Gross amount required to be spent by the Company during the year	706.88	607.85
II Amount spent during the year	-	-
a. Construction/ acquisition of any asset	-	-
b. On various activities (Refer note below)	706.88	607.85
III Shortfall/Unspent at the end of the year	-	-
IV Total of previous years shortfall	-	-
V Reason for shortfall	Not Applicable	Not Applicable

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Amount spent during the year*	March 31, 2023	March 31, 2022
a. Construction/ acquisition of any asset	-	-
b. On various activities (Refer note below)	706.88	607.85
Total	706.88	607.85

* There are no amounts yet to be paid.

Vendor Name	Nature of CSR Activity	Amount Spent during 2022-23	Amount Spent during 2021-22
Hinduja Foundation	T1 Diabetes program with Hinduja Hospital, Mumbai, ICU upgradation at PD Hinduja Sindhi Hospital, Bengaluru, Road to School Program with Learning Links Foundation at Nilgiri.	472.33	370.00
Learning Links Foundation	Support for the holistic development of children as part of Road To School program in Bengaluru.	94.00	-
Magic Bus India Foundation	Contribution towards Youth Skilling Program	25.00	25.00
Samparka Seva Trust	Contribution towards Women's Empowerment at Chikkaballapur	36.00	96.00
Samarthanam Trust for the Disa	Support for vocational skills training and placement of persons with disabilities.	5.00	5.00
SayTrees Environmental Trust	Contribution towards Increasing the green cover outside the forest areas and livelihoods.	20.00	-
Step Up For India	Contribution towards Implementing Comprehensive English Program.	15.00	15.00
The Akshaya Patra Foundation	Contribution towards Mid-day Meals Program.	25.00	25.00
Shri Vasupujya Jain Seva Sanstha	Promoting Preventive Healthcare	14.55	-
Nasscom Foundation	Distribution of medical kits to rural households for self care at home	-	30.00
Shri Vasupujya Jain Seva Sanstha	Sustainable Rural Development Project and Others	-	41.85
Total Amount spent during the year		706.88	607.85

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

36 Share based payments

a) Employee Option Plan

Details of the employee stock option plan are as given below.

Particulars	ESOP 2008	ESOP 2011
Details of the plan	The Shareholders of the Company at their Annual General Meeting held on September 27, 2008 granted approval to HTMT Global Solutions Limited Employees Stock Option Plan 2008 (now Hinduja Global Solutions Limited Employees Stock Option Plan 2008) ("ESOP 2008"). Subsequently, the Nomination and Remuneration Committee (formerly Compensation Committee) approved the terms and conditions relating to ESOP 2008 and options were granted on July 31, 2009.	The Shareholders of the Company at their Annual General Meeting held on August 1, 2011 granted approval to Hinduja Global Solutions Limited Employees Stock Option Plan 2011 ("ESOP 2011"). Subsequently, the Nomination and Remuneration Committee (formerly Compensation Committee) approved the terms and conditions relating to ESOP 2011 and options were granted on November 11, 2011.
Maximum grant of options	The maximum number of options that could be issued under ESOP 2008 is 205,380 (being 1% of the outstanding equity shares of the Company as at April 1, 2009).	The maximum number of options that could be issued under ESOP 2011 is 308,838 (being 1.5% of outstanding paid up capital of the Company as at April 1, 2011).
Vesting period	Options to vest over a period of three years from the date of their grant as under: <ul style="list-style-type: none"> - 1/6th of the options granted will vest on the first anniversary of the grant date. - 1/3rd of the options granted will vest on the second anniversary of the grant date. - 1/2 of the options granted will vest on the third anniversary of the grant date. 	Options to vest over a period of three years from the date of their grant as under: <ul style="list-style-type: none"> - 1/6th of the options granted will vest at the end of one year from the grant date. - 1/6th of the options granted will vest at the end of 18 months from the grant date. - 1/6th of the options granted will vest at the end of 24 months from the grant date. - 1/4th of the options granted will vest at the end of 30 months from the grant date. - 1/4th of the options granted will vest at the end of 36 months from the grant date.
Exercise period	Options vested with an employee will be exercisable prior to completion of the 48th month from the date of their grant by subscribing to the number of equity shares in the ratio of one equity share for every option. In the event of cessation of employment due to death, resignation or otherwise the options may lapse or be exercisable in the manner specifically provided for in the Scheme.	Options vested with an employee will be exercisable prior to completion of the 24th month from the date of vesting of options by subscribing to the number of equity shares in the ratio of one equity share for every option. In the event of cessation of employment due to death, resignation or otherwise the options may lapse or be exercisable in the manner specifically provided for in the Scheme.
Exercise price	₹296.03 per share	₹ 282.53 - ₹ 332.53 per share
Grant/re-grant options	The Nomination and Remuneration Committee (formerly Compensation Committee) approved the request of lapsed options which were subsequently granted to specific employees. The term for vesting and exercise period are as stated above.	The Nomination and Remuneration Committee (formerly Compensation Committee) approved the request of lapsed options which were subsequently granted to specific employees. The term for vesting and exercise period are as stated above.

The exercise price per share is determined on the basis of closing price at the National Stock Exchange of India Limited immediately preceding the grant date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

The fair value of stock option has been calculated using Black-Scholes Option Pricing Model.

Set out below is a summary of options granted under the plan::

ESOP 2008

	March 31, 2023		March 31, 2022	
	Average exercise Price Per share (₹)	Number of Options	Average exercise Price Per share (₹)	Number of Options
Opening balance	580.75	15,000	588.60	34,400
Granted during the year	-	-	-	-
Adjustment due to Bonus issue	-	15,000	-	-
Lapsed during the year	-	-	565.05	(2,200)
Exercised during the year	296.02	(30,000)	588.60	(17,200)
Closing balance		-		15,000
Vested and exercisable		-		-

ESOP 2011

	March 31, 2023		March 31, 2022	
	Average exercise Price Per share (₹)	Number of Options	Average exercise Price Per share (₹)	Number of Options
Opening balance	569.83	5,375	579.38	9,422
Granted during the year	-	-	-	-
Adjustment due to Bonus issue	-	5,375	-	-
Lapsed during the year	-	(5,000)	565.05	(936)
Exercised during the year	307.52	(5,750)	565.05	(3,111)
Closing balance		-		5,375
Vested and exercisable		-		1,175

The weighted average share price at the date of exercise of options exercised during the year ended March 31, 2023 - ESOP 2008: ₹296.02 and ESOP 2011: ₹ 307.52. (Year ended March 31, 2022 - ESOP 2008: ₹ 2,654.23 and ESOP 2011: ₹ 2,315.38)

Shares options outstanding at the end of the year have the following expiry dates and exercise prices

Grant Date	ESOP Scheme	Expiry Date	Exercise Price (₹)	Share options (March 31, 2023)	Share options (March 31, 2022)
August 5, 2019	ESOP 2008	August 5, 2023	592.05	-	15,000
April 21, 2017	ESOP 2011	April 21, 2022	565.05	-	375
November 3, 2020	ESOP 2011	November 3, 2025	665.05	-	5,000

Stock options outstanding at the end of the year have the following Remaining life (In months)

Grant Date	ESOP Scheme	Expiry Date	Remaining life (months)	Share options (March 31, 2023)	Remaining life (months)	Share options (March 31, 2022)
August 5, 2019	ESOP 2008	August 5, 2023	4	-	16	15,000
April 21, 2017	ESOP 2011	April 21, 2022	-	-	1	375
November 3, 2020	ESOP 2011	November 3, 2025	30	-	42	5,000

Previous year ended March 31, 2022, The Nomination and Remuneration Committee of the Company has approved an adjustment in number of options and exercise price in respect of all unexercised Stock Options under the Employees Stock Option Plan, 2008 and Employees Stock Option Plan, 2011 with effect from February 23, 2022. The Vesting date of additional options and overall value of the total options would remain same as the original options.

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(All amounts are in Rupees Lakhs)

ESOP Scheme	Un-exercised Options before adjustment as at March 31, 2022	Original Exercise Price as at March 31, 2022	Un-exercised Options after adjustment	Revised Exercise Price
ESOP 2008	15,000	592.05	30,000	296.03
ESOP 2011	5,000	665.05	10,000	332.53
ESOP 2011	375	565.05	750	282.53

(b) (Income)/Expense arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognized in statement of profit and loss as part of employee benefit (Income)/expense were as follows:

Particulars	March 31, 2023	March 31, 2022
Employee share based payment expenses	1.00	68.43
Employee share based payment Income	-	(3.48)
Total	1.00	64.95

37 Contingent Liabilities

a) Contingent Liabilities

A) Claims against the Company not acknowledged as debts:

Particulars	March 31, 2023	March 31, 2022
1. Income Tax demand		
(i) Prior AY 2007-08 (Refer note 1 & 51(II))	16,786.39	16,616.33
(ii) From AY 2007-08 (Refer note 2 below)	10,611.01	11,558.96
(iii) Others	14,034.91	6,350.99
2. Claims against the Company not acknowledged as debts		
Entertainment Tax (Refer note no. 5 below)	2,482.00	2,482.00
Sales Tax and VAT (Refer note 7 below)	3,962.75	4,032.36
Cable Television Related Cases	234.16	234.16
Service Tax (Refer note no. 6 below)	12,794.00	12,794.00
License Fee (Department of Telecommunication) (Refer note no. 8 below)	65,292.08	62,294.82
Demands of Custom Duty in a Subsidiary Company against which it has filed appeal. (Refer note 9 below)	1,961.33	1,961.33
Local body tax	73.42	73.42
Goods and Service tax	182.39	115.98
Poll tax	22.33	-
3. Guarantees / counter guarantees		
Bank Guarantees given to various authorities	599.39	4,433.34
Guarantees / counter guarantees given to custom authorities	347.00	347.00
Other commitments		
Letters of Credit issued by bankers: - for Import of Equipments	-	119.17
Provident fund (Refer note 10)	409.00	409.00

Notes:

1. NDL Ventures Limited (Formerly known as NXTDIGITAL Limited Limited) has received income tax demand pertaining to IT/ ITES business aggregating ₹ 7,144.66 Lakhs in respect of period prior to October 1, 2006 which is reimbursable by the Group pursuant to the Scheme of Arrangement and Reconstruction for demerger of IT/ITES business into the Group sanctioned by High Court of Judicature of Bombay and made effective on March 7, 2007. In this regard, the Group had paid

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

₹ 5,550 Lakhs to NDL Ventures Limited to discharge part payment of disputed income tax dues pertaining to IT/ITES business. Out of this amount, the Group has received refund of ₹ Nil including interest of ₹ Nil during the year (March 31, 2022- ₹ Nil including interest of ₹ Nil).

NDL Ventures Limited (Formerly known as NXTDIGITAL Limited Limited) also received income tax demand pertaining to IT/ ITES business in respect of the same issue for the A.Y. 2002-03 to A.Y 2007-08. Pursuant to the Scheme of Arrangement and Reconstruction for merger of Digital, Media & Communications Business into the Company sanctioned by High Court of Judicature of Bombay and made effective on February 1, 2022, all liabilities of the demerged undertaking stand transferred to Resulting Company. The aggregate demand is ₹ 16,786.40 Lakhs including interest ₹ 7,985.72 Lakhs (March 31, 2022 - ₹ 16,616.33 Lakhs, ₹ 7,815.61 Lakhs respectively).

2. The Group has received Income Tax Demand orders for the A.Y. (Assessment Year) 2007-08 to A.Y. 2011-12. In all the above assessment orders, demand has been raised mainly on account of denial of section 10A benefit as per the Income Tax Act 1961 in respect of profit earned by the Company's undertaking in Software Technology Parks. The aggregate demand is ₹ 10,611.01 Lakhs including interest ₹ 1,925.01 Lakhs (March 31, 2022 - ₹ 11,558.97 Lakhs, ₹ 1,925.01 Lakhs respectively)

Against the above demands, the respective companies have made various appeals before the relevant Appellate Authority; NXTDIGITAL Limited received a favourable order from Honourable High Court of Bombay in respect of year 2005-06 dated July 26, 2017. The Honourable Supreme Court of India has admitted a Special Leave Petition (SLP) in respect of the same matter for the years A.Y. 2002-03 to A.Y 2005-06. Future cash outflow in respect of above, if any, is determinable only on receipt of judgements/ decisions pending with relevant authorities and accordingly the amounts are disclosed as a contingent liability. In view of legal advice obtained the Management considers these disallowances as not tenable against us, and therefore no provision for this tax contingency has been recognised.

3. The Group is subject to legal proceedings and claims. Some of the claims involve complex legal issues and therefore it is not possible to make a reasonable estimate of the expected financial effect, if any, that could result from ultimate resolution of such proceedings. The Group makes provisions to cover the expected risk of loss to the extent that negative outcomes are likely and reliable estimates can be made, however it is possible that the final resolution of any litigation could require the Group to make additional expenditures in excess of provisions that the Group may establish. The Group's Management reasonably expects that these legal actions, when ultimately concluded and determined, may not have a material and adverse effect on the Group's results of operations or financial condition.
4. During the previous year, One OTT Intertainment Limited (subsidiary company) received a demand order from Income Tax for ₹ 185.44 lakhs pertaining to AY 2016-17. In the said year, the subsidiary company had acquired Broadband division of IMCL through a court approved Scheme of Arrangement for Slump sale. Based on the scheme and the order passed by the Hon'ble Bombay High Court dated 4th March, 2016, subsidiary company has booked intangible assets in form of Business and Commercial Rights amounting to ₹ 26,700 lakhs and claimed depreciation on the same. The Assessing Officer, based on certain secondary documents, has wrongly considered the transfer of business from Holding Company to the subsidiary company as demerger u/s. 2(19)(aa) instead of Slump Sale u/s. 2(42C) of the Income Tax Act, 1961, as approved by the Bombay High Court. Considering the transaction as demerger, the Assessing officer has disallowed the claim of Depreciation of ₹ 6600 lakhs u/s. 32(5) of the Income Tax Act, 1961. subsidiary company has already preferred an appeal before the Hon'ble CIT (A) – 17, Mumbai and also filed necessary applications before the jurisdictional income tax authorities. In view of the foregoing, the subsidiary company has treated the said demand as contingent liability.
5. Entertainment tax ('ET') material disputes

Entertainment tax on LCO Points (Maharashtra)

The Government of Maharashtra issued Resolution No. - ENT2013/PK59/T-1 ('GR') dated March 7, 2013 for payment of ET on franchisee points by Multi System Operator (MSO). Accordingly, the ET authorities issued demand notices of ₹ 1,809.49 lakh relating to Mumbai, Nagpur and Nashik as under:

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(All amounts are in Rupees Lakhs)

City	Period	Notice issued by	Demand raised by March 31, 2022	Demand raised by March 31, 2021
Mumbai	April, 2013 – September, 2013	District Collector/ Tahsildar	507.08	507.08
Nagpur	April, 2013 – June, 2013	Office of District Collector, Nagpur	181.14	181.14
Nashik	April, 2013 - July, 2013	Office of District Collector, Nashik	41.35	41.35
Nagpur	July, 2013 – October, 2014	Office of District Collector, Nagpur	1,079.92	1,079.92
Total			1,809.49	1,809.49

In response to the demand notice issued by the ET authorities in Nagpur, the Group Subsidiary Company ("IMCL") has filed a writ petition with Hon'ble High Court of Bombay (Nagpur Bench) challenging the order of Collector and the validity of GR. The matter shifted to Bombay Bench for Consolidation with writ's filed by other MSO's and local cable operator ('LCO') associations in Mumbai and Nashik for similar demand order issued. In the interim, for writ filed by IMCL before Nagpur Bench, the Hon'ble High Court of Bombay has stayed any recovery proceeding against IMCL and in all writ petitions, Hon'ble High Court of Bombay has directed the LCOs to deposit the ET directly to the Entertainment tax authorities or through the Hon'ble High Court of Bombay. Based on the Orders of the court, collectors in Mumbai have started to collect the Entertainment tax from the LCO's.

The Government of Maharashtra has vide an Ordinance dated February 10, 2014 amended the Maharashtra Entertainment Duty Act, 1923 and the said ordinance was replaced with an Act and amendments passed by the ordinance became part of the Maharashtra Entertainment Duty Act, 1923 vide amendment dated July 25, 2014. The constitutional validity of the Ordinance and the Amendments has been challenged by another MSO and a LCO federation in Maharashtra before the Hon'ble High Court of Bombay. IMCL has amended its writ petitions filed before Hon'ble High Court of Bombay.

Based on the above facts, IMCL is of the opinion that liability for payment of ET on LCO points for the period April 2013 to June 2017 is not required to be provided in its books as the amount of entertainment tax payable is not ascertainable by IMCL at this stage.

- Order from Service tax authorities for reversal of Cenvat Credit on Counter-vailing duty ('CVD') paid on import of Set-top box ('STB')

"Effective November 2012, Digital Access System (DAS) was introduced in the broadcasting industry in India, in a phased manner, pursuant to which the Company had paid CVD on imported STB's. The Group issues STBs to end subscribers through LCOs (in some cases directly to subscribers) on payment of activation charges. These STBs are not sold to customers and continue to be asset of the Group. STB's are used for providing output service i.e. Cable operator service. The Company has claimed input credit of CVD paid on import against the output liability on Cable operator services under Rule 3 of CENVAT Credit Rules, 2004. The Service Tax Authorities had issued two show cause notice for the period April 2010 to December 2014 and January 2015 to June 2017, denying the claim of the Company for providing Cable operator services for LCO Points, contending STBs are not necessary for providing said services, thus CVD paid on such STBs cannot be availed as input credit under Cenvat Credit Rules, 2004. The matter was heard by Commissioner of the Service Tax during the current year and an Order was passed confirming the demand in both the show cause notices along with penalty amounting to ₹12,653 lakhs. In response to the Order, the Company has filed an appeal with the Central Excise and Appellate Tribunal (CESTAT) in April 2019. Based on the above facts, the Company is of the opinion that it still remains the owner of STBs and such STBs have direct nexus with providing of Cable operator services and is thus eligible for input credit and accordingly does not require to make any provisions in the books.

- Value Added Tax (VAT) material disputes**

The Group had paid service tax on the activation fees of set top boxes (STB). The VAT authorities in the state of Telangana, Uttar Pradesh, Andhra Pradesh, Karnataka and Chattisgarh passed orders respectively treating the transaction as transfer of Right to use/ Deemed sale and levied VAT. The Group has filed appeal with respective Appellate authorities. The Group is of the opinion that it still remains the owner of STBs. Though physical control of STB

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is passed on to the end subscriber effective control remains with the Group hence the transaction is not required to be taxed as transfer of Right to use/ Deemed sale. Accordingly the Group is of the opinion that it does not require to make any provisions in the books for the said demand.”

8. License fee demand notice from Department of Telecommunication

The Company received notices during the financial year 2017-2018 from the Department of Telecommunication (DOT) towards alleged revenue loss due to license fees payable along with interest and penalty thereon, for the period 2010-2011 to 2014-2015, aggregating to ₹ 50,775.24 lakhs, under the License No. 820-5/2002-LR dated May 16, 2002 (hereinafter referred to as ISP License) and Unified License bearing No. 821-52/2013-DS for ISP Category A for PAN India. During the said period i.e from 2010-15, the ISP license was in the name of IndusInd Media and Communications Limited (IMCL) which was subsequently transferred to ONEOTT Entertainment Limited (OIL) with effect from April 1, 2015. DOT demand on the Company was stayed by TDSAT vide its order dated December 20, 2017 and the said stay has not been vacated as on the date of balance sheet.

Although the above referred license has been transferred by IMCL to OIL, the amounts mentioned above have been reported under contingent liability in view of the counter indemnity given by IMCL in favour of OIL, against the indemnity given by OIL to DOT to service any past liability in connection with the said license.

In the previous year, in light of the Hon'ble Supreme Court's judgement, DOT decided to re-examine all demand orders raised and asked all license holders to submit comprehensive representations of the issues involved. The Company have filed representations at appropriate authorities denying the alleged liabilities.

During the previous year, TDSAT vide its order dated June 12, 2020 has set aside the impugned demands and directed DoT to issue directives for maintaining level playing field for all operators.

On November 14, 2019, ONEOTT Entertainment Limited (“OIL”, direct subsidiary company of the Company) received demand notices from DOT for the financial years 2015-16 till 2018-19 amounting to ₹ 2,430.91 lakh including interest and penalty of ₹ 1078.24 lakh towards license fees on AGR. Accordingly, the total unacknowledged liability of OIL would be ₹ 4,956.74 lakh (excluding interest, penalty and interest on penalty).

During the previous year, in a similar matter, TDSAT vide its order dated October 18, 2019 has set aside the impugned demands and directed DOT to issue directives for maintaining level playing field for all operators. Further, in matters of certain telecom companies relating to ‘AGR’, the Hon'ble Supreme Court vide its order dated October 24, 2019 upheld DOT's appeal thereby determining what constitutes AGR for the purposes of license fee calculation.

On December 5, 2019, in light of the Hon'ble Supreme Court's judgement, DOT decided to re-examine all demand orders raised and asked all license holders to submit comprehensive representations of the issues involved. IMCL and OIL have filed representations at appropriate authorities denying the alleged liabilities.

Relying on an independent legal expert's opinion, the Group continues to believe that the demands will not be upheld and therefore has disclosed these as Contingent Liabilities.

During the previous financial year, the Holding Company had received revised demand for F.Y.2014-15, the earlier demand was ₹ 9,017.85 lakhs, which got revised to ₹ 16,014.27 lakhs.

9. Custom Duty on Activation Fees paid to Nagra Vision SA

The Holding Company had received Show cause notice from the Directorate of Revenue Intelligence (DRI), Mumbai for evasion of Custom Duty on payment of activation fees to Nagra Vision SA and inadvertent claim of Exemption for payment of Special Additional Duty pursuant to Notification No. 21/2012 dated 17 March 2012. The Additional Director General DRI (Adjudication) vide its order dated 28 February 2018 rejected the submissions made by the Holding Company and passed the order confirming a demand of ₹927 Lakhs (including penalty and redemption fine). The Holding Company has filed an Appeal before the CESTAT, Mumbai in June 2018. Based on the contention that the amount paid to Nagra Vision SA is towards activation fees and not licence fees, the Company expects that the outcome of the matter will be favorable to the Holding Company on the basis of the Appeal and hence has included the demand as above under contingent liabilities. In addition to above order, during the Previous Year, the Holding Company had received a new Show Cause Notice on similar issue for Cable and HITS Division. The reply has already been filed by the Holding Company and the matter got heard before the Adjudicating Authority in the Current

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Year. The Holding Company has received a letter dated 26th March, 2021, intimating that the adjudication proceeding to be kept pending under the relevant provisions of the Customs Act, 1962. The decision to keep the proceedings on hold is on account of the Hon'ble Supreme Court Judgment dated 09/03/2021 in the case of M/s. Canon India Private Limited V/s. Commissioner of Customs.

10. Provident Fund

In February 2019, the Hon'ble Supreme Court of India vide its judgment and subsequent review petition of August 2019 has ruled in respect of compensation for the purpose of Provident Fund contribution under the Employee's Provident Fund Act. The Group has assessed possible outcomes of the judgment on determination of provident fund contributions and based on the Company's current evaluation of the judgment, it is not probable that certain allowances paid by the Company will be subject to payment of provident fund. The Group will continue to monitor and evaluate its position based on future events and developments.

11. The Group has proceedings pending with the Income tax, Service tax authorities, Customs tax authorities, Sales tax authorities and Local body tax authorities. The Group has reviewed all its pending proceedings and has adequately provided where provisions are required and disclosed as contingent liabilities where applicable and quantifiable, in these consolidated financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on these consolidated financial statements.

12. The Company has given an undertaking to three banks (i.e. Yes Bank Ltd., Axis Bank Ltd. and RBL Bank Ltd.) to retain shareholding to the extent of 51% in the subsidiary viz. IndusInd Media & Communications Limited (IMCL) until all the amounts outstanding under various Facility Agreements entered into by IMCL with the said banks are repaid in full by IMCL. As at the balance sheet date there are no outstanding amounts payable to RBL Bank Limited.

b) Capital and other commitments:

(i) Estimated Amount of Contracts (net of capital advances) remaining to be executed on Capital Account ₹ 3,915.10 Lakhs (As at March 31, 2022: ₹5,497.78 Lakhs).

38 Earnings per share (EPS)

Basic and Diluted earning per share amount are calculated by dividing the profit for the year from continuing and discontinuing operations respectively by the weighted average number of equity shares outstanding during the year. For the total operations, Basic and Diluted earning per share amount are calculated by dividing the total profit for the year from total operations by the weighted average number of equity shares outstanding during the year.

	March 31, 2023	March 31, 2022
Numerator for Basic and Diluted EPS		
Profit attributable to the equity holders of the company used in calculating basic and diluted EPS (₹ in Lakhs) (both continuing and discontinued operations)	33,436.61	606,143.52
Profit attributable to the equity holders of the company used in calculating basic and diluted EPS (₹ in Lakhs) (continuing operations)	28,814.50	(3,898.65)
Profit attributable to the equity holders of the company used in calculating basic and diluted EPS (₹ in Lakhs) (discontinued operations)	4,622.11	610,042.17
Weighted average number of equity shares (Nos.) for calculating basic earnings per share	52,520,285	52,473,442
Weighted average number of equity shares (Nos.) for calculating Diluted earnings per share	52,520,285	52,517,098
Basic EPS attributable to the equity holders of the Company (₹) (both continuing and discontinued operations)	63.66	1,155.14
Diluted EPS attributable to the equity holders of the Company (₹) (both continuing and discontinued operations)	63.66	1,154.18
Basic EPS attributable to the equity holders of the Company (₹) (continuing operations)	54.86	(7.43)

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	March 31, 2023	March 31, 2022
Diluted EPS attributable to the equity holders of the Company (₹) (continuing operations)	54.86	(7.43)
Basic EPS attributable to the equity holders of the Company (₹) (discontinued operations)	8.80	1,162.57
Diluted EPS attributable to the equity holders of the Company (₹) (discontinued operations)	8.80	1,161.61
Nominal value of shares (₹)	10.00	10.00

Number of shares considered for basic EPS (Refer note 51 (II) (A))	52,520,285	52,473,442
Add: Effect of dilutive issues of stock options	-	43,656
Number of shares considered for diluted EPS	52,520,285	52,517,098

The Board of Directors at their meeting held on January 6, 2022 have approved issuance of Bonus Equity Shares of the Company in the proportion of 1 (One) Bonus Equity Share of ₹ 10/- each for every 1 (One) existing Equity Share of ₹ 10/- each, with a record date of February 23, 2022.

39 Assets pledged as security (Refer Note 18 & 58)

The Group had pledged certain assets as security for its current and non current borrowings. Following the repayment of these borrowings, the Group is in the process of releasing the pledge. The carrying amounts of such assets pledged as security are:

Notes	March 31, 2023	March 31, 2022
Current		
Financial Assets		
First Charge		
Current Assets	249,171.05	404,972.69
Total current assets pledged as security	249,171.05	404,972.69
Non-Current		
Exclusive charge		
Land	-	-
Building	-	3,418.00
Non-current assets	48,711.90	74,247.98
Total non-current assets pledged as security	48,711.90	77,665.98
Total assets pledged as security	297,882.95	482,638.67

40 Impairment

Goodwill movement:

	March 31, 2023	March 31, 2022
Opening Balance	44,794.14	33,972.04
Add: Acquisition of Diversify Offshore Staffing Solutions Pty Ltd., Australia ('Diversify') (Refer Note 51 (iii) (b))	-	14,677.71
Add: Merger of Digital, Media & Communications Business (Refer Note 51 (ii) (a))	-	13,232.03
Add: Teklink International Inc., USA (Teklink) (Refer Note 51 (iii))	50,473.60	-
Less: Goodwill attributed to healthcare services business (Refer Note 51 (ii))	-	(17,748.51)
Add: Translation adjustments	(320.22)	660.87
Closing Balance	94,947.52	44,794.14

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Goodwill is tested for impairment at each reporting date. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the Group's Cash Generating Unit ("CGU") or groups of CGUs expected to benefit from the synergies arising from the business combinations. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets.

Impairment occurs when the carrying amount of a CGU, including the goodwill, exceeds the estimated recoverable amount of the CGU. The recoverable amount of CGU is higher of its fair value less cost to sell and its value-in-use. Value-in-use is the present value of the future cash flows expected to be derived from the CGU.

The carrying value of goodwill translated at year end exchange rates, is allocated to the following CGU's

	March 31, 2023	March 31, 2022
Business process management - Healthcare and CES operations, USA	1,639.82	1,803.81
Business process management - EBOS business, USA	-	-
Business process management - UK operations	10,614.65	10,473.24
Business process management - India Human resource operations	2,493.11	2,493.11
Business process management - Element Solutions LLC, USA	2,298.43	2,114.24
Business process management -Diversify Offshore Staffing Solutions Pty Ltd., Australia ('Diversify')	14,195.88	14,677.71
Digital, Media and Communications Business	13,232.03	13,232.03
Business process management -Teklink International Inc., USA	50,473.60	-
Total	94,947.52	44,794.14

The recoverable amount has been determined based on value-in-use calculations. Value-in-use is calculated using post tax cash flows. The use of post tax discount rates does not result in a value-in-use that is materially different from the value-in-use that would result if the calculation was performed using pre-tax discount rates.

The future cash flows are based on the medium and long-term business plans approved by the Management and reviewed by the board of directors

The average range of key assumptions used for the calculations are as follows:

	March 31, 2023	March 31, 2022
	(in %)	
Growth rate	3% to 23%	2% to 23%
Pre-tax discount rate	11.5% to 18.3%	11.5% to 18.3%
Terminal growth rate	0% to 5%	0% to 5%

The recoverable amount have exceeded the carrying value of CGU and no impairment was recognised in the current year. No reasonable change in the assumptions (revenue growth, operating margin, discount rate and long-term growth rate) could lead to a potential impairment charge.

Reasonable sensitivities in the key assumptions consequent to the change in estimated future economic conditions is unlikely to cause the carrying amount of any of the cash generating units to exceed the recoverable amount.

41 Tax expense

	Year ended March 31, 2023			Year ended March 31, 2022		
	Continuing Operations	Discontinued Operations	Total	Continuing Operations	Discontinued Operations	Total
a) Tax Expense						
Current tax						
Current tax on profits for the year	4,891.70	(4,235.15)	(40,020.15)	2,461.90	101,087.28	103,549.18
Adjustments for current tax relating to prior years	(35,785.01)	(4,235.15)	(40,020.16)	(347.26)	-	(347.26)
Total Current tax expense	(30,893.41)	(4,235.15)	(35,128.56)	2,114.64	101,087.28	103,201.92

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	Year ended March 31, 2023			Year ended March 31, 2022		
	Continuing Operations	Discontinued Operations	Total	Continuing Operations	Discontinued Operations	Total
Deferred Tax						
Decrease/ (Increase) in Deferred tax assets	(5,831.97)	-	(5,831.97)	(9,203.66)	620.69	(8,582.97)
Adjustments for Deferred tax relating to prior years	26,497.10	-	26,497.10	-	-	-
Total Deferred Tax expense	20,665.13	-	20,665.13	(9,203.66)	620.69	(8,582.97)
Tax expense	(10,228.18)	(4,235.15)	(14,463.32)	(7,089.02)	101,707.97	94,618.95

b) Reconciliation of tax expense and the accounting profit multiplied by the Indian statutory tax rate

	Year ended March 31, 2023	Year ended March 31, 2022
Profit before income tax expense	18,973.29	700,762.45
Tax at Indian tax rate of 25.168% (2021-22 - 25.168%)	4,775.20	176,367.89
Tax effects of amounts which are not deductible (taxable) in calculating taxable income		
- Dividend Income	(107.29)	(408.87)
- Expenses Disallowed	168.63	142.45
- Impairment of Goodwill and Intangibles		-
Other items		
- Reversal of current and deferred tax of prior years		-
- Difference in overseas tax rate for foreign operation	(592.93)	(1,544.73)
- Tax credit on profit earned by foreign operation [Refer Note (ii) below]	(25.34)	(308.00)
- Difference in tax rate for profit on sale of Operations	(283.51)	2,514.57
- Exempt income #	523.84	(92,622.16)
- Tax on Restructure of Subsidiaries	(6,727.86)	7,864.27
- Deferred Tax Assets recognised on unabsorbed business losses		
a. Deferred tax assets on previously unrecognised tax loss	-	-
b. Current tax benefit on previously unrecognised tax loss	(9,294.56)	-
- Deferred tax assets recognized on Prior year losses of certain subsidiaries	(6,876.87)	(7,160.90)
- Deferred tax assets not recognized on losses for the period of certain subsidiaries	2,668.55	8,505.50
- Impact on deferred tax due to tax rate change		-
- Tax (current and deferred) tax of prior years	-	688.43
- Other adjustments	1,308.83	580.50
Total Income Tax expense	(14,463.32)	94,618.95
Tax on Continuing Operations	(10,228.17)	(7,089.02)
Tax on Discontinued Operations	(4,235.15)	101,707.97

Exempt income includes capital gains on sale of healthcare business, tax holiday period income and dividend income.

(i) This amount represents the benefit received by certain entities of Group in respect of taxes payable by the foreign operations.

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42 Deferred tax liabilities & Deferred tax assets

The deferred tax balance comprises temporary differences attributable to:

	Deferred tax assets/ (Liabilities) as on April 01, 2022	Deferred tax on business acquisition (Refer Note 51)	(Charge)/ Credit Through P&L	(Charge)/ Credit Through OCI	(Charge)/ Credit Through FCTR	Deferred tax assets/ (Liabilities) as on March 31, 2023
Deferred Tax Liabilities						
Property, Plant and Equipment	(656.86)	-	(185.84)	-	(67.04)	(909.74)
Intangible Assets	(3,361.12)	(4,328.33)	434.62	-	21.89	(7,232.94)
Derivatives	-	-	-	-	-	-
Operating leases	-	-	-	-	-	-
Others	-	-	(285.73)	-	(2.29)	(288.02)
Total Deferred Tax Liabilities	(4,017.98)	(4,328.33)	(36.95)	-	(47.44)	(8,430.70)
Less: Set off	(867.29)	-	-	-	-	(791.96)
Net Deferred Tax Liabilities	(3,150.69)	-	-	-	-	(7,638.74)
Deferred Tax Assets						
Property, Plant and Equipment	881.38	-	(822.97)	-	-	58.41
Defined Benefit Obligation and Compensated Absences	304.41	-	652.53	37.35	-	994.29
Derivatives	134.28	-	-	(25.14)	-	109.14
Leases	723.34	-	(698.29)	-	23.66	48.71
Deferred performance Incentive	2,284.03	-	(2,284.03)	-	-	0.00
Carry forward of unused tax losses	34,092.63	-	(18,945.19)	-	159.30	15,306.74
Deferred tax on monetary assets	-	-	590.00	-	(590.00)	-
Allowance for doubtful debts	702.22	-	131.55	-	-	833.77
Accrued Expenses	225.75	-	40.02	-	-	265.77
Others	1,513.14	-	671.25	37.65	(306.00)	1,916.04
Total Deferred Tax Assets	40,861.18	-	(20,665.13)	49.86	(713.04)	19,532.87
Less: Set off	(867.29)	-	-	-	-	(791.96)
Net Deferred Tax Assets	39,993.89	-	-	-	-	18,740.91

	Deferred tax assets/ (Liabilities) as on April 01, 2021	Deferred tax on business Combinations (Refer Note 51)	Total	Deferred tax on business acquisition (Refer Note 51)	(Charge)/ Credit Through P&L	(Charge)/ Credit Through OCI	(Charge)/ Credit Through FCTR	Deferred tax assets/ (Liabilities) as on March 31, 2022
Deferred Tax Liabilities								
Property, Plant and Equipment	(2,062.95)	-	(2,062.95)	-	1,429.08	-	(22.99)	(656.86)
Intangible Assets	(3,011.92)	-	(3,011.92)	(3,416.22)	3,066.29	-	0.73	(3,361.12)
Operating leases	(9.08)	-	(9.08)	-	-	-	9.08	-
Total Deferred Tax Liabilities	(5,083.95)	-	(5,083.95)	(3,416.22)	4,495.37	-	(13.18)	(4,017.98)
Less: Set off	(4,784.28)	-	(4,784.28)	-	-	-	-	(867.29)
Net Deferred Tax Liabilities	(299.67)	-	(299.67)	-	-	-	-	(3,150.69)
Deferred Tax Assets								
Property, Plant and Equipment	-	761.18	761.18	-	105.55	-	14.65	881.38

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	Deferred tax assets/ (Liabilities) as on April 01, 2021	Deferred tax on business Combinations (Refer Note 51)	Total	Deferred tax on business acquisition (Refer Note 51)	(Charge)/ Credit Through P&L	(Charge)/ Credit Through OCI	(Charge)/ Credit Through FCTR	Deferred tax assets/ (Liabilities) as on March 31, 2022
Defined Benefit Obligation and Compensated Absences	1,274.81		1,274.81	-	(1,049.46)	79.06	-	304.41
Derivatives	(626.51)	16.42	(610.09)	-	13.56	776.84	(46.03)	134.28
Leases	2,669.12	445.10	3,114.22	-	(2,401.00)	-	10.12	723.34
Deferred performance Incentive	1,667.62		1,667.62	-	616.41	-	-	2,284.03
Carry forward of unused tax losses	3,802.67	20,245.75	24,048.42	-	9,974.09	-	70.12	34,092.63
Allowance for doubtful debts	53.77	212.24	266.01	-	436.21	-	-	702.22
Accrued Expenses	2,757.78		2,757.78	-	(2,539.43)	-	7.40	225.75
Others	140.15	1,186.84	1,326.99	-	(1,161.11)	(167.04)	1,514.30	1,513.14
Total Deferred Tax Assets	11,739.41	22,867.53	34,606.94	-	3,994.82	688.86	1,570.56	40,861.18
Less: Set off	(4,784.28)	-	(4,784.28)	-	-	-	-	(867.29)
Net Deferred Tax Assets	6,955.13	22,867.53	29,822.66	-	-	-	-	39,993.89

Notes:

- (i) In assessing the reliability of deferred tax assets, the Company considers the extent to which it is probable that the deferred tax asset will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry-forwards become deductible. The Company considers the expected reversal of deferred tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on this, the Company believes that it is probable that the Company will realize the benefits of the recognized deductible differences. The amount of deferred tax asset considered realizable, however, could be reduced in the near term if the estimates of future taxable income during the carry-forward period are reduced.

The group has unused tax losses of ₹ 91,564.88 lakhs and ₹ 45,010.57 lakhs as at March 31, 2023 and March 31, 2022 respectively available for offset against future taxable profits. Of the ₹ 91,564.88 lakhs of unused losses, ₹ 13,456.38 lakhs will expire in the years from 2035 to 2037, while the remaining carry forward losses do not expire. No deferred tax asset has been recognised in respect of the tax losses of ₹ 33,838.67 lakhs and ₹ 17,698.03 lakhs for the period ended March 31, 2023 and March 31, 2022 respectively due to lack of probable future taxable profits.

The realisability of the deferred tax asset mainly depends on whether sufficient taxable profits or taxable temporary differences will be available in the future. The Management's projections of future taxable income and tax planning strategies support the assumption that it is probable that sufficient taxable income will be available to utilize the deferred tax assets recognised.

Subsequent to the demerger of Digital, Media & Communications Business Undertaking along with the investments in its subsidiaries of NXTDIGITAL Limited with the Company with effect from February 01, 2022, the Company has reassessed its provision for current taxes and deferred taxes and has written back an amount of ₹ 34,510.63 Lakhs of current taxes and (26,497.10) of deferred taxes relating to previous year. The Group has recognized deferred tax assets of ₹ 7583.89 lakhs and ₹ 11,900.55 lakhs in respect of unused tax losses of its various subsidiaries for the year March 31, 2023 and 2022 respectively.

In cases where the actual future taxable profits generated are less than expected a material reversal of the deferred tax asset may arise, which would be recognised as profit or loss for the period in which such a reversal takes place.

- (ii) Deferred income tax liabilities are recognized for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future. Accordingly, deferred income tax liabilities on cumulative earnings of subsidiaries amounting to ₹ 5,68,677.72 lakhs and ₹ 550,086.08 lakhs as of March 31, 2023 and 2022, respectively have not been recognized. Further, it is not practicable to estimate the amount of the unrecognized deferred tax liabilities for these undistributed earnings.

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43 Employee benefit obligations

(i) Compensated Absences

The leave obligations cover the Group's liability for sick and earned leave of employees.

The amount of the provision of ₹ 4,427.67 Lakhs (As at March 31, 2022: ₹ 4,555.94 Lakhs) out of which, ₹ 3,002.62 Lakhs has been disclosed as current and ₹ 1,425.05 Lakhs is disclosed as non-current. Based on past experience, the Group does not expect all employees to take the full amount of accrued leaves to make payments in lieu of accrued leaves within the next 12 months.

(ii) Deferred compensation Payable

The Board of Directors at their meeting held on March 28, 2019 approved an employee defined benefit plan called as "Deferred Payment Incentive Plan" (DPI 2019). The Scheme is applicable to eligible employees of the Group including eligible employees transferred pursuant to the sale of healthcare business in the manner specifically provided for in the Scheme. Payments under this defined employee benefit plan is linked to the Group achieving certain profit targets by the financial year ending March 31, 2022. Pursuant to the plan, the Group has made a Nil provision as at March 31, 2023. (March 31, 2022 : ₹ 21,137.77 Lakhs)

(iii) Post-employment obligations

a) 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 multiplied for the number of years of service. The gratuity plan is a funded plan and the Group makes contributions to Life Insurance Corporation of India (LIC) as per Investment Pattern stipulated for Pension and Group Schemes Fund by Insurance Regulatory and Development Authority Regulations. The Group does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

b) Pension benefits

The Branch has a non-contributory and actuarially computed defined benefit pension plan covering substantially all of its employees. The benefits are based on years of service and compensation at the date of retirement, as defined in the policies of the Company

The plan provides lump sum benefits upon retirement, death, total and permanent disability and separation from service from completion of at least five years of service. Under the provisions of the retirement plan, the normal retirement age is 60 with at least 5 years of credited service, but early retirement is possible for employees reaching age 50 with at least 10 years of credited service. Normal retirement is entitled to 1.5 months basic salary per year of service while early retirement with 10 to 15 years' service is entitled to 1 month basic salary per year of service or 1.5 months per year of service if tenure is beyond 15 year Employees below 50 years old with at least 10 years of service are entitled to the retirement benefit in case of voluntary separation. Ten to 15 years of service is eligible for 50% of monthly basic pay per year of service, 75% for 15 to 20 years, and 100% of monthly basic pay for 20 years tenure or more.

Plan assets are held in trust by a trustee bank, which is governed by local regulations and practice in the Philippines.

Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets. The largest proportion of assets is invested in debt securities. The Branch believes that debt securities offer the best returns over long term with an acceptable level of risk.

(iv) Defined contribution plans

The Group has classified various benefits provided to employees as under:

- a) Provident Fund
- b) Superannuation Fund
- c) State Defined Contribution Plans:
 - i Employers' Contribution to Employee's State Insurance

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d) Other Statutory contribution schemes

Amounts recognized in the Statement of Profit and Loss pertaining to the contribution to the above contribution plans are as follows:

	Year ended March 31, 2023	Year ended March 31, 2022*
Employers' Contribution to Provident Fund	4,353.68	4,285.69
Employers' Contribution to Superannuation Fund	-	4.17
Employers' Contribution to Employee's State Insurance	774.33	770.16
Employer's Contribution to Other Employees' contribution Scheme	15,314.06	19,054.25
Total	20,442.07	24,114.27

* both Continuing and Discontinued operations

(v) **Defined Benefit plan**

Balance sheet amounts - Pension plan

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

	Present Value of Defined benefit obligation	Fair value of plan assets	Net Amount
April 1, 2021	10,325.72	(343.58)	9,982.14
Current service cost	1,060.44	-	1,060.44
Net Interest cost	475.01	(15.81)	459.20
Total amount recognized in Statement of profit and loss (Both Continuing and discontinued operations)	1,535.45	(15.81)	1,519.64
Remeasurements			
- Return on plan assets, excluding amounts included in interest expense/(income)	-	18.27	18.27
- Actuarial (gain)/loss from change in demographic assumptions	-	-	-
- Actuarial (gain)/loss from change in financial assumptions	(232.79)	-	(232.79)
- Actuarial (gain)/loss arising from experience adjustments	(435.02)	-	(435.02)
Total amount recognised in other comprehensive income	(667.81)	18.27	(649.54)
Exchange differences (recognised in Foreign Currency translation reserve)	(394.31)	11.71	(382.60)
Contributions:			
- Employers	-	(620.00)	(620.00)
- Plan participants	-	-	-
Payments from plan:			
Benefit payments	(449.70)	449.70	-
Liability Transferred Out/ Divestments (Refer Note 51(ii))	(7,874.23)	-	(7,874.23)
Liability Transferred in / Acquisition (Refer Note 51(iii))	83.10	-	83.10
Settlements	-	-	-
March 31, 2022	2,558.22	(499.71)	2,058.51

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

	Present Value of Defined benefit obligation	Fair value of plan assets	Net Amount
April 1, 2022	2,558.22	(499.71)	2,058.51
Current service cost	311.94	-	311.94
Net Interest cost	144.48	(27.98)	116.50
Total amount recognised in statement of profit and loss	456.42	(27.98)	428.44
Remeasurements			
- Return on plan assets, excluding amounts included in interest expense/(income)	-	27.92	27.92
- Actuarial gain/loss from change in demographic assumptions	-	-	-
- Actuarial (gain)/loss from change in financial assumptions	(196.73)	-	(196.73)
- Actuarial (gain)/loss arising from experience adjustments	778.48	-	778.48
Total amount recognised in other comprehensive income	581.75	27.92	609.67
Exchange differences (recognised in Foreign Currency translation reserve)	73.16	(8.37)	64.79
Contributions:		(176.77)	(176.77)
- Employers	-	-	-
- Plan participants	-	-	-
Payments from plan:			
Benefit payments	(369.71)	369.71	-
Liability Transferred Out/ Divestments (Refer Note 51(ii))	-	-	-
Liability Transferred in / Acquisition (Refer Note 51(iii))	-	-	-
Settlements	-	-	-
March 31, 2023	3,299.84	(315.20)	2,984.64

Balance sheet amounts - Gratuity

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

BPM Segment

	Funded	Unfunded	Present Value of Defined benefit obligation	Fair value of plan assets	Net Amount
April 1, 2021	3,552.91	117.01	3,669.92	(1,255.71)	2,414.21
Current Service Cost	372.43	11.26	383.69	-	383.69
Interest expense/(income)	153.76	4.52	158.27	(66.20)	92.08
Total Amount recognised in statement of profit and loss (both Continuing and Discontinued operations)	526.19	15.77	541.96	(66.20)	475.77
Remeasurements					
- Return on plan assets, excluding amounts included in interest expense/(income)	-	-	-	38.43	38.43
- Actuarial (gain)/loss from change in demographic assumptions	0.06	(0.00)	0.06	-	0.06

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

	Funded	Unfunded	Present Value of Defined benefit obligation	Fair value of plan assets	Net Amount
- Actuarial (gain)/loss from change in financial assumptions	(37.95)	(0.47)	(38.42)	-	(38.42)
- Actuarial (gain)/loss arising from experience adjustments	309.26	46.48	355.74	-	355.74
Total amount recognised in other comprehensive income	271.37	46.01	317.38	38.43	355.81
Employer contributions	-	-	-	(31.73)	(31.73)
Liability Transferred Out/ Divestments (Refer Note 51(ii))	(2,734.63)	-	(2,734.63)	-	(2,734.63)
Other adjustment	(8.59)	-	(8.59)	10.16	1.57
Benefit payments	(318.82)	(29.79)	(348.61)	318.82	(29.79)
March 31, 2022	1,288.43	149.00	1,437.42	(986.23)	451.19

	Funded	Unfunded	Present Value of Defined benefit obligation	Fair value of plan assets	Net Amount
April 1, 2022	1,288.42	149.00	1,437.42	(986.23)	451.19
Current Service Cost	153.00	8.68	161.68	-	161.68
Interest expense/(income)	70.09	6.79	76.88	(53.65)	23.23
Total Amount recognised in statement of profit and loss	223.09	15.47	238.56	(53.65)	184.91
Remeasurements					
- Return on plan assets, excluding amounts included in interest expense/(income)	-	-	-	(4.35)	(4.35)
- Actuarial (gain)/loss from change in demographic assumptions	-	-	-	-	-
- Actuarial (gain)/loss from change in financial assumptions	(64.03)	(1.07)	(65.10)	-	(65.10)
- Actuarial (gain)/loss arising from experience adjustments	212.33	43.79	256.01	-	256.12
Total amount recognised in other comprehensive income	148.30	42.61	191.02	(4.35)	186.55
Employer contributions	-	-	-	-	(62.96)
Liability Transferred In	208.73	-	208.73	(0.13)	208.60
Other adjustment	-	-	-	-	-
Benefit payments	(181.57)	(43.73)	(225.30)	181.57	(43.73)
March 31, 2023	1,686.97	163.46	1,850.32	(925.75)	924.68

Media Segement

	Funded	Unfunded	Present Value of Defined benefit obligation	Fair value of plan assets	Net Amount
April 1, 2021	191.52	122.09	313.61	(319.25)	(5.64)
Current Service Cost	87.01	10.26	97.27	-	97.27
Liability transferred in/Acquisitions	(0.19)	-	(0.19)	-	(0.19)
Interest expense/(income)	55.22	4.21	59.43	(61.26)	(1.83)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

	Funded	Unfunded	Present Value of Defined benefit obligation	Fair value of plan assets	Net Amount
Total Amount recognised in statement of profit and loss	142.04	14.47	156.51	(61.26)	95.25
Remeasurements					
- Return on plan assets, excluding amounts included in interest expense/(income)	-	-	-	3.55	3.55
- Actuarial (gain)/loss from change in demographic assumptions	(33.33)	-	(33.33)	-	(33.33)
- Actuarial (gain)/loss from change in financial assumptions	(6.01)	-	(6.01)	-	(6.01)
- Actuarial (gain)/loss arising from experience adjustments	(20.06)	-	(20.06)	-	(20.06)
Total amount recognised in other comprehensive income	(59.40)	-	(59.40)	3.55	(55.85)
Employer contributions	-	-	-	(75.13)	(75.13)
Liability Transferred Out/ Divestments (Refer Note 51(ii))	-	-	-	-	-
Other adjustment	-	-	-	-	-
Benefit payments	(65.92)	-	(65.92)	65.92	-
March 31, 2022	208.24	136.56	344.80	(386.17)	(41.37)

	Funded	Unfunded	Present Value of Defined benefit obligation	Fair value of plan assets	Net Amount
April 1, 2022	208.24	136.56	344.80	(386.17)	(41.37)
Current Service Cost	70.68	9.78	80.46	-	80.46
Interest expense/(income)	58.38	5.47	63.85	(6.00)	57.85
Total Amount recognised in statement of profit and loss	129.06	15.25	144.31	(6.00)	138.31
Remeasurements					
- Return on plan assets, excluding amounts included in interest expense/(income)	-	-	-	(55.93)	(55.93)
- Actuarial (gain)/loss from change in demographic assumptions	-	-	-	-	-
- Actuarial (gain)/loss from change in financial assumptions	(4.48)	(2.77)	(7.25)	-	(7.25)
- Actuarial (gain)/loss arising from experience adjustments	132.93	(9.15)	123.78	-	123.78
Total amount recognised in other comprehensive income	128.45	(11.92)	116.53	(55.93)	60.60
Transfers					-
Contributions:					
Employer contributions	-	-	-	(168.60)	(168.60)
Liability Transferred In	663.11	-	663.11	(871.71)	(208.60)
Other adjustment	-	(49.92)	(49.92)	-	(49.92)
Benefit payments	(243.78)	-	(243.78)	243.78	-
March 31, 2023	885.08	89.97	975.05	(1,244.63)	(269.58)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

The following table shows the breakdown of the defined benefit obligation and plan assets:

	March 31, 2023			March 31, 2022		
	Gratuity	Pension	Total	Gratuity	Pension	Total
Present Value of Obligation	2,825.48	3,299.84	6,125.32	1,782.22	2,558.22	4,340.44
Fair value of plan assets	(2,170.39)	(315.20)	(2,485.59)	(1,372.40)	(499.71)	(1,872.11)
Total Liability	655.10	2,984.64	3,639.73	409.82	2,058.51	2,468.33

(vi) Actuarial assumptions pension and gratuity

The significant actuarial assumptions were as follows:

	Year ended March 31, 2023		Year ended March 31, 2022	
	Pension	Gratuity	Pension	Gratuity
Discount Rate	6.36%-6.55%	6.98% - 7.58%	5.64%	4.56%-6.09%
Salary growth rate	3.40%	5% - 8%	3.40%	4% - 8%
Rate of return on Plan assets	6.36%-6.55%	6.98% - 7.58%	5.64%	4.56%-6.09%
Mortality rate	1994GAMT	Indian Assured Lives Mortality 2012-14 (Urban)	1994GAMT	Indian Assured lives Mortality (2006-08) Ultimate
Rate of Employee turnover	8% to 37% p.a.	2% to 70%	8% to 37% p.a.	20% to 70%

Assumptions regarding mortality experience are set based on advice from published statistics.

The discount rate is primarily based on the prevailing market yields of government securities for the estimated term of the obligations. The estimates of future salary increases takes into account the inflation, seniority and other relevant factors. Attrition rate considered is the Management estimate based on past experience of employee turnover. The expected return on plan assets is based on expectation of the average rate of return expected on investment of the fund.

(vii) Sensivity Analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Impact on defined benefit obligation

	Change in assumption		Increase in assumption		Decrease in assumption	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Discount Rate	1%	1%	(344.16)	(244.14)	347.03	248.88
Salary Growth rate	1%	1%	352.51	253.01	(357.55)	(256.07)

The above sensitivity analyses are based on a change in an 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 recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

(viii) The major categories of plan assets are as follows

	March 31, 2023			March 31, 2022		
	Level-1	Level-3	Total	Level-1	Level-3	Total
Pension						
Debt Instruments						
- Government Bonds	284.98		284.98	451.37	-	451.37
- Corporate Bonds	2.92		2.92	29.38	-	29.38
Cash and cash equivalents	26.32		26.32	16.80		16.80
Others		1.59	-	-	2.16	2.16
Gratuity						
Investment funds (Gratuity)						
- Insurance Funds (LIC Pension and Group Schemes fund)		1,677.33	1,677.33	-	986.23	986.23
Total	314.22	1,677.33	1,993.14	497.55	988.39	1,485.94

(ix) Risk exposure

Through its defined benefit plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility	The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments is in fixed income securities with high grades and in government securities..
Changes in bond yields	A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.
Life expectancy	The pension is to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

The Group ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the employee benefit plans. Within this framework, the Group's ALM objective is to match assets to the pension obligations by investing in long-term fixed interest securities with maturities that match the benefit payments as they fall due and in the appropriate currency.

The Group actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The Group has not changed the processes used to manage its risks from previous periods. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.

A large portion of assets in FY 2022-23 (PY 2021-22) consists of government & Corporate bonds and LIC Pension. The plan asset mix is in compliance with the requirements of the respective local regulations.

(x) Defined benefit liability and employer contributions

Expected contributions to post-employment benefit plans for the year ending March 31, 2024 is ₹ 860.97 lakhs [Gratuity ₹ 580.85 Lakhs; Pension ₹ 280.12 Lakhs]

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

The weighted average duration of Gratuity plan obligation is 4-10 year. The average duration of Pension plan obligation is 20 year. The expected maturity analysis of undiscounted pension and gratuity is as follows:

	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
March 31, 2023					
Pension plan benefit obligation	280.12	321.37	1,494.18	21,144.85	23,240.52
Gratuity plan benefit obligation	580.85	423.61	810.68	2,122.95	3,938.09
Total	860.97	744.98	2,304.86	23,267.80	27,178.61
March 31, 2022					
Pension plan benefit obligation	255.49	169.29	745.01	10,481.15	11,650.94
Gratuity plan benefit obligation	512.26	272.48	668.61	1,931.59	3,384.93
Total	710.70	402.68	1,413.62	12,412.74	15,035.88

The Group has no legal obligation to settle the deficit in the funded plans with an immediate contribution or additional one off contributions. The Group intends to continue to contribute the defined benefit plans based on short term expected pay-outs in line with the actuary's recommendations.

44. Capital management

A) Capital Structure

The Group's objectives when managing capital are to:

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

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholder's, return capital to shareholder's, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents)/ Total 'equity' as shown in the balance sheet, including non-controlling interests)

The gearing ratios were as follows:

	March 31, 2023	March 31, 2022
Total borrowings (Refer Note 18 a & 18 b)	32,077.20	81,917.63
Cash and cash equivalents(Refer Note 12 a)	(111,236.00)	(207,684.72)
Net Debt	(79,158.80)	(125,767.09)
Total Equity	870,233.78	8,22,972.63
Net Debt to Equity ratio*	-	-

* Lease liabilities are not included for computing the gearing ratio.

Loan covenants

The Group has complied with financial covenants implied as a part of external borrowing facilities throughout the reporting year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

B) Dividends

	March 31, 2023	March 31, 2022
(i) Equity shares		
Final dividend (including special dividend) for the year ended March 31, 2022 of ₹25 (March 31, 2021 - ₹ 22) per fully paid equity share	10,448.78	4,593.00
Interim dividend (including Special Dividend) for the year ended March 31, 2023 of ₹ 12.50 (March 31, 2022 - ₹ 195) per fully paid equity share	6,027.04	40,749.89
(ii) Dividends not recognized at the end of the reporting period		
In addition to the above dividends, since year end the directors have recommended payment of a final dividend of ₹ 2.50 per fully paid equity share (March 31, 2022 - ₹ 25). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	1,313.01	10,448.78

Note: The Parent Company has complied with u/s 123 of the Companies Act 2013.

45 Related Party Transactions and Balances

I Individual having control with his relatives and associates

1. Ashok P. Hinduja - Non Independent Director - Chairperson/ Promoter - w.e.f. 19 December 2022
2. Harsha Ashok Hinduja
3. Ambika Ashok Hinduja
4. Shom Ashok Hinduja
5. Shanoo S. Mukhi
6. Vinoo Srichand Hinduja
7. Amas Mauritius Limited

II Key Management Personnel

Mr. Partha DeSarkar - Whole-time Director & Chief Executive Officer
Mr. Vysley Fernandes - WholeTime Director (w.e.f. 14 November, 2022)

Non executive directors:

Mr. Yashodhan Madhusudan Kale - Chairman and Non-executive Director (Upto December 19, 2022)
Mr. Anil Harish - Independent Director
Ms. Bhumika Batra - Independent Director
Mr. Sudhanshu Kumar Tripathi - Non Independent Director
Dr. Ganesh Natarajan - Independent Director
Mr. Pradeep Udhas - Independent Director (w.e.f. 25 August 2022)
Mr. Paul Abraham - Non Independent Director (w.e.f. 25 August, 2022)
Mr. Munesh Khanna - Independent Director (w.e.f.19 December, 2022)

III Enterprises where common control exists

- 1 Hinduja Group Limited
- 2 NDL Ventures Limited (Formerly known as NXTDIGITAL Limited Limited & Hinduja Ventures Limited)
- 3 Hinduja Healthcare Limited
- 4 Hinduja Realty Ventures Limited
- 5 Hinduja Energy (India) Ltd
- 6 Hinduja National Power Corporation Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

- 7 Aasia Corporation LLC
- 8 Tabula Rasha Music LLP
- 9 Impeccable Imagination LLP
- 10 Hinduja Properties Limited
- 11 Hinduja Estate Private Limited

IV Enterprises where Significant Influence is exercised by Directors

- 1 Global Talent Track Private Limited
- 2 5F World Private Limited
- 3 Skills Alpha Learning Private Limited
- 4 Vihur Apps Private Limited
- 5 Kalzoom Advisors Private Limited
- 6 Oerlikon Textile India Private Limited
- 7 Hinduja Finance Limited
- 8 The British Metal Corporation (India) Private Limited

V Relatives of Key Management personnel including directors whether executive or otherwise

- Mr. Pabitra DeSarkar (Mr. Partha DeSarkar Father)
- D M Harish & Co (Firm in which Mr. Anil Harish is a Partner)
- Satya A Hinduja (Daughter of Mr. Ashok P Hinduja)
- P.K. DeSarkar (Firm in which Mr. Partha DeSarkar is partner)
- Corner Stone Ventures Partners Investment Advisers LLP (Firm in which Dr. Ganesh Natarajan is a partner)
- M/s. Crawford Bayley & Co. (Firm in which Ms. Bhumika Batra is a partner)
- 5F World (Firm in which Dr. Ganesh Natarajan is a partner)
- BSR & Co. LLP (Mr. Yashodhan Madhusudan Kale's relative is a Partner) (Upto December 19, 2022)
- Castle Media Private Limited (Mr. Vynsley Fernandes's relative is a Director)
- Cyqurex System Private Limited (Mr. Ashok Hinduja's relative is a Director)
- Spyke Technologies Private Limited (Mr. Vynsley Fernandes's relative is a Director)

The following details pertain to transactions carried out with the related parties in the ordinary course of business at an arm's length and the balances outstanding at the year-end:

	Parties referred to in I, II and V above		Parties referred to in III and IV above	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Rendering of Services				
BSR & Co. LLP	31.86	30.45	-	-
Hinduja National Power Corporation Limited	-	-	18.41	-
Hinduja Group Limited	-	-	1.01	-
Oerlikon Textile India Private Limited	-	-	2.16	-
Others	-	-	0.18	2.03
Internet Subscription Income				
Hinduja Group Limited	-	-	11.22	24.18
Service charges recovered				
Hinduja Group Limited	-	-	3.44	-
Sale of film rights				
Hinduja Group Limited	-	-	385.00	-

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(All amounts are in Rupees Lakhs)

	Parties referred to in I, II and V above		Parties referred to in III and IV above	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Total	31.86	30.45	421.42	26.21
Interest income				
Hinduja Group Limited	-	-	3,683.10	2,230.72
Hinduja Realty Ventures Limited	-	-	4,000.03	1,680.33
Hinduja Energy (India) Ltd	-	-	2,210.00	-
Hinduja Estates Private Limited	-	-	231.56	-
Aasia Corporation LLC	-	-	-	201.37
Hinduja Finance Limited	-	-	314.59	428.73
Cyqurex System Private Limited	219.09	87.81	-	-
Total	219.09	87.81	10,439.28	4,541.15
Lease payments				
Hinduja Group Limited	-	-	145.44	150.64
Hinduja Realty Ventures Limited	-	-	356.59	317.88
Aasia Corporation LLC	-	-	-	38.88
Satya A Hinduja	104.18	92.72	-	-
Total	104.18	92.72	502.03	507.40
Interest Expense				
Hinduja Properties Limited	15.83	17.48	18.61	15.83
Hinduja Estates Private Limited	-	-	-	17.48
Hinduja Realty Ventures Limited	-	-	375.58	1,200.59
The British Metal Corporation (India) Private Limited	-	-	55.17	83.54
Hinduja Group Limited	-	-	1,046.21	3,027.45
Total	-	-	1,495.57	4,344.89
Legal & Professional charges				
Hinduja Group Limited	-	-	985.42	3,814.28
D.M. Harish & Co	5.00	-	-	-
Crawford Bayley & Co.	130.61	469.50	-	-
Castle Media Private Limited	934.23	912.34	-	-
Spyke Technologies Private Limited	259.74	125.85	-	-
Total	1,329.58	1,507.69	985.42	3,814.28
Software Charges				
Cyqurex System Private Limited	30.00	63.08	-	-
Spyke Technologies Private Limited	-	22.47	-	-
Hinduja Realty Ventures Limited	-	-	-	9.00
Total	30.00	85.55	-	9.00
Freight Inwards				
Spyke Technologies Private Limited	0.40	6.64	-	-
Total	0.40	6.64	-	-
Freight Outwards				
Spyke Technologies Private Limited	2.79	-	-	-
Total	2.79	-	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

	Parties referred to in I, II and V above		Parties referred to in III and IV above	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Insurance expenses				
Spyke Technologies Private Limited	0.17	0.47	-	-
Total	0.17	0.47	-	-
Purchase of Fixed Assets				
Spyke Technologies Private Limited	152.22	409.67	-	-
Total	152.22	409.67	-	-
Maintenance AMC				
Spyke Technologies Private Limited	23.13	22.47	-	-
Cyqurex Systems Private Limited	31.50	8.70	-	-
Total	54.63	31.17	-	-
Training and Recruitment				
Global Talent Track Pvt Ltd	-	-	-	1.17
Total	-	-	-	1.17
Commission to Directors & sitting fees				
Commission to Directors	93.13	393.75	-	-
Sitting fees paid to Director's	165.50	180.76	-	-
Total	258.63	574.51	-	-
Executive Remuneration*				
Mr. Partha DeSarkar #	3,859.77	2,327.72	-	-
Mr. Vynsley Fernandes	108.35	-	-	-
Total	3,968.12	2,327.72	-	-

Note:

* The above Executive remuneration excludes Gratuity and compensated absences which cannot be separately identified from the composite amount advised by the actuary.

The remuneration accrued by the parent company of the Group to its whole-time directors during the year exceeds the prescribed limit of 10% of net profits laid down under section 197 and 198 of the Act. The remuneration accrued for the year 2022-23 in excess of the limit laid down under this section is ₹ 3,036.72 lakhs. The Parent Company has obtained the necessary approvals from members through postal ballot dated January 25, 2023.

	Parties referred to in I, II and V above		Parties referred to in III and IV above	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Loans Given				
Hinduja Group Limited	-	-	50,000.00	92,637.98
Hinduja Realty Ventures Limited	-	-	58,605.00	87,000.00
Hinduja Energy (India) Ltd	-	-	122,000.00	-
Aasia Corporation LLC	-	-	-	30,000.00
Hinduja Finance Limited	-	-	-	4,346.00
Cyqurex System Private Limited	-	-	924.00	1,268.00
Total	-	-	231,529.00	215,251.98

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

	Parties referred to in I, II and V above		Parties referred to in III and IV above	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Loans Repaid				
Hinduja Group Limited	-	-	54,250.00	58,169.00
Hinduja Realty Ventures Limited	-	-	58,977.00	44,000.00
Hinduja Energy (India) Ltd	-	-	6,811.00	-
Hinduja Finance Limited	-	-	42,146.46	2,995.00
Aasia Corporation LLC	-	-	-	30,000.00
Total	-	-	162,184.46	135,164.00
Inter Corporate Deposits Taken				
Hinduja Group Limited	-	-	7,428.00	21,546.00
Hinduja Realty Ventures Limited	-	-	7,850.00	10,050.00
The British Metal Corporation India Limited	-	-	25.00	-
Hinduja Estates Private Limited	-	-	-	5,750.00
Hinduja Properties Limited	-	-	-	400.00
Hinduja Energy (India) Ltd	-	-	-	6,000.00
Total	-	-	15,303.00	43,746.00
Inter Corporate Deposits Repaid				
Hinduja Group Limited	-	-	37,379.21	37,619.79
Hinduja Realty Ventures Limited	-	-	14,788.84	8,691.16
Hinduja Energy (India) Ltd	-	-	-	-
Aasia Corporation LLC	-	-	-	30,000.00
The British Metal Corporation India Limited	-	-	855.00	-
Hinduja Properties Limited	-	-	400.00	125.00
Hinduja Estates Private Limited	-	-	4,850.00	900.00
Total	-	-	58,273.05	77,335.95
Miscellaneous Expenses				
Hinduja Group Limited	-	-	-	260.12
Total	-	-	-	260.12
Inter Corporate Deposits Receivable				
Hinduja Group Limited	-	-	46,200.00	50,471.04
Hinduja Realty Ventures Limited	-	-	52,628.00	53,000.00
Hinduja Energy (India) Ltd	-	-	79,853.54	-
Hinduja Finance Limited	-	-	-	6,811.00
Cyqurex System Private Limited	2,442.00	1,518.00	-	-
Total	2,442.00	1,518.00	178,681.54	110,282.04

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

	Parties referred to in I, II and V above		Parties referred to in III and IV above	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Inter Corporate Deposits Payable				
Hinduja Estates Private Limited	-	-	-	4,865.73
Hinduja Group Limited	-	-	-	30,917.78
Hinduja Properties Limited	-	-	-	409.23
The British Metal Corporation India Limited	-	-	-	868.18
Hinduja Realty Ventures Limited	-	-	-	7,468.81
Hinduja Energy (India) Ltd	-	-	-	16,456.08
Total	-	-	-	60,985.81
Interest Payable				
Hinduja Estates Private Limited	-	-	-	15.73
Hinduja Group Limited	-	-	-	966.57
Hinduja Properties Limited	-	-	-	9.23
Hinduja Realty Ventures Limited	-	-	-	529.97
The British Metal Corporation India Limited	-	-	-	38.18
Total	-	-	-	1,559.68
Security deposit				
Hinduja Realty Ventures Limited	-	-	80.00	80.00
Satya A Hinduja	24.00	24.00	-	-
Total	24.00	24.00	80.00	80.00
Dividend Paid				
Hinduja Group Limited	-	-	5,671.53	14,995.83
Hinduja Group Limited with'Hinduja Realty Ventures Limited	-	-	814.68	4,458.44
Aasia Corporation LLC	-	-	156.68	924.05
Hinduja Realty Ventures Limited	-	-	980.43	564.00
Harsha Ashok Hinduja	448.12	1,246.00	-	-
Ashok Parmanand Hinduja	520.23	1,440.28	-	-
Ambika Ashok Hinduja	139.26	384.62	-	-
Shom Ashok Hinduja	110.01	303.82	-	-
Amas Mauritius Limited	2,146.56	5,992.30	-	-
Shanoo S. Mukhi	0.74	2.07	-	-
Vinoo Srichand Hinduja	47.25	132.51	-	-
Hinduja Properties Ltd.	-	-	5.07	-
Ganesh Natarajan	0.39	1.09	-	-
Partha DeSarkar	37.81	109.41	-	-
Total	3,450.37	9,612.10	7,628.38	20,942.32

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

	Parties referred to in I, II and V above		Parties referred to in III and IV above	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Receivable net of Payables as at year-end				
Hinduja Group Limited	-	-	68.39	-
Hinduja Healthcare Limited	-	-	5.77	5.77
Others	-	6.94	0.22	-
Total	68.39	6.94	5.99	5.77
Payable net of Receivables as at year-end				
Castle Media Private Limited	82.18	5.94	-	-
Spyke Technologies Private Limited	65.35	227.64	-	-
Cyqurex Systems Private Limited	-	16.61	-	-
Hinduja Group Limited	-	-	-	2,005.37
Total	147.53	250.19	-	2,005.37

46 Fair value measurements

(a) Financial instruments by category

	March 31, 2023			March 31, 2022		
	FVTPL	FVTOCI	Amortized Cost	FVTPL	FVTOCI	Amortized Cost
Financial assets						
Investments						
- Treasury bills (Refer note 5)	-	-	283.56	-	-	280.37
- Non-convertible debentures (NCDs) (Refer note 5)	-	-	273,435.62	-	-	246,676.62
- Other Investments (Quoted) (Refer note 5)	614.07	946.94	0.05	615.77	597.71	0.05
Security deposits (Refer note 7 & 14)	-	-	6,404.06	-	-	5,288.69
Deposits with bank for Margin Money (Refer note 7 & 12b)	-	-	135.86	-	-	300.17
Bank deposits with maturity exceeding 12 month (Refer note 7)	-	-	-	-	-	4,069.76
Miscellaneous (Refer note 7)	-	-	-	-	-	41.50
Trade receivables (Refer note 11)	-	-	73,303.94	-	-	70,844.97
Cash and cash equivalents (Refer note 12a)	-	-	111,236.00	-	-	207,684.72
Other Bank balances (Refer note 12b)	-	-	9,809.06	-	-	149,277.96
Interest accrued on deposits/ loans (Refer note 14)	-	-	3,052.69	-	-	1,047.63
Finance lease and Other receivables (Refer note 14)	-	-	3,245.67	-	-	-
Derivative financial assets designated in a hedge relationship (Refer note 7 & 14)	-	-	-	-	-	-
Derivative financial assets (Refer note 7 & 14)	52.47	-	-	42.90	-	-
Loans to third parties (Refer note 13)	-	-	281,751.85	-	-	161,037.77
Other Receivables	-	-	2,406.35	-	-	873.77

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

	March 31, 2023			March 31, 2022		
	FVTPL	FVTOCI	Amortized Cost	FVTPL	FVTOCI	Amortized Cost
Total Financial assets	666.49	946.94	7,68,291.63	1,016.99	238.60	8,49,935.92
Financial liabilities						
Borrowings (Refer note 18)	-	-	32,077.20	-	-	81,917.63
Lease Liability (Refer note 19)	-	-	67,730.79	-	-	58,957.19
Deferred consideration payable (Refer note 20 & 23)	-	-	32,943.08	-	-	-
Trade payables (Refer note 22)	-	-	41,660.80	-	-	63,018.02
Derivative financial liabilities designated in a hedge relationship (Refer note 20 & 23)	-	51.81	-	-	185.69	-
Other financial liabilities (Refer note 20 & 23)	-	-	51,615.57	-	-	35,588.37
Total Financial liabilities	-	51.81	226,027.45	-	185.69	239,481.21

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.

(i) Fair value hierarchy

Financial assets and liabilities include cash and cash equivalents, trade receivables, long and short-term loans and borrowings, finance lease payables, bank overdrafts, trade payable. This section explains the judgements 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.

The fair value of cash and cash equivalents, trade receivables, borrowings, trade payables, other current financial assets and liabilities approximate their carrying amount largely due to the short-term nature of these instruments. The Company's long-term debt has been contracted at market rates of interest. Accordingly, the carrying value of such long-term debt approximates fair value.

Financial assets and liabilities measured at fair value - recurring fair value measurements	Date of Valuation	Notes	Level 1	Level 2	Level 3	Total
Financial assets						
Investments (Quoted instruments)	March 31, 2023	5	-	1,561.06	-	1,561.06
	March 31, 2022	5	-	1,213.53	-	1,213.53
Derivative financial assets						
Derivative financial assets						
Foreign exchange forward contracts*	March 31, 2023	7 & 14	-	52.47	-	52.47
	March 31, 2022		-	42.90	-	42.90
Derivative financial liabilities						
Derivatives designated as hedges						
Foreign exchange forward contracts*	March 31, 2023	20 & 23	-	51.81	-	51.81
	March 31, 2022		-	185.69	-	185.69

*The fair value of derivative financial instruments is determined based on the observable market inputs including currency spot and forward rates, yield curves, currency volatility, credit risk and discount rate etc.

Derivative financial instruments:

The Group has evaluated the impact of the COVID-19 event on its highly probable transactions and concluded that there was no impact on the probability of occurrence of the hedged transaction. The Group has considered the effect of changes, if any, in both counterparty credit risk and its own credit risk in assessing hedge effectiveness and measuring hedge ineffectiveness.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

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.

There have been no transfers among Level 1, Level 2 and Level 3 during the year.

Valuation techniques and significant unobservable inputs

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement	Valuation process
Derivative and hedge instruments	Discounted cash flow approach	Discount rate determined as per market rate	Increase/decrease of 5% or so in the discount rate would result in decrease/increase in the fair value*	The valuation model considers the present value of expected payments discounted using appropriate discounting rates.
Investments	Discounted cash flow approach	Discount rate determined as per market rate	Increase/decrease of 5% or so in the discount rate would result in decrease/increase in the fair value*	Group has referred the fair valuation report of external valuation consultants for certain equity instruments measured at FVTOCI and FVTPL.

* holding all other variables constant

During the year mentioned above, there have been no transfers amongst the levels of hierarchy.

Changes in level 3 items - Investments

Particulars	Investment in Preference shares
As at April 1, 2021	358.28
Additions	-
Disposals	-
Gain / (loss) recognised in other comprehensive income	-
As at March 31, 2022	358.28
Additions	-
Disposals	-
Investments provided for	-
Gain / (loss) recognised in other comprehensive income	(357.37)
As at March 31, 2023	0.91

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

47 Financial risk management

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Company is foreign exchange risk. The Company uses derivative financial instruments - foreign currency forward contracts to mitigate foreign exchange related risk exposures. The Company's exposure to credit risk, excluding trade receivables from related parties, is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers.

This note explains the sources of risk which the Company is exposed to and how the Company manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortized cost	Ageing analysis Credit ratings	Diversification of bank deposits, credit limits for customers, party-wise and overall limits on the intercorporate deposits.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Future commercial transactions Recognized financial assets and liabilities not denominated in Indian rupee (₹)	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts
Market risk - Interest rate risk	Borrowings and Investment in Non convertible Debentures, financial assets measured at amortized cost	Cash flow forecasting Sensitivity analysis	Interest rate swap

The Company's risk management is carried out by the finance department under direction of the Board of Directors. The company's finance department identifies, evaluates and hedges financial risks in close cooperation with the Company's operating units. The Board provides direction for overall risk management as well as policies covering specific areas, such as foreign exchange risk, credit risk, use of derivative financial instruments and managing the liquidity.

A) Credit risk

Credit risk arises from trade receivables including unbilled receivables, loans and intercorporate deposits, cash and cash equivalents and deposits with banks and financial institutions.

i) Credit risk management:

Credit risk arises from the possibility that customers and borrowers may not be able to settle their obligations as agreed. A default on a financial asset arises when the counterparty fails to make contractual payments within agreed credit terms or when they fall due. Credit risk is managed on a financial asset basis. For banks and financial institutions, only high rated banks/institutions are accepted.

Company's maximum exposure to credit risk for each class of financial asset is the carrying amount of the financial assets recognized in the balance sheet.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default at the date of initial recognition. It considers available reasonable and supportive forward looking information. Especially the following indicators are incorporated:

- Historical default experience by class of financial asset
- the credit rating and financial condition of borrowers
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations
- Other applicable macroeconomic information such as regulatory changes

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

A default on a financial asset is when the counterparty fails to make contractual payments within agreed credit terms from the date when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

The major exposure to the credit risk at the reporting date is primarily from:

The major exposure to the credit risk at the reporting date is primarily from:

- a. Trade receivables and unbilled receivables amounting to ₹ 73,303.94 Lakhs (March 31, 2022 ₹ 70,844.97 Lakhs). Trade receivables are typically unsecured. The Company exposure to credit risk is influenced mainly by the individual characteristics of each customer. Accordingly, credit risk is managed through customer specific credit approvals, establishing credit limits and monitoring the creditworthiness of customers. In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 120 days past due from agreed credit terms with customer. Historically, the company has not experienced any significant non-payment or write-offs and the provision made as at reporting date is considered to be adequate. During the year, the Company made write-offs of ₹ 182.52 Lakhs (March 31, 2022 ₹ 526.69 Lakhs) of trade receivables (both continued and discontinued operations).
 - b. Loans receivable and Intercorporate deposits amounting to ₹ 281,751.85 Lakhs (March 31, 2022 ₹ 161,037.77 Lakhs). The loans and intercorporate deposits are placed with parties approved by the Audit Committee subject to the party-wise and overall limits established by the Board of Directors. The loans and intercorporate deposits are unsecured and are repayable on demand. The Company periodically assesses the credit rating and financial condition of the borrowers, historical experience of timely repayment, the current economic trends and other forward looking macroeconomic information.
 - c. Exposure of credit loss on security deposits given against the rented premises is considered to be low as recovery of these deposits is supported by contractual agreement. As an internal process management performs background check of counterparty before entering into contractual agreement where credit risk assessment is carried out. As at reporting date credit risk has not increased significantly since initial recognition.
 - d. Non-convertible debentures (NCD) amounting to ₹ 273,435.62 Lakhs (March 31, 2022 ₹ 246,676.62) (Refer note 5). The Non-convertible debentures are placed with parties approved by the Board of Directors.
The Non-convertible debentures have a lock in period of 24 months with a right to demand partial redemption of the NCDs upto 25% of the Issue Size with 45 business days' notice and an additional 25% of the Issue Size post the first redemption with 90 business days' notice. The Company periodically assesses the credit rating and financial condition of the borrowers, historical experience of timely repayment, the current economic trends and other forward looking macroeconomic information.
 - e. The Group held cash and cash equivalents and Other bank balances with credit worthy banks of ₹ 121,180.92 lakhs as at March 31, 2023 (March 31, 2022: ₹ 361,142.88 lakhs) respectively. The credit worthiness of such banks and financial institutions is evaluated by management on an ongoing basis and is considered to be good.
- a) Percentage of revenues generated from top customer and top five customers. (both continued and discontinued operations)

Business Process Management

	March 31, 2023	March 31, 2022
Revenue from top customer	9.52%	16.23%
Revenue from top five customers	36.20%	44.54%

	March 31, 2023	March 31, 2022
Revenue from top customer	1.47%	1.18%
Revenue from top five customers	2.63%	2.39%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

b) Exposure to credit risk and expected credit loss allowance (including specific allowance) for trade and other receivables:

Particulars	As at March 31, 2023	As at March 31, 2022
Gross carrying amount (trade and other receivables)	78,316.45	73,730.97
Weighed average loss rate - range	6.40%	3.91%
Loss allowance	5,012.52	2,886.00

Movement in excepted credit loss allowance

	As at March 31, 2023	As at March 31, 2022
Balances at beginning of the year	(2,886.00)	(810.39)
Movement in excepted credit loss Allowance	(2,126.52)	(2,075.61)
Balances at closing of the year	(5,012.52)	(2,886.00)

B Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's corporate treasury department, overseen by senior management, is responsible for liquidity and funding as well as settlement management.

Prudent Liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities' to meet obligation's when due and to close out market positions. Due to the dynamic nature of the underlying businesses, the Company's treasury maintains flexibility in funding by maintaining availability under committed credit lines. These limits vary by location to take into account the Liquidity of the market in which the entity operates.

The Company's liquidity management policy involves projecting cash flows in major currencies, considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios and maintaining debt financing plans. Management monitors rolling forecasts of the Company's net liquidity position on the basis of expected cash flows. The company invests its surplus funds in loans and intercorporate deposits with parties approved by the Board of Directors to generate better returns. These investments are subject to the party-wise and overall limits established by the Board of Directors. The limits are regularly assessed and determined based upon and analysis of the credit ratings and financial solvency reviews.

i) Financing arrangements

The group had access to the following undrawn borrowing facilities at the end of the reporting period:

Ageing	March 31, 2023	March 31, 2022
Expiring within one year (Cash Credits and other facilities)	14,627.79	41,038.08
Total	14,627.79	41,038.08

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice subject to the continuance of satisfactory credit ratings.

ii) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- all non-derivative financial liabilities, and
- net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Contractual maturities of financial liabilities - March 31, 2023	Within 1 year	Between 1 to 2 years	Between 2 to 5 years	More than 5 years	Total
Non-derivatives					
Borrowings	22,636.78	6,348.59	3,091.83	-	32,077.20
Obligations under lease liability	24,778.22	14,913.92	27,101.86	936.79	67,630.79
Trade payables	41,660.80	-	-	-	41,660.80
Deferred consideration payable	32,943.09	-	-	-	32,943.09
Other financial liabilities	51,615.57	-	-	-	51,615.57
Total non-derivative liabilities	1,73,634.46	21,262.51	30,193.69	936.79	2,26,027.45
Derivatives					
Foreign exchange forward Contracts - net settled and Interest rate swap	51.81	-	-	-	51.81
Total derivative liabilities	51.81	-	-	-	51.81

Contractual maturities of financial liabilities - March 31, 2022	Within 1 year	Between 1 to 2 years	Between 2 to 5 years	More than 5 years	Total
Non-derivatives					
Borrowings	68,458.51	4,834.74	8,624.38	-	81,917.63
Obligations under lease liability	15,315.14	22,989.39	16,477.20	4,175.45	58,957.18
Trade payables	63,018.02	-	-	-	63,018.02
Other financial liabilities	34,795.85	390.00	402.52	-	35,588.37
Total non-derivative liabilities	181,587.52	28,214.13	25,504.10	4,175.45	239,481.20
Derivatives					
Foreign exchange forward Contracts - net settled and Interest rate swap	185.69	-	-	-	185.69
Total derivative liabilities	185.69	-	-	-	185.69

C) Market risk

i) Foreign currency risk

The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to USD, GBP and CAD. Foreign exchange risk arises from highly probable forecast transactions (including inter-company transactions) and recognized assets and liabilities denominated in a currency that is not the functional currency. The risk is measured through a forecast of highly probable foreign currency cash flows. The company's risk management policy is to hedge upto 75% of forecasted foreign currency sales for the next 12 months; 40% of forecasted foreign currency sales for the next 24 months and 20% of forecasted foreign currency sales for the next 36 months. As per the risk management policy, foreign exchange forward contracts are taken to hedge the forecasted sales.

As the critical terms of the foreign exchange forward contracts and their corresponding hedged items are the same, the Company performs a qualitative assessment of effectiveness and it is expected that the value of the foreign exchange forward contracts and the value of the corresponding hedged items will systematically change in opposite direction in response to movements in the underlying interest rates. The company monitors the aforesaid critical terms on a quarterly basis to assess if the hedging relationship remains highly effect.

In accordance with its risk management policies and procedures, the Company uses foreign currency

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

forward contracts to hedge its risks associated with foreign currency fluctuations relating to highly probable forecasted transactions. When derivative is entered for the purpose of being a hedge, the Company matches the terms of the derivatives to the terms of the hedged exposure and assesses the effectiveness of the hedged item match the terms of the hedged exposure and assesses the effectiveness of the hedged item and hedging relationship based on economic relationship. The objective of the hedges is to minimise the volatility of the functional currency cash flows of highly probable forecast transactions

ii) Foreign currency risk exposure

a) The exposure to foreign currency risk at the end of the reporting period expressed in ₹, are as follows:

Particulars	Currency	March 31, 2023	March 31, 2022
Financial assets			
Trade receivables/ Inter- company balances	USD	25,442.92	20,006.40
	GBP	57.42	18.09
	SGD	-	2.18
	CAD	-	-
	AED	18.76	2.87
	EURO	4.09	3.06
Loans to Inter- company balances	USD	110,414.54	64,108.20
	GBP	274.99	6,558.65
	CAD	-	12,030.20
	AUD	-	284.24
Loan to other entities in Foreign currency	USD	57,477.45	19,734.72
Bank balance in EEFC accounts	USD	31,708.07	74,360.27
	CAD	83.15	105.04
	AUD	-	13.37
Total		225,481.39	197,227.29
Financial liabilities			
Lease Liability	USD	13,477.59	14,566.12
Loans from Inter- company balances	USD	43,655.15	46,502.96
Trade payable/ Inter- company balances	USD	8,107.73	12,676.66
	GBP	0.88	2.88
Total		65,241.35	73,748.62
Net unhedged foreign currency exposure (a-b)		160,240.04	123,478.67

b) Foreign Exchange Earnings and Outgo:

The Foreign Exchange earned in terms of actual inflows and outgo during the year are as under:

For the Year	2022-23	2021-22
Total Foreign Exchange earned	23,489.17	105,599.00
Total Foreign Exchange outgo	4,952.09	12,889.40

iii) 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 and Interest rate swap designated as cash flow hedges.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Particulars	Impact on profit after tax	
	March 31, 2023	March 31, 2022
USD sensitivity		
USD - Increase by 5% (March 31, 2022 - 5%)*	5,979.17	3,767.81
USD - Decrease by 5% (March 31, 2022 - 5%)*	(5,979.17)	(3,767.81)
GBP sensitivity		
GBP -Increase by 8% (March 31, 2022 - 8%)*	19.85	393.55
GBP -Decrease by 8% (March 31, 2022 - 8%)*	(19.85)	(393.55)
CAD sensitivity		
CAD -Increase by 4%(March 31, 2022 - 4%)*	2.49	363.24
CAD -Decrease by 4% (March 31, 2022 - 4%)*	(2.49)	(363.24)

Particulars	Impact of cash flow hedges in other comprehensive income (net of tax)	
	March 31, 2023	March 31, 2022
USD sensitivity		
USD - Increase by 5% (March 31, 2022 - 5%)*	(0.03)	(163.18)
USD - Decrease by 5% (March 31, 2022 - 5%)*	0.03	181.53

* Holding all other variables constant

iv) Cash flow and fair value interest rate risk

The Company's main interest rate risk arises from borrowings with variable rates, which expose the Company to cash flow interest rate risk. The Company manages its net exposure to interest rate risk relating to borrowings by entering into interest rate swap agreements, which allows it to exchange periodic payments based on a notional amounts and agreed upon fixed and floating interest rates. The Company's investments are primarily in short-term loans and deposits and does not have any variable rate borrowings. Hence the company is not expose to significant interest rate risk.

(a) Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

	March 31, 2023	March 31, 2022
Variable rate borrowings*	32,077.20	81,917.63
Total borrowings	32,077.20	81,917.63

* The borrowings hedged against a derivative instrument are not included for interest rate exposure.

(b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates for floating rate borrowings. The amounts presented below are after considering the impact of interest rate swaps.

Particulars	Impact on profit after tax	
	March 31, 2023	March 31, 2022
Interest rates — increase by 100 basis points (100 bps)*	(238.60)	609.32
Interest rates — decrease by 100 basis points (100 bps)*	238.60	(609.32)

* Holding all other variables constant

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Particulars	Impact of cash flow hedges in other comprehensive income (net of tax)	
	March 31, 2023	March 31, 2022
Interest rates — increase by 100 basis points (March 31, 2022 -100 bps)*	-	-
Interest rates — decrease by 100 basis points (March 31, 2022 -100 bps)*	-	-

* Holding all other variables constant

Impact of hedging activities

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

The group's hedging policy only allows for effective hedge relationships to be established. 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. The group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item.

As the critical terms of the hedging instruments and their corresponding hedged items are the same, the Group performs a qualitative assessment of effectiveness and whether it is expected that the value of the hedging instruments and the value of the corresponding hedged items will systematically change in opposite direction in response to movements in the underlying exchange rates/interest rates. The Group monitors the aforesaid critical terms on a quarterly basis to assess if the hedging relationship remains highly effect.

Hedge ineffectiveness is recognised on a cash flow hedge in the statement of profit and loss. Ineffectiveness represents remaining portion of gain or loss on the hedging instrument that cannot be offset with the change in the fair value of the hedged item. The main source of hedge ineffectiveness in these hedging relationships is the effect of the counterparty and the Company's own credit risk on the fair value of the forward contracts, which is not reflected in the fair value of the hedged item attributable to changes in foreign exchange rates and when the underlying hedged transaction is no longer expected to occur. No other sources of ineffectiveness emerged from these hedging relationships.

March 31, 2023

Types of hedge and risks	Foreign Currency Notional Amount (USD Mn)	Carrying amount of hedging instrument		Maximum Maturity date	Hedge ratio*	Changes in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
		Assets	Liabilities				
Cash flow hedge Foreign exchange risk							
Foreign exchange forward contracts							
Sell USD, buy INR	16.32	-	(51.81)	March, 2025	1:1	(51.81)	51.81
Sell USD, buy PHP	4.50	52.47	-	July, 2023	1:1	52.47	(52.47)

March 31, 2022

Types of hedge and risks	Foreign Currency Notional Amount (USD Mn)	Carrying amount of hedging instrument		Maximum Maturity date	Hedge ratio*	Changes in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
		Assets	Liabilities				
Cash flow hedge Foreign exchange risk							
Foreign exchange forward contracts							
Sell INR, buy USD	3.50	-	(43.42)	June, 2022	1:1	(43.42)	43.42
Sell USD, buy PHP	6.10	-	(142.27)	July, 2022	1:1	(142.27)	142.27

* The foreign exchange forward contracts are denominated in the same currency as the highly probable future sales therefore the hedge ratio is 1:1.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

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

March 31, 2023

Type of hedge	Change in the value of hedging instrument recognised in Other comprehensive income	Hedge ineffectiveness recognised in statement of profit and loss	Amount reclassified from cash flow hedging reserve to statement of profit and loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge				
Foreign exchange risk	(887.15)	-	799.61	Revenue
Interest rate risk	-	-	-	Finance cost

March 31, 2022

Type of hedge	Change in the value of hedging instrument recognised in Other comprehensive income	Hedge ineffectiveness recognised in statement of profit and loss*	Amount reclassified from cash flow hedging reserve to statement of profit and loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge				
Foreign exchange risk	3,377.92	(6,163.95)	(231.54)	Revenue & Other Income
Interest rate risk	-	-	513.29	Finance Cost

* Following the sale of Healthcare business, certain forecast transactions were no longer probable. Hence hedge accounting was discontinued and the cumulative gain of ₹ 6258.19 lakhs was reclassified to the Profit or Loss statement and included in Profit or Loss from discontinued operations.

48 Interests in other entities

Subsidiaries

The Group's subsidiaries at March 31, 2023 are set out below and were engaged in the business process management and Digital, Media & Communications Business. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of Entity	Place of Business/ Country of Incorporation	Ownership interest held by the Group		Group's Effective Stake (%)		Ownership interest held by non-controlling interests	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
		%	%	%	%	%	%
HGS International	Mauritius	100.00	100.00	100.00	100.00	-	-
HGS CX Technologies Inc.	United States of America	100.00	100.00	100.00	100.00	-	-
Hinduja Global Solutions LLC. (Formerly known as Hinduja Global Solutions Inc.)		100.00	100.00	100.00	100.00	-	-
HGS Healthcare Operations Inc (Refer Note c)		-	-	-	-	-	-
HGS Properties LLC		100.00	100.00	100.00	100.00	-	-
HGS Canada Holdings LLC		100.00	100.00	100.00	100.00	-	-
HGS Colibrium LLC (Refer Note c)		-	-	-	-	-	-
HGS Healthcare LLC (Refer Note c)		-	-	-	-	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Name of Entity	Place of Business/ Country of Incorporation	Ownership interest held by the Group		Group's Effective Stake (%)		Ownership interest held by non-controlling interests	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
		%	%	%	%	%	%
HGS EBOS LLC (Refer Note c)		-	-	-	-	-	-
HGS (USA), LLC		100.00	100.00	100.00	100.00	-	-
HGS Digital, LLC (Formerly known as Element Solutions LLC)		100.00	100.00	100.00	100.00	-	-
HGS Axis Point Health LLC (Refer Note c)		-	-	-	-	-	-
Teklink International LLC (Formerly known as Teklink International Inc) (Refer e below)		100.00	-	100.00	-	-	-
HGS Canada Inc.	Canada	100.00	100.00	100.00	100.00	-	-
Affina Company, Canada		100.00	100.00	100.00	100.00	-	-
C-Cubed B.V.	Netherlands	100.00	100.00	100.00	100.00	-	-
C-Cubed N.V.	Curacao	100.00	100.00	100.00	100.00	-	-
Customer Contact Centre Inc.(Refer b below)	Philippines	100.00	100.00	100.00	100.00	-	-
Hinduja Global Solutions Europe Limited (Refer g below)	United Kingdom	-	100.00	-	100.00	-	-
Hinduja Global Solutions UK Limited		100.00	100.00	100.00	100.00	-	-
HGS France, S.A.R.L (Refer a below)	France	-	-	-	-	-	-
Teklink International AG (Refer e below)	Germany	100.00	-	100.00	-		
HGS St. Lucia Limited	Saint Lucia	100.00	100.00	100.00	100.00	-	-
Team HGS Limited	Jamaica	100.00	100.00	100.00	100.00	-	-
Hinduja Global Solutions Mena FZ LLC	United Arab Emirates	100.00	100.00	100.00	100.00	-	-
Falcon Health Solutions Puerto Rico Holding LLC	Puerto Rico	100.00	100.00	100.00	100.00	-	-
Falcon Health Solutions Puerto Rico LLC	Puerto Rico	100.00	100.00	100.00	100.00	-	-
Diversify Offshore Staffing Solutions Pty Ltd (Refer d below)	Australia	100.00	100.00	100.00	100.00	-	-
Diversify Intelligent Staffing Solutions Inc (Refer d below)	Philippines	100.00	100.00	100.00	100.00	-	-
Diversify ISS BGC Inc (Refer d below)		100.00	100.00	100.00	100.00	-	-
Diversify Offshore Solutions Cebu Inc (Refer d below)		100.00	100.00	100.00	100.00	-	-
Hinduja Global Solutions Colombia (Refer f below)	Colombia	100.00	-	100.00	-		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Name of Entity	Place of Business/ Country of Incorporation	Ownership interest held by the Group		Group's Effective Stake (%)		Ownership interest held by non-controlling interests	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
		%	%	%	%	%	%
IndusInd Media & Communications Limited (IMCL)	India	77.55	77.55	77.55	77.55	22.45	22.45
ONEOTT Intertainment Limited		71.65	71.65	71.65	71.65	28.35	28.35
USN Networks Private Limited		100.00	100.00	77.55	77.55	22.45	22.45
United Mysore Network Private Limited		99.45	99.45	77.12	77.12	22.88	22.88
Bhima Riddhi Infotainment Private Limited		51.00	51.00	39.55	39.55	60.45	60.45
Gold Star Noida Network Private Limited		100.00	100.00	77.55	77.55	22.45	22.45
Apna Incable Broadband Services Private Limited		India	100.00	100.00	77.55	77.55	22.45
Sangli Media Services Private Limited		51.00	51.00	39.55	39.55	60.45	60.45
Sainath In Entertainment Private Limited		51.00	51.00	39.55	39.55	60.45	60.45
Sunny Infotainment Private Limited		51.00	51.00	39.55	39.55	60.45	60.45
Goldstar Infotainment Private Limited		98.92	98.92	76.71	76.71	23.29	23.29
Ajanta Sky Darshan Private Limited		51.00	51.00	39.55	39.55	60.45	60.45
Darpita Trading Company Private Limited		51.00	51.00	39.55	39.55	60.45	60.45
RBL Digital Cable Network Private Limited		51.00	51.00	39.55	39.55	60.45	60.45
Vistaar Telecommunication and Infrastructure Private Limited		51.00	51.00	39.55	39.55	60.45	60.45
Vinsat Digital Private Limited		51.15	51.15	39.67	39.67	60.33	60.33
One Mahanet Intertainment Private Limited		100.00	100.00	71.65	71.65	28.35	28.35
In Entertainment (India) Ltd		100.00	100.00	71.65	71.65	28.35	28.35

Note:

- Liquidated in FY 2021-22.
- Liquidated effective April 3, 2018 (While these are officially liquidated, the repatriation of funds are not yet complete and hence these are still part of the consolidated financial statements).
- These were 100% subsidiaries till January 5, 2022.
- In February 2022 , the Group acquired 100% equity interest in of Diversify Offshore Staffing Solutions Pty Ltd., Australia ('Diversify') through HGS International Mauritius (Wholly owned subsidiary of the Company).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

- e) In March 2023, the Group acquired 100% equity interest in of Teklink International LLC, United States of America ('Teklink') through HGS CX Technologies Inc. (Step down subsidiary of the Company).
- f) In September 2022, the Group incorporated new entity viz. Hinduja Global Solutions Columbia, Columbia as a wholly owned subsidiary of HGS UK Limited.
- g) Liquidated in FY 2022-23.

49 Segment reporting

The Group operating segments are established on the basis of those components of the group that are evaluated regularly by the Board of Directors (The Chief Operating Decision Maker as defined in Ind As 108 - Operating segments) in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of services, The deferring risks and returns and the internal business reporting systems.

Primary segment information

Business segment

The Group's primary business segments are reflected based on principal business activities carried on by the Group. The Group's primary businesses are as under:

- i) Business Process Management segment offer voice and non-voice based services such as contact center solutions and back office transaction processing.
- ii) Media & Entertainment activities include the commercial exploitation of Dark Fibre owned by the Company as a licensee under the Telecom regulations.

Segment accounting policies

Segment accounting policies are in line with accounting policies of the Group. In addition, the following specific accounting policies have been followed for segment reporting

- i) Segment revenue includes income directly identifiable with the segments.
- ii) Expenses that are directly identifiable with the segments are considered for determining the segment result. Expenses which relate to the Group as a whole and not allocable to segments and expenses which relate to the operating activities of the segment but are impracticable to allocate to the segment, are included under "Unallocable corporate expenses".
- iii) Income which relates to the Group as a whole and not allocable to segments is included in Unallocable Income and netted off from Unallocable corporate expenses.
- iv) Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable corporate assets and liabilities represent the assets and liabilities that relate to the Group as a whole and not allocable to any segment.

Particulars	Current year ended 31.03.2023	Previous year ended 31.03.2022
1. Segment Revenue		
Continuing Operations		
a. Business Process Management	356,814.23	326,286.52
b. Media and communications	93,702.12	101,049.70
c Unallocated	-	-
Discontinued Operations		
a. Business Process Management	-	253,223.00
b. Media and communications	-	-
Total Segment revenue from operations	450,516.35	680,559.22
2. Segment Results before interest expenses		
Continuing Operations		
a. Business Process Management	36,608.93	5,723.81
b. Media and communications	(4,297.18)	(1,026.99)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Particulars	Current year ended 31.03.2023	Previous year ended 31.03.2022
Discontinued Operations		
a. Business Process Management	294.40	711,759.15
b. Media and communications	94.09	(8.98)
Total	32,700.24	716,446.99
(i) Less: Interest Expense	13,726.95	15,684.52
Profit / (Loss) before tax	18,973.29	700,762.47
3. Segment Assets		
a. Business Process Management	883,847.01	940,278.52
b. Media and communications	193,540.06	160,739.26
c Unallocated	59,050.89	62,658.79
Total	1,136,437.96	1,163,676.57
4. Segment Liabilities		
a. Business Process Management	157,029.25	138,060.58
b. Media and communications	92,707.44	149,869.15
c Unallocated	16,467.49	52,774.20
Total	266,204.18	340,703.93
5. Capital employed (Segment assets - Segment Liabilities)		
a. Business Process Management	726,817.76	802,217.94
b. Media and communications	100,832.62	10,870.10
c Unallocated	42,583.40	9,884.59
Total	870,233.78	822,972.63

Pursuant to the merger the Group has identified Business Process Management and Media and communications as an operative segments. Accordingly, Segment results for the previous year have been restated. The figures of prior year has not been audited by the Statutory Auditors.

50 Ratios

The ratios for the years ended March 31, 2023 and March 31, 2022 are as follows :

Particulars	Numerator	Denominator	March 31, 2023	March 31, 2022**	Variance (in %)
(a) Current Ratio,*	Current Assets	Current Liabilities	2.66	2.26	17.94%
(b) Debt-Equity Ratio,**	Total Debt	Shareholder's Equity	0.04	0.10	-62.97%
(c) Debt Service Coverage Ratio,*	Earnings available for debt service	Interest cost, Debt and Lease payments.	0.93	4.78	-80.64%
(d) Return on Equity Ratio,*	Net Profits after taxes	Average Shareholder's Equity	3.95%	117.53%	-96.80%
(e) Trade Receivables turnover ratio,	Net Credit Sales	Average accounts receivable	6.25	7.02	-10.96%
(f) Trade payables turnover ratio,*	Net Credit Purchases	Average accounts Payables	2.98	3.52	-15.32%
(g) Net capital turnover ratio,*	Net Sales	Working Capital	1.42	1.97	-27.92%
(h) Net profit ratio,*	Net Profit	Net Sales	7.42%	89.07%	-91.67%
(i) Return on Capital employed,*	Earning before interest and taxes	Capital Employed	3.59%	79.32%	-95.47%
(j) Return on investment*	Interest income earned	Average investment in Debentures, Loans, ICD and Treasury bills	3.85%	2.59%	52.54%
(k) Inventory turnover ratio,***	Cost Of Goods Sold	Average Inventory	-	-	0%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

* During FY22, the Group sold its healthcare business resulting in ₹ 214,849.50 (net of tax). The sales proceeds have been utilized for investment purposes and repayment of borrowings. This has resulted in changes in Debt - Equity ratio, Debt Service Coverage Ratio, Return on Equity Ratio, Return on Capital Ratio, Net Profit Ratio Current Ratio, Trade payables turnover ratio and Net capital turnover ratio. Increase in Return on Investment is due to timing difference and increase in interest rates charged.

@ Previous Year figures not comparable with current Year due to the sale of healthcare business and merger of the media business.

** Restated (Refer Note 51)

*** The Group holds certain inventories which is not the core line of business of the Group, Inventory turnover ratio may not reflect the health parameter appropriately and hence not disclosed.

51 Non-current asset held for sale, Discontinued operations and Summary of acquisition

i) Assets held for sale

On November 12, 2020 the board resolved to dispose of the HGS International immovable properties and negotiations with several interested parties were ongoing. The sale of these assets was completed on June 6, 2022. These assets have been classified as assets held for sale and presented separately in the balance sheet. The proceeds of disposal of assets exceed the carrying amount of the assets and accordingly no impairment losses have been recognised on the classification of these assets as held for sale.

Details of assets classified as held for sale is as under:

	Carrying amount as at March 31, 2023	Carrying amount as at March 31, 2022
Land	-	1,000.10
Building	-	4,397.07
Total	-	5,397.17

ii) Discontinued operations

l) Discontinued operations

A) Disposal of healthcare services business ("HS Business")

The Board of Directors of Hinduja Global Solutions Limited (the "Group"), in its meeting held on August 9, 2021, had approved the sale of its healthcare services business ("HS Business") to wholly owned subsidiaries of Betaine BV ("Investor"), which is owned by funds affiliated with Baring Private Equity Asia. The shareholder and other regulatory approvals have been obtained and the transaction has been consummated on January 5, 2022. As a result, the Group has classified the HS Business as Discontinued Operations in its Financial Statements and related notes. Discontinued Operations include direct expenses clearly identifiable to the businesses being discontinued. The Group does not expect to incur any significant recurring expenses relating to the HS Business under Continuing Operations except for certain tax adjustments that were required upon filing of tax returns during the year. Accordingly, necessary adjustments are made in the books of accounts.

b) Details of sale of the business

	Year ended March 31, 2023
Consideration received in Cash	776,406.64
Less: Carrying amount of net assets	(91,009.98)
Less: Transaction fee	(27,844.66)
Less: Other Expenses.	(4,405.09)
Less: Assets written-off	(91.54)
Add: Forex Impact	2,376.01
Gain on sale before Income tax	655,431.38
Income tax expense	80,074.87
Gain on sale after Income tax	5,75,356.51

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

c) Carrying amount of assets and Liabilities on the date of transfer is as follows:

	As of January 5, 2022
Assets	
Property, Plant and equipment	28,400.44
Intangible Assets	3,782.76
Goodwill	17,748.51
Office Rental Deposits and Other Deposits	4,257.18
Derivative financial assets designated in a hedge relationship	6,258.19
Right to use asset	41,135.10
Cash and bank balances	6,469.66
Trade receivables	73,049.58
Other Assets	3,975.58
Liabilities	
Gratuity	(2,734.63)
Trade payables	(3,097.07)
Pension	(7,874.23)
Leave Encashment Liability	(4,061.92)
Lease Liability	(51,401.15)
Employee benefits payable	(6,734.92)
Other Liabilities	(18,163.09)
Net Assets disposed of	91,009.98

d) Analysis of profit for the year and cash flows from discontinued operations

	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from operations	-	253,223.00
Other Income	-	12,395.59
Total income	-	265,618.59
Employee benefit expense	2,366.96	149,528.56
Finance cost		3,843.90
Depreciation and amortisation expense		14,651.33
Other Expenses	8,696.16	41,267.06
Total expenses	11,063.12	209,290.85
Profit before tax (I)	(11,063.12)	56,327.74
Income Tax expense (II)		
a) Income Tax	-	21,016.93
b) Deferred Tax	-	618.43
Total Income Tax expenses(a+b)	-	21,635.36
Gain on disposal (III)	11,355.99	655,431.38
Income Tax expense (IV)	(4,235.15)	80,074.87
Profit before tax from discontinued operations (I) + (III)	292.87	711,759.12
Income tax expense of discontinued operations (II) + (IV)	(4,235.15)	101,710.23
Profit after tax from discontinued operations (attributable to the owners of the Company)	4,528.02	610,048.89

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
Cash flows from discontinued operations		
Net cash inflows from operating activities*	-	3,990.45
Net cash inflows/ (outflows) from investing activities	4,528.02	738,088.68
Net cash flows from financing activities	-	(9,093.21)
Net cash inflows	4,528.02	732,985.92

* Cash from operating activities is reported after reducing the advance tax paid on capital gains.

B. Investment and Treasury segment operation of the Media & Communication segment

As on March 31, 2020, the Investment and Treasury segment operation of the Media & Communication segment was classified as discontinued operation. During the period, the company has sold its investments classified as Fair Value through P&L and investments classified as Fair Value through OCI. Accordingly, the profit on sale of quoted equity shares has been recognised in profit and loss and other comprehensive income during the current quarter. The impact of discontinued operations on income, expenses and tax is as under:

a) Analysis of profit for the year and cash flows from discontinued operations

	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from operations	-	-
Other Income	160.48	-
Total income	160.48	-
Net (Profit) / Loss on fair valuation of financial instruments at fair value through profit or loss	-	8.98
Employee benefit expense	-	-
Finance cost	-	-
Depreciation and amortisation expense	-	-
Other Expenses	66.39	-
Total expenses	66.39	8.98
Profit before tax (I)	94.09	(8.98)
Income Tax expense (II)		
a) Income Tax		2.26
b) Deferred Tax		-
Total Income Tax expenses(a+b)	-	2.26
Profit before tax from discontinued operations (I) + (III)	94.09	(8.98)
Income tax expense of discontinued operations (II) + (IV)	-	2.26
Profit after tax from discontinued operations (attributable to the owners of the Company)	94.09	(6.72)

Other comprehensive income

	Year ended March 31, 2023	Year ended March 31, 2022
Net Profit / (Loss) on fair valuation of equity instruments through other comprehensive income	-	(7.92)
Income tax on above items	-	2.52
Other comprehensive income	-	(5.40)
Total comprehensive income	94.09	(12.12)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Other comprehensive income

	Year ended March 31, 2023	Year ended March 31, 2022
Cash flows from discontinued operations		
Net cash inflows from operating activities*	-	-
Net cash inflows/ (outflows) from investing activities	637.99	-
Net cash outflows from financing activities	-	-
Net cash inflows	637.99	-

II Business combinations

A. Digital, Media & Communications Business

The Board of Directors of the Company, at its meeting held on February 17, 2022 had considered and approved the scheme of arrangement between Hinduja Global Solutions Limited (the "Resulting Company") and NXTDIGITAL Limited (the "Demerged Undertaking") for the demerger of Digital, Media & Communications Business Undertaking along with the investments in its subsidiaries of NXTDIGITAL Limited into Hinduja Global Solutions Limited and had recommended the swap ratio of 20 equity share of ₹10/- each fully paid-up of Hinduja Global Solutions Limited for every 63 equity shares of ₹10/- each fully paid-up held by the public shareholders of NXTDIGITAL Limited. The Mumbai Bench of the Honourable National Company Law Tribunal (NCLT), through its order dated November 11, 2022 has approved the scheme with the appointed date of the merger being February 01, 2022. The effect of the scheme has been incorporated in the above Financial Statements as per the requirements of Appendix C to Ind AS 103 "Business Combination". Further, the comparative financial figures have therefore been restated to include the impact of the demerger. Accordingly financial information for year ended March 31, 2022 has been derived from audited financial information of the Company and reviewed financial information of demerged undertaking of NXTDIGITAL Limited. With effect from the Appointed Date, all debts, liabilities, contingent liabilities, duties and obligations of every kind, nature and description of Demerged Company relating to the Demerged Undertaking shall, without any further act or deed be and stand transferred to Resulting Company so as to become as from the Appointed Date, the debts, liabilities, contingent liabilities, duties and obligations of Resulting Company and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen, in order to give effect to the provisions.

Subsequent to the demerger of Digital, Media & Communications Business Undertaking along with the investments in its subsidiaries of NXTDIGITAL Limited with the Company with effect from February 01, 2022, the Company has reassessed its provision for current taxes and deferred taxes and has written back an amount of ₹ 14,890.40 Lakhs relating to previous year.

As per the swap ratio approved in the scheme, the shareholders of NXTDIGITAL Limited holding 3,36,71,621 equity shares (of NDL) to receive 1,06,89,403 equity shares of Hinduja Global Solutions Limited having face value of ₹10 each. Pursuant to the Scheme of arrangement, shares of Hinduja Global Solutions Limited are issued to the public shareholders of NXTDIGITAL Limited. Earning per share and Diluted Earning per share have also been restated for comparative periods considering the shares issued to public shareholders of NXTDIGITAL Limited.

The Capital Reserve has been arrived at as follows:

Amount (₹ in Lakhs)

Particulars	As of February 1, 2022
Non-current assets	
a) Property, plant and equipment	48,912.51
b) Capital work-in-progress	1,408.01
c) Right to use asset	29,365.81
d) Other intangible assets	28,768.63
d) Goodwill	13,232.03
e) Financial assets	
i) Investments	585.33
ii) Loans	367.67
iii) Other financial assets	4,162.22

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(All amounts are in Rupees Lakhs)

Particulars	As of February 1, 2022
f) Non-Current tax asset (net)	5,846.90
g) Deferred tax assets (net)	28,749.73
h) Other non-current assets	4,875.43
Current assets	
a) Inventories	1,679.21
b) Financial assets	
i) Investments	586.54
ii) Trade receivables	6,338.46
iii) Unbilled receivable	2,281.23
iv) Cash and cash equivalents	3,333.78
v) Bank balances other than above	9,827.36
vi) Loans receivables	6,191.15
vii) Other financial assets	623.54
viii) Financials Assets classified as held for sale	501.25
c) Other current assets	13,336.41
Assets Total (A)	210,973.20
1. Non-current Liabilities	
a) Financial liabilities	
i) Borrowings	14,380.68
ii) Lease hold liability	20,049.76
iii) Other Financial Liabilites	390.00
b) Provisions	859.93
c) Deferred income	78.54
d) Deferred tax liabilities (net)	19.76
2. Current Liabilities	
a) Financial liabilities	
i) Borrowings	72,476.57
ii) Trade payables	27,498.29
iii) Lease hold Liability	8,762.91
iv) Other financial liabilities	15,222.17
b) Provisions	207.15
c) Deferred income	7,236.49
d) Other current liabilities	1,994.85
e) Current tax liabilities (net)	140.53
Liabilities Total (B)	169,317.63
Net assets Acquired (A-B)	41,655.57
Less: Non-controlling interest	14,934.43
Equity shares issued	1,068.94
Capital reserve	25,652.21
Profit for the period upto appointed date	(5,413.55)
Total Other Comprehensive Income upto appointed date	(215.81)
Capital reserve	31,281.56
Total Capital Reserve as at appointed date	25,652.20

(iii) Summary of acquisition

(a) Summary of acquisition in FY 2022-23

The Board of Directors of HGS CX Technologies Inc. (wholly owned subsidiary of the Company) had at its meeting held on December 7, 2022, approved entering into a definitive agreement to acquire a 100% equity stake in Teklink International Inc., USA (Teklink). Teklink is an USA enterprise, providing full-service financial planning and analytics service provider , with presence in Europe and delivery centers in the Hyderabad and Indore in India. It provides a full-service financial planning and analytics service provider to over 60 clients across multiple industries, including consumer products, retail, pharmaceuticals,

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manufacturing & distribution, utilities, and high tech. Effective March 01, 2023, the group has acquired TekLink International Inc., USA for an aggregate consideration of ₹ 71,342.25 lakhs.

Consideration transferred

Particulars	Teklink
Consideration Paid in Cash	39,132.05
Total	39,132.05

Assets acquired and liabilities recognised at the date of acquisition:

Particulars	Teklink
Assets	
Cash and cash equivalents	3,566.07
Trade receivables	6,446.99
Other current financial assets	32.32
Other current assets	1,177.64
Property, Plant and Equipment	127.69
Right of use assets	408.01
Customer Relationship	16,526.15
Brand	1,239.77
Customer Contracts	1,766.26
liabilities	
Lease liabilities	(407.35)
Deferred tax liabilities (Net)	(23.90)
Current liabilities	(3,713.39)
Trade payables	(1,949.29)
Total	25,196.98

The receivables acquired (which principally comprised trade receivables) in these transactions with a fair value of ₹ 6,446.99 lakhs had gross contractual amounts of ₹ 6,446.99 lakhs. The best estimate at acquisition date of the contractual cash flows not expected to be collected are Nil.

Goodwill arising on acquisition

Particulars	Teklink
Consideration Paid in Cash	39,132.05
Deferred consideration*	32,210.20
Less: fair value of identifiable net assets acquired	25,196.98
Plus: deferred tax on intangibles	4,328.33
Goodwill arising on acquisition	50,473.60

*In accordance with the purchase agreement, the deferred consideration is to be paid over next two years and hence the same has been disclosed as other current and non-current financial liabilities.

The consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth, future market development and the assembled workforce of Diversify. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

Goodwill arising on the acquisition is not expected to be deductible for tax purposes.

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(All amounts are in Rupees Lakhs)

Goodwill arising on the acquisition is included in Diversify CGU , which are subject to impairment testing as at March 31, 2022 (Note 35).

Net cash outflow on acquisition of subsidiaries

Particulars	Teklink
Consideration paid in cash	39,132.05
Less: cash and cash equivalent balances acquired	3,566.07
	35,565.98

Impact of acquisitions on the results of the Group

The accounting for the acquisition of TekLink International Inc. has been determined based on the Purchase Price Allocation report (PPA) from Registered Valuer. For tax purposes, the tax values of Teklink's assets are required to be reset based on market values of the assets.

TekLink International Inc. (Teklink) contributed ₹ 2,854.43 lakhs revenue and ₹161.2 Lakhs to the Group's Profit for the period between the date of acquisition and the reporting date. If the acquisition had been consummated on April 1, 2022, management estimates that consolidated revenues for the Company would have been higher by ₹ 23,403.29 lakhs and the profit after taxes would have been higher by ₹4,451.31 lakhs for the year ended March 31, 2023. These pro-forma amounts are not necessarily indicative of the actual or future results if the acquisition had been consummated on April 1, 2022.

(b) Summary of acquisition in FY 2021-22

The Board of Directors of HGS International Mauritius(wholly owned subsidiary of the Company) had at its meeting held on January 28, 2022, approved entering into a definitive agreement to acquire a 100% equity stake in Diversify Offshore Staffing Solutions Pty Ltd., Australia (Diversify). Diversify is an Australian enterprise, providing value-added BPM services, with delivery centers in the Philippines. It provides differentiated consumer engagement solutions to its impressive roster of over 50 clients, 70% of whom are in the Australia & New Zealand (ANZ) region and the others in the US.

Effective February 25, 2022, the group has acquired Diversify Offshore Staffing Solutions Pty Ltd., Australia for an aggregate consideration of ₹ 21,180.21 lakhs.

Diversify provides BPM services in the nature of financial & accounting, marketing, legal, HR and IT support to 50+ clients from sectors such as BFSI, Technology, Retail, Logistics etc. and primarily based on Australia.

Diversify has three Subsidiaries in Philippines:

- Diversify Intelligent Staffing Solutions Inc,
- Diversify ISS BGC Inc. and
- Diversify Offshore Solutions Cebu Inc

Net cash outflow on acquisition of subsidiaries

Particulars	Diversify
Consideration Paid in Cash	21,180.21
Total	21,180.21

Acquisition related costs amounting to ₹ 111.63 lakhs incurred Previous year FY 2021-22 have been excluded from the consideration transferred and have been recognized as an expense in profit or loss, within the "Other expense" line item.

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Assets acquired and liabilities recognised at the date of acquisition

Particulars	Diversify
Current assets	220.50
Cash and cash equivalents	443.57
Trade receivables	1,109.21
Office Deposit	755.93
Property, Plant and Equipment	335.89
Right of use assets	5,522.29
Customer Relationship	11,111.12
Computer Software	276.27
Lease liabilities	(5,581.23)
Borrowings	(317.58)
Other current financial liabilities	(491.51)
Current liabilities	(2,701.84)
Current tax liabilities(Net)	(91.28)
Provisions	(83.10)
Trade payables	(589.52)
Total	9,918.72

The receivables acquired (which principally comprised trade receivables) in these transactions with a fair value of ₹ 1,109.21 lakhs had gross contractual amounts of ₹1,109.21 lakhs. The best estimate at acquisition date of the contractual cash flows not expected to be collected are Nil.

Goodwill arising on acquisition

Particulars	Diversify
Consideration Paid in Cash	21,180.21
Less: fair value of identifiable net assets acquired	9,918.72
Plus: deferred tax on intangibles	3,416.22
Goodwill arising on acquisition	14,677.71

The consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth, future market development and the assembled workforce of Diversify. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

Goodwill arising on the acquisition is not expected to be deductible for tax purposes.

Goodwill arising on the acquisition is included in Diversify CGU, which are subject to impairment testing as at March 31, 2023 (Note 40).

Net cash outflow on acquisition of subsidiaries

Particulars	Diversify
Consideration paid in cash	21,180.21
Less: cash and cash equivalent balances acquired	443.57
	20,736.64

Impact of acquisitions on the results of the Group

The initial accounting for the acquisition of Diversify Offshore Staffing Solutions Pty Ltd., Australia (Diversify) has only been provisionally determined at the end of the previous reporting period. Subsequently, the values accounted in the books of accounts were confirmed by the Purchase Price Allocation report (PPA) received from Registered Valuer. For tax purposes, the tax values of Diversify's

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assets are required to be reset based on market values of the assets.

Diversify Offshore Staffing Solutions Pty Ltd., Australia (Diversify) contributed ₹ 1,492.16 lakhs revenue and ₹ 55.66 Lakhs to the Group's Loss for the period between the date of acquisition and the reporting date. If the acquisition had been consummated on April 1, 2021, management estimates that consolidated revenues for the Company would have been higher by ₹ 10,183.14 lakhs and the profit after taxes would have been lower by ₹ 497.08 lakhs for the year ended March 31, 2022. These pro-forma amounts are not necessarily indicative of the actual or future results if the acquisition had been consummated on April 1, 2021.

52 Disclosure Under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)

	March 31, 2023	March 31, 2022
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	570.19	198.82
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	2.03	4.35
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	0.95
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier years	13.15	11.12

The above information has been determined to the extent such parties have been identified on the basis of the information available with the Group.

53 Leases

(i) Group as a lessee

The Group leases several assets including buildings, furnitures and equipments. The average lease term is 5.13 years. (March 31, 2022 - 5.17 years)

Right-of-use assets (both continued and discontinued operations)	Building	Com-puters	Furni-ture& Fixtures	Office Equip-ment	STB	Plant & Equipment	Tran-sponder	Total
Net carrying amount								
March 31, 2022	28,905.49	193.28	7.89	3.66	11,830.93	7,450.23	8,139.95	56,531.43
March 31, 2023	29,616.63	345.86	-	-	21,551.47	12,183.38	7,223.21	70,920.55
Depreciation expense for the year ended								
March 31, 2022	14,823.36	121.58	108.88	269.06	1,618.44	2,091.56	2,206.01	21,238.90
March 31, 2023	8,592.35	300.28	7.91	3.67	4,939.44	6,878.17	1,913.85	22,635.66

Amounts recognised in statement of profit and loss (both continued and discontinued operations)	Year Ended March 31, 2023	Year Ended March 31, 2022
Depreciation expense on right-of-use assets	22,635.66	21,238.90
Interest expense on lease liabilities	6,932.15	7,537.60
Expense relating to short-term leases	2,936.33	4,215.64
(Gain)/ Loss on termination of leases	471.46	(421.53)

Lease liabilities	March 31, 2023	March 31, 2022
Non Current	42,952.57	43,642.05
Current	24,778.22	15,315.14
Total	67,730.79	58,957.19

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Movement in Lease Liabilities:

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	58,957.19	78,580.31
Add: Addition made during the year	36,405.77	6,351.46
Add: Addition due to acquisition or merger	-	28,967.63
Less : Deduction	4,797.87	48,208.92
Add: Finance cost accrued during the year	5,543.20	4,962.37
Less: Payment of Lease Liabilities	28,377.50	11,695.66
Closing Balance	67,730.79	58,957.19

Maturity analysis of Lease payments and short term & low value leases

Particulars	March 31, 2023	March 31, 2022
Not later than 1 year	15,645.32	25,680.13
Later than 1 year and not later than 5 years	19,838.22	75,777.13
Later than 5 years	936.80	27,597.45

The Group does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the treasury function.

ii) Group as lessor

The Group has entered into a non cancellable operating lease arrangement with its lessee for buildings. The average lease term is 5 years. (March 31, 2022 - 5 years).

Total lease rental income (receivable on monthly basis) recognized in the statement of profit and loss for the year ended March 31, 2023 is ₹ 1,003.46 Lakhs. (March 31 2022 - 645.71 Lakhs).

The future minimum lease income under non cancellable operating lease in aggregate are as follows:

Particulars	March 31, 2023	March 31, 2022
Not later than 1 year	849.18	1,008.04
Later than 1 year and not later than 5 years	1,647.71	1,745.64
Later than 5 years	-	-

ii) Sub-lease arrangement

The Group Sub-leases several assets including buildings, furnitures and equipments. The average lease term is 2.7 years. (March 31, 2022 - 2.7 years).

The movement on account of subleased asset during the years ended March 31, 2023 and March 31, 2022 is as follows :

Particulars	March 31, 2023	March 31, 2022
Balance at the beginning of the period	2,209.14	-
Addition during the period	-	2,354.02
Interest income accrued during the period	138.76	40.72
Lease receipts	(865.66)	(216.91)
Effect of Foreign currency differences	26.24	31.30
Balance at the end of the period	1,508.47	2,209.14

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The details of contractual maturities (undiscounted) of the subleased assets as at March 31, 2023 and March 31, 2022 are as follows :

Particulars	March 31, 2023	March 31, 2022
Not later than 1 year	763.11	931.66
Later than 1 year and not later than 5 years	879.93	1,535.67
Later than 5 years	-	-

54 (a) Renewal of licenses

Under the provisions of the Cable Television Networks (Regulations) Act, 1995, the Group Subsidiary Company IndusInd Media & Communications Limited (IMCL) as a Multi System Operator ('MSO') is registered with the Information and Broadcasting Ministry under Rule 11C of the Cable Television Network Rules, 1994. Apart from the said registration, IMCL is also required to take registration as a cable operator under Rule 5 of the Cable Television Networks Rules, 1994 from the Registering Authority i.e. Post Office year on year basis. IMCL is in the process of renewing the licenses that have lapsed during the year / previous years at some of the locations.

(b) Change in estimate

The Holding Company's Digital, Media & Communications Business was evolving post implementation of New Tariff Order (NTO) notified by the Telecom Regulatory Authority of India (TRAI) effective from February 1, 2019. Owing to the foregoing the customer churn period pattern too underwent a change, accordingly with effect from 1st April 2021, in the previous year, the Holding Company had recognized the installation fees immediately on the provision of service and continued to recognize the installation fees over two years for those installations done in the FY 2020-21. The effect of this change has resulted in recognition of additional installation revenue amounting to ₹ 840.71 lakhs during the previous year.

55 Foreseeable losses

The Group has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year-end, the Group has reviewed all such contracts and confirmed that no provision is required to be created under any law / accounting standard towards any foreseeable loss.

56 Details of inventories under broad heads

Inventories	Opening stock (A)	Purchases (B)	Sale/ Consumed (C)	Closing stock (D)
Network cable, equipments, stores and spares and traded goods				
FY 2022-23	1,074.11	3,805.96	3,690.99	1,189.08
FY 2021-22	(695.78)	(900.32)	(521.99)	(1,074.11)
Media inventory				
FY 2022-23	158.76	318.29	-	477.05
FY 2021-22	(184.76)	(158.76)	(184.76)	(158.76)

Note: Figures in brackets are in relation to previous year.

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(All amounts are in Rupees Lakhs)

57 Details of material non-controlling interests

Company	Year ended March 31, 2023	Year ended March 31, 2022
IndusInd Media & Communications Limited (IMCL) including its subsidiaries		
Principal activity	Multi system operator in operation and distribution of television channels through medium of analogue, digital and terrestrial satellite cable transmission and distribution network	
Place of incorporation and principal place of business	India	
Proportion of ownership of interests and voting rights held by non-controlling interest	22.45	22.45
Profit/(Loss) allocated to non-controlling interests	61.02	1,270.90
OneOTT Intertainment Limited including its subsidiaries		
Principal activity	It provides high speed internet connectivity over a Fiber optic GPON last mile to the customers through their flagship brand, ONE GigaFiber	
Place of incorporation and principal place of business	India	
Proportion of ownership of interests and voting rights held by non-controlling interest	28.35	28.35
Profit/(Loss) allocated to non-controlling interests	170.37	187.57
Accumulated non-controlling interests	15,581.45	15,439.79

Summarised financial information in respect of the Group's subsidiary that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

IMCL and its subsidiaries	As at March 31, 2023	As at March 31, 2022
Financial assets	22,024.45	12,174.28
Non-financial assets	7,216.09	7,039.27
Financial liabilities	19,794.71	10,338.54
Non-financial liabilities	653.39	436.80
Equity attributable to owners of the Company	7,339.62	7,074.36
Non-controlling interests	1,452.82	1,363.85

IMCL and its subsidiaries	Year ended March 31, 2023	Year ended March 31, 2022
Revenue	14,527.17	15,528.32
Expenses	13,886.92	14,497.27
Loss for the year	640.25	1,031.05
Tax Expense	230.47	197.39
Profit / (Loss) for the year after tax	409.78	833.66
Other comprehensive income for the year	(6.55)	2.38
Total comprehensive income for the year	403.23	836.04
Loss attributable to owners of the Company	271.81	682.56
Profit / (Loss) attributable to the non-controlling interests	137.97	151.10
Loss for the year after tax	409.78	833.66

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(All amounts are in Rupees Lakhs)

IMCL and its subsidiaries	Year ended March 31, 2023	Year ended March 31, 2022
Other comprehensive income attributable to owners of the Company	(6.55)	2.38
Other comprehensive income attributable to the non-controlling interests	-	-
Other comprehensive income for the year	(6.55)	2.38
Total comprehensive income attributable to owners of the Company	265.26	685.34
Total comprehensive income attributable to the non-controlling interests	137.97	150.70
Total comprehensive income for the year	403.23	836.04
Dividends paid to non-controlling interests	49.00	100.00
Net cash inflow / (outflow) from operating activities	715.69	1,097.05
Net cash inflow / (outflow) from investing activities	(8,176.91)	(6,993.21)
Net cash inflow / (outflow) from financing activities	7,547.62	6,067.60
Net cash inflow / (outflow)	86.40	171.44

58 Details of the outstanding principal (including unamortised borrowing cost), interest rate, security and repayment terms:

Secured Loans	As at March 31, 2023				As at March 31, 2022				
	Particulars	Non-current	Current	Interest Rate p.a.	Particulars of redemption / repayment	Non-current	Current	Interest Rate p.a.	Particulars of redemption / repayment
From Banks									
TL - 1	9,354.31	4,112.75	Between 8.50% to 10.15%	Repayable between April 2018 to July 2025 (Refer Note 1)	13,333.77	2,647.34	Between 8.50 to 8.55%	Repayable between April 2018 to July 2025	
TL - 2	-	109.99	10.35% to 11.60%	Repayable between April 2021 to April 2023	109.99	294.66	10.75% to 11.75%	Repayable between April 2021 to April 2023	
TL - 3	-	2,000.00	11.20%	Repayable in Apr-23. (Working capital demand loans) (Refer note 3)	-	2,000.00	11.20%	Repayable in Apr-22. (Working capital demand loans)	
Buyer's Credit		-	-			-	-		
From Non-Banking Financial Institutions									
TL - 4	11.61	3.75	-	Repayable quarterly up to January 2028 (Refer note 4)	15.36	443.38	-	Repayable quarterly up to January 2028	
TL - 5	-	75.19	-	-	-	37.65	-	-	
TL - 7	-	-	-	-	-	-	-	-	
Total	9,365.92	6,301.68			13,459.12	5,423.03			
Unsecured Loans									
Loans from related parties and Loans from other parties	-	1,379.88	9.00%	Repayable on demand	-	62,689.34	7.5% to 12.00%	Repayable on demand	
Bank Overdrafts -6	74.50	14,955.22	7.5% to 8.4%	Repayable on demand	-	346.14	2.1% to 2.21%	Repayable on demand	
Total	74.50	16,335.10			-	63,035.48			

* Put / call Option at every 365 days interval from initial disbursement date.

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Notes:

1. TL-1- The Loan is repayable in 7 years in 28 quarterly instalments, for each tranche of disbursement. First repayment will commence from 4th month of the date of each tranche of disbursement. Interest rate 6 months MCLR and Yes Bank Limited shall reset the 6 months MCLR on 1st day of the month falling after six calendar months including the month in which drawdown has been made. First Charge on all current and movable assets (both present and future) and Escrow Account for collection of proceeds of lease rentals to be created in favour of Vistra ITCL India Ltd. During the previous year, the Company has made prepayment of ₹ 7,763.29 lakhs over and above the payments of regular instalments.
2. TL-2 - Repayable in 24 Quarterly unequal instalments starting from January 2017 after an initial moratorium of 2 years. Interest rate 6 months MCLR plus spread of 2.35%. Interest ranging from 10.35% to 11.60% between April - 2022 to March 2023 with an exclusive charge on all Hits related Fixed assets.
3. TL-3 are secured by pari passu hypothecation on all current assets, movable fixed assets (present and future) and immovable properties.
4. TL-4 - Pertains to sales and lease back transaction conducted in the year ended 31st March 2020 which is payable in 32 unequal instalments starting from April 2020, as per the operating lease agreement entered.
5. First Pari-passu charge on current assets and movable Fixed Assets present and future.
6. The quarterly returns / statements of current assets filed by the Group with banks / financial institutions are in agreement with the books of accounts.

Details of the outstanding principal (including unamortised borrowing cost), interest rate, security and repayment terms:

Name of borrower and term loans from banks and financial institutions	Nature of security	Particulars of redemption / repayment
Axis Bank	Secured by pari passu hypothecation on all current assets, movable fixed assets (present and future) and immovable properties.	Applicable rate of interest is for cash credit three month MCLR and spread of 2.85% per annum.
Yes Bank	TL-1 TL-2 Secured by pari passu hypothecation on whole of current assets (present and future) and immovable properties.	TL-1 & TL-2 Applicable rate of interest is 8.45 % to 9.90% per annum (Yes bank base rate) Repayment in 28 unequal quarterly instalments. Buyers credit Repayable between by April 2021 Working capital loan, repayable on demand at 11.00% per annum.

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59 Additional Information pursuant to para 2 of general information for the preparation of consolidated financial statements

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 consolidated total comprehensive income	Amount
Parent								
Hinduja Global Solutions Limited								
March 31, 2023	52%	440,729.98	4%	33,004.92	0%	422.74	4%	33,427.66
March 31, 2022	53%	424,404.69	29%	234,655.87	0%	(2,793.99)	29%	231,861.88
Subsidiaries								
Indian								
Indusind Media & Communications Limited								
March 31, 2023	1%	8,350.84	0%	264.47	0%	(6.55)	0%	257.92
March 31, 2022	1%	8,092.92	0%	358.65	0%	2.38	0%	361.03
OneOTT Entertainment Limited								
March 31, 2023	4%	33,624.33	0%	567.68	0%	(9.56)	0%	558.12
March 31, 2022	4%	33,066.21	1%	4,604.58	0%	(3.49)	1%	4,601.09
Bhima Riddhi Infotainment Private Limited								
March 31, 2023	0%	2,214.47	0%	384.56	0%	-	0%	384.56
March 31, 2022	0%	1,829.91	0%	379.93	0%	-	0%	379.93
Darpita Trading Company Private Limited								
March 31, 2023	0%	(20.27)	0%	108.18	0%	-	0%	108.18
March 31, 2022	0%	(28.45)	0%	66.41	0%	-	0%	66.41
Sainath In Entertainment Private Limited								
March 31, 2023	0%	(295.91)	0%	10.08	0%	-	0%	10.08
March 31, 2022	0%	(305.99)	0%	(7.91)	0%	-	0%	(7.91)
Sangli Media Services Private Limited								
March 31, 2023	0%	75.38	0%	(11.47)	0%	-	0%	(11.47)
March 31, 2022	0%	86.85	0%	(4.82)	0%	-	0%	(4.82)
Vinsat Digital Private Limited								
March 31, 2023	0%	250.48	0%	(110.13)	0%	-	0%	(110.13)
March 31, 2022	0%	360.61	0%	(179.32)	0%	-	0%	(179.32)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

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 consolidated total comprehensive income	Amount
Ajanta Sky Darshan Private Limited								
March 31, 2023	0%	(55.47)	0%	(42.34)	0%	-	0%	(42.34)
March 31, 2022	0%	(13.13)	0%	(2.24)	0%	-	0%	(2.24)
Apna Incable Broadband Service Private Limited								
March 31, 2023	0%	(192.66)	0%	(18.35)	0%	-	0%	(18.35)
March 31, 2022	0%	(174.32)	0%	115.64	0%	-	0%	115.64
Goldstar Infotainment Private Limited								
March 31, 2023	0%	(20.71)	0%	(18.35)	0%	-	0%	(18.35)
March 31, 2022	0%	(2.36)	0%	4.40	0%	-	0%	4.40
Goldstar Noida Network Private Limited								
March 31, 2023	0%	(601.90)	0%	(18.31)	0%	-	0%	(18.31)
March 31, 2022	0%	(583.59)	0%	116.08	0%	-	0%	116.08
RBL Digital Cable Network Private Limited								
March 31, 2023	0%	(5.61)	0%	(18.35)	0%	-	0%	(18.35)
March 31, 2022	0%	12.74	0%	9.21	0%	-	0%	9.21
Sunny Infotainment Private Limited								
March 31, 2023	0%	(80.79)	0%	(18.33)	0%	-	0%	(18.33)
March 31, 2022	0%	(62.46)	0%	49.04	0%	-	0%	49.04
United Mysore Network Private Limited								
March 31, 2023	0%	(69.74)	0%	(15.18)	0%	-	0%	(15.18)
March 31, 2022	0%	(54.57)	0%	54.83	0%	-	0%	54.83
USN Networks Private Limited								
March 31, 2023	0%	(48.95)	0%	(15.35)	0%	-	0%	(15.35)
March 31, 2022	0%	(33.61)	0%	26.49	0%	-	0%	26.49
Vistaar Telecommunication & Infrastructure Private Limited								
March 31, 2023	0%	(123.54)	0%	(20.35)	0%	-	0%	(20.35)
March 31, 2022	0%	(103.19)	0%	(39.64)	0%	-	0%	(39.64)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

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 consolidated total comprehensive income	Amount
In Entertainment (India) Private Limited								
March 31, 2023	1%	11,894.25	0%	66.00	0%	(301.80)	0%	(235.80)
March 31, 2022	2%	12,154.09	0%	(118.19)	0%	(3.46)	0%	(121.65)
Onemahanet Inentertainment Private Limited								
March 31, 2023	0%	71.59	0%	(30.84)	0%	-	0%	(30.84)
March 31, 2022	0%	102.43	0%	0.17	0%	-	0%	0.17
Foreign								
HGS International								
March 31, 2023	47%	399,249.54	0%	(2,999.80)	0%	-	0%	(2,999.80)
March 31, 2022	51%	408,939.57	35%	284,062.73	0%	-	35%	284,062.73
Hinduja Global Solutions LLC								
March 31, 2023	-4%	(31,675.80)	-1%	(6,559.24)	0%	-	-1%	(6,559.24)
March 31, 2022	-9%	(69,765.31)	-2%	(14,687.44)	0%	-	-2%	(14,687.44)
C-Cubed N.V.								
March 31, 2023	0%	8.40	0%	(16.39)	0%	-	0%	(16.39)
March 31, 2022	0%	24.70	0%	(3.83)	0%	-	0%	(3.83)
HGS St.Lucia Limited								
March 31, 2023	0%	(19.52)	0%	-	0%	-	0%	-
March 31, 2022	0%	(18.05)	0%	-	0%	-	0%	-
Hinduja Global Solutions Europe Limited								
March 31, 2023	0%	-	0%	-	0%	-	0%	-
March 31, 2022	1%	4,103.28	0%	(223.13)	0%	-	0%	(223.13)
HGS Properties LLC								
March 31, 2023	1%	10,582.54	0%	369.14	0%	-	0%	369.14
March 31, 2022	1%	9,434.13	0%	935.73	0%	-	0%	935.73
HGS EBOS LLC								
March 31, 2023	0%	-	0%	-	0%	-	0%	-
March 31, 2022	0%	-	0%	3,096.46	0%	-	0%	3,096.46
HGS(USA)LLC								
March 31, 2023	7%	62,562.48	0%	(3,013.18)	0%	-	0%	(3,013.18)
March 31, 2022	7%	58,270.87	0%	1,371.73	0%	-	0%	1,371.73
HGS Canada Holdings LLC								
March 31, 2023	3%	27,803.39	0%	-	0%	-	0%	-
March 31, 2022	3%	25,699.90	0%	-	0%	-	0%	-
HGS Canada Inc.								
March 31, 2023	4%	30,783.13	0%	(1,979.11)	0%	-	0%	(1,979.11)
March 31, 2022	-4%	(30,162.80)	0%	(3,668.58)	0%	-	0%	(3,668.58)
HGS Health Care LLC								
March 31, 2023	0%	-	0%	-	0%	-	0%	-
March 31, 2022	0%	-	0%	516.95	0%	-	0%	516.95

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

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 consolidated total comprehensive income	Amount
Affina Company								
March 31, 2023	0%	(3,111.09)	0%	-	0%	-	0%	-
March 31, 2022	0%	(2,875.72)	0%	-	0%	-	0%	-
HGS CX Technologies Inc.								
March 31, 2023	8%	67,633.21	1%	6,583.64	0%	-	1%	6,583.64
March 31, 2022	0%	7.53	0%	(0.06)	0%	-	0%	(0.06)
HGS Healthcare Operations Inc.								
March 31, 2023	0%	-	0%	-	0%	-	0%	-
March 31, 2022	0%	-	0%	-	0%	-	0%	-
Hinduja Global Solutions UK Limited								
March 31, 2023	8%	67,860.35	1%	5,834.88	0%	-	1%	5,834.88
March 31, 2022	8%	61,211.61	2%	17,165.38	0%	-	2%	17,165.38
C-Cubed B.V.								
March 31, 2023	0%	(4,043.31)	0%	(167.42)	0%	-	0%	(167.42)
March 31, 2022	0%	(3,487.00)	0%	(160.20)	0%	-	0%	(160.20)
Customer Contact Center Inc.								
March 31, 2023	0%	3,783.70	0%	169.00	0%	-	0%	169.00
March 31, 2022	0%	3,496.14	0%	247.66	0%	-	0%	247.66
Team HGS Limited								
March 31, 2023	8%	69,028.13	0%	496.65	0%	-	0%	496.65
March 31, 2022	8%	62,260.74	7%	53,663.27	0%	-	7%	53,663.27
Hinduja Global Solutions Mena FZ LLC								
March 31, 2023	-1%	(6,474.68)	0%	(0.81)	0%	-	0%	(0.81)
March 31, 2022	-1%	(5,984.09)	0%	(101.70)	0%	-	0%	(101.70)
HGS Colibrium LLC								
March 31, 2023	0%	-	0%	-	0%	-	0%	-
March 31, 2022	0%	-	0%	(1,105.57)	0%	-	0%	(1,105.57)
HGS Axis Health LLC								
March 31, 2023	0%	-	0%	-	0%	-	0%	-
March 31, 2022	0%	-	-1%	(4,103.37)	0%	-	-1%	(4,103.37)
Falcon Health Solutions Puerto Rico Holding LLC								
March 31, 2023	0%	-	0%	-	0%	-	0%	-
March 31, 2022	0%	-	0%	-	0%	-	0%	-
Falcon Health Solutions Puerto Rico LLC								
March 31, 2023	0%	2.97	0%	(1.16)	0%	-	0%	(1.16)
March 31, 2022	0%	(32.48)	0%	(28.08)	0%	-	0%	(28.08)
HGS Digital, LLC (Formerly known as Element Solutions LLC)								
March 31, 2023	2%	13,328.78	1%	4,492.10	0%	-	1%	4,492.10
March 31, 2022	1%	8,088.31	0%	1,448.06	0%	-	0%	1,448.06

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

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 consolidated total comprehensive income	Amount
Diversify Offshore Staffing Solutions Pty Ltd								
March 31, 2023	0%	(1,665.31)	0%	(658.29)	0%	-	0%	(658.29)
March 31, 2022	0%	(1,039.67)	0%	(1,022.81)	0%	-	0%	(1,022.81)
Diversify Intelligent Staffing Solutions inc								
March 31, 2023	0%	(790.32)	0%	320.71	0%	-	0%	320.71
March 31, 2022	0%	(1,110.28)	0%	267.77	0%	-	0%	267.77
Diversify ISS BGC Inc								
March 31, 2023	0%	1,513.10	0%	229.33	0%	-	0%	229.33
March 31, 2022	0%	1,216.72	0%	765.61	0%	-	0%	765.61
Diversify Offshore Solutions Cebu Inc								
March 31, 2023	0%	84.35	0%	37.50	0%	-	0%	37.50
March 31, 2022	0%	-	0%	-	0%	-	0%	-
Teklink International LLC (Formerly known as Teklink International Inc)								
March 31, 2023	1%	5,853.33	0%	374.64	0%	-	0%	374.64
March 31, 2022	0%	-	0%	-	0%	-	0%	-
Teklink International AG								
March 31, 2023	0%	219.90	0%	56.01	0%	-	0%	56.01
March 31, 2022	0%	-	0%	-	0%	-	0%	-
HGS Colombia S.A.S								
March 31, 2023	0%	337.09	0%	(211.65)	0%	-	0%	(211.65)
March 31, 2022	0%	-	0%	-	0%	-	0%	-
Less: Consolidation, Elimination and GAAP Adjustments								
March 31, 2023	-43%	(369,479.24)	0%	(3,650.66)	4%	30,512.95	3%	26,862.29
March 31, 2022	-27%	(214,933.83)	4%	32,249.96	1%	10,008.47	5%	42,258.42
Less: Non-controlling interest								
March 31, 2023	2%	15,581.45	0%	231.40	0%	(89.74)	0%	141.66
March 31, 2022	2%	15,439.78	0%	1,460.03	0%	(1.56)	0%	1,458.47
Grand Total								
March 31, 2023		854,652.33		33,205.21		31,018.88		64,224.09
March 31, 2022		807,532.84		604,683.49		7,208.86		611,892.35

60 Exceptional items includes costs related to certain vendor contracts attributable to the healthcare business (HC). These contracts have not been transferred pursuant to the terms of divestment of HS Business and accordingly reported within the Continuing Operations. The impact of the same is included in point a below.

Particulars	FY 2022-23	FY 2021-22
a. Provisions attributable to Healthcare Business	(3,286.91)	7,729.61

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

61 Additional regulatory information required by Schedule III to the Companies Act, 2013

- (i) The Group does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) The Group has not traded or invested in Crypto currency or Virtual Currency during the year.
- (iii) The Group has not come across any transaction occurred with struck-off companies under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- (iv) The Group has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.
- (v) The Group does not have any charges or satisfaction of charges which is yet to be registered with the Registrar of the Companies beyond the statutory period.
- (vi) Utilization of borrowed funds and share premium :
 - (I) The Group has 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
 - (II) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) except the loan granted by the Parent company to its subsidiary for acquisition of Teklink International LLC.
 - (b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
- (vii) There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.

62 Subsequent events:

The shareholders approved the proposal of buyback of Equity Shares recommended by its Board of Directors by way of e-voting on the postal ballot, the results of which were declared on December 19, 2022 at the Maximum buyback price of ₹ 1,700 /- per equity share and the Maximum buyback size of ₹102,000 lakhs. Subsequently, the Buyback Committee at its meeting held on 25th January, 2023 has approved the buyback scheme of 60 lakh Equity Shares at a price of ₹ 1,700 i.e. up to ₹102,000 lakhs (excluding transaction cost taxes) with the Record Date of 6th March 2023. Public Announcement relating to the Buyback has been made on 31st January 2023 and the draft Letter of Offer has been filed with Securities & Exchange Board of India on 7th February 2023 and SEBI Observation letter dated 9th May 2023 has been received.

The buy-back is offered to all eligible equity shareholders of the Company on proportionate basis through the "Tender offer" route in accordance with SEBI (Buy-back of Securities) Regulations, 2018. The Buyback of equity shares through the stock exchange has commenced on 22nd May 2023 and will close on June 2, 2023. The buyback settlement is expected to be completed by June 13, 2023. If the Buy-back issue is fully subscribed, the Company will buy back and extinguish a total of 60 Lakh equity shares of Face Value of ₹ 10 each (i.e. ₹ 600 lakhs) at a price of ₹1,700 per equity share, comprising of 11.43% of pre-buyback paid up equity share capital of the Company as at March 31, 2023. The buyback will result in a cash outflow of ₹102,000 lakhs (excluding transaction cost and taxes), if fully subscribed. The Company will fund the Buyback from its Securities Premium, General reserve and Retained earnings. In accordance with Section 69 of the Companies Act, 2013, the Company will credit 'Capital Redemption Reserve' with an amount of ₹600 lakhs, being amount equivalent to the nominal value of the Equity Shares bought back as an appropriation from General Reserve.

63. Subsequent to the approval of consolidated financial statements as of and for the year ended March 31, 2023 by the Board of Directors at its meeting held on May 26, 2023, the Group identified that an amount presented under the head "Other Income" had an inadvertent error, in working out gain on sale of a property held by HGS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

International, Mauritius. The annual financial statements (as amended) of the HGS International, Mauritius for the year ended March 31, 2023 have been approved by the Board of Directors of HGS International, Mauritius on August 8, 2023.

Consequently, previously issued consolidated annual financial statements have been amended by the Group to incorporate the changes. The impact of this is reflected in decrease to the tune of ₹ 1,649.85 Lakhs in Other Income, ₹1,641.83 Lakhs in Profit After Tax & Retained Earnings and increase in Other Liabilities by ₹ 1,673.40 Lakhs. The basic and diluted earnings per share for the year ended March 31, 2023 has decreased by ₹ 3.13 per share in this regard. Further, consequential changes have been made in consolidated cash flow statements and group operating segments.

The amendment to the consolidated financial statements have been carried out solely for the impact of above error and no other changes/ adjustments have been carried out for any other events occurring after May 26, 2023 (being the date when the consolidated financial statements were first approved by the Board of Directors of the Company

These consolidated annual financial statements (as amended), which have been reviewed by the Audit Committee and then approved by the Board of Directors at their respective meetings held on August 9, 2023 and supersedes the previously issued consolidated annual financial statements that were reviewed by the Audit Committee and then approved by the Board of Directors respectively on May 26, 2023. The statutory auditors have issued unmodified amended report dated August 09, 2023 on the aforesaid consolidated annual financial statements (as amended

There is no change in the standalone financial statements for the year ended 31st March 2023.

- 64** Previous year figures have been regrouped / rearranged wherever considered necessary, to conform to current year's classification. Considering the material events such as discontinued operations and Business combination took place in year 2022 and 2023, it is impractical to provide the quantitative details with respect to reclassification and re-grouping during the year.

As per our report of even date

For Haribhakti & Co LLP
Firm registration no. 103523W / W100048
Chartered Accountants

Purushottam Nyati
Partner
Membership No. 118970

Place : Mumbai
Date : August 09, 2023

For and on behalf of the Board of Directors of Hinduja Global Solutions Limited

Anil Harish
Director
DIN: 00001685
Place : Mumbai

Vynsley Fernandes
Whole-time Director
DIN: 02987818
Place : Mumbai

Partha DeSarkar
Whole-time Director & Chief Executive Officer
DIN: 00761144
Place : Mumbai

Srinivas Palakodeti
Chief Financial Officer
Place : Mumbai

Narendra Singh
Company Secretary
Place : Mumbai

Date : August 09, 2023

INDEPENDENT AUDITOR'S REPORT

To THE MEMBERS OF HINDUJA GLOBAL SOLUTIONS LIMITED

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Hinduja Global Solutions Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone Ind AS financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "standalone Ind AS financial statements") in which are included the Returns for the year ended on that date audited by the branch auditor of the Company's branch at Philippines.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of the branch auditor on financial information of the branch referred to in the Other Matter section below, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, of the state of affairs of the Company as at March 31, 2023, its profit (including other comprehensive income), its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 48 (II) (A) to the standalone Ind AS financial statements in respect of scheme of Arrangement (the "Scheme") between the Hinduja Global Solutions Limited (the "Resulting Company") and NXTDIGITAL Limited (the "Demerged Company"), of merger of Demerged Company from the appointed date of February 01, 2022, as approved by the Hon'ble National Company Law Tribunal vide its order dated November 11, 2022. However, the accounting treatment pursuant to the Scheme has been given effect from the earlier period required under IND AS 103 – Business Combinations, which is the beginning of the corresponding year presented i.e. April 1, 2021. Accordingly, the amounts relating to year ended March 31, 2022 have been restated to give the effect to the aforesaid merger.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current year. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

INDEPENDENT AUDITOR'S REPORT

Sr. No.	Key Audit Matter	How our audit addressed the key audit matter
1	<p>Intercorporate deposits to the related parties</p> <p>As described in Note 6, Note 12 and Note 43, the Company has given intercorporate deposits of ₹ 237,671.78 lakhs to its related parties which were outstanding as on March 31, 2023.</p> <p>We identified the aforesaid transactions with related parties and its disclosure, as set out in respective notes to the standalone Ind AS financial statements, was a significant area of focus and hence considered it as a Key Audit Matter</p>	<ul style="list-style-type: none"> • Obtained and read the Company's policies, and procedures in respect of identification of related parties, obtaining approval, recording and disclosure of related party transactions. • Read minutes of the meetings of the Board of Directors and Audit Committee, to trace related party transactions with limits approved by Audit Committee / Board of Directors, providing an unanimous approval of all independent directors present at the meeting approving the placement of unsecured intercorporate deposits to related parties, including to the promoter shareholder, the terms thereof, degree of credit risk associated with the respective borrowers, the purpose and business rationale for giving intercorporate deposits, and the arms' length interest rates considered. • Tested such related party transactions on a sample basis, with the underlying contracts, confirmation letters and other supporting documents. • Validated the company's assessment, with respect to compliance with the relevant provision of the Companies Act, 2013, on arm's length principles. • Reviewed the Company Secretary's assessment and conclusion that there exists no conflict of interest of the independent directors of the Company approving these intercorporate deposits. • Inspected Managements evaluation of recoverability by reference to the audited or unaudited financial statements as applicable of the respective borrowers. • Reviewed the classification and disclosures in the standalone Ind AS financial statements to assess whether the classification and disclosure are in accordance with the requirement of Schedule III and Ind AS 24 'Related Party Disclosures'.

INDEPENDENT AUDITOR'S REPORT

Sr. No.	Key Audit Matter	How our audit addressed the key audit matter
2	<p>Business Combination of Digital, Media & Communications Business under Common Control</p> <p>Refer note 48 (II) (A) to the standalone Ind AS financial statements in respect of scheme of Arrangement (the "Scheme") between the Hinduja Global Solutions Limited and NXTDIGITAL Limited (the "Demerged Company"), of merger of Demerged Company from the appointed date of February 01, 2022, as approved by the Hon'ble National Company Law Tribunal ("NCLT") vide its order dated November 11, 2022.</p> <p>The Company has accounted for the business combination using the pooling of interest method in accordance with Appendix C of Ind AS 103 – Business Combination. The carrying value of the identified assets and liabilities of the demerged company as at April 1, 2021 (being the beginning of the previous period presented), have been incorporated in the books with merger adjustments, as applicable.</p> <p>The Company has allotted 1,06,89,403 fully paid-up equity shares to the eligible shareholders of the erstwhile demerged company in accordance with the Scheme.</p> <p>The Company has recognised capital reserve of INR 32,936.76 lakhs directly in "Other Equity".</p> <p>Considering the magnitude and complexity, the aforesaid business combination treatment in standalone financial statements has been considered to be a key audit matter.</p>	<ul style="list-style-type: none"> Understood from the management, assessed and tested the design and operating effectiveness of the Company's key controls over the accounting of the business combination. Read and assessed the provisions of the Scheme and the NCLT order submitted with ROC. Obtained an understanding and assessed the effectiveness of process followed by the management for recording the accounting treatment prescribed in the Scheme. Evaluated whether the accounting treatment of the said transaction is in line with the applicable Indian Accounting Standards (Ind AS) and accounting guidance. Verified whether the accounting entries recorded in the books are in line with the accounting treatment assessed above, including the arithmetical accuracy of the same. Traced the assets, liabilities, of demerged Company from the Independent practitioner's report on special purpose standalone condensed financial statements as at January 31, 2022. Assessed the adequacy and appropriateness of the disclosures made in the standalone Ind AS financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, Management Discussion & Analysis, Report, Business responsibility report and Corporate Governance report, but does not include the standalone and consolidated Ind AS financial statements and our auditor's report thereon. The Director's report, Management Discussion & Analysis, Report, Business responsibility report and Corporate Governance report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone 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 standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in audit or otherwise appears to be materially misstated.

When we read the Director's report, Management Discussion & Analysis, Report, Business responsibility report

INDEPENDENT AUDITOR'S REPORT

and Corporate Governance report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS Financial Statements

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on

INDEPENDENT AUDITOR'S REPORT

the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone 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 Company and its branch to express an opinion on the standalone Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the standalone Ind AS financial statements of which we are the independent auditors. For the other entities or business activities included in the standalone Ind AS financial statements, which have been audited by the branch auditor, such branch auditor 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 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 standalone Ind AS financial statements of the current year 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 information of one foreign branch included in the standalone Ind AS financial statements of the Company whose financial information reflect total assets of ₹ 91,588.14 Lakhs as at March 31, 2023, total revenues of ₹22,728.10 Lakhs for year ended March 31, 2023, total net profit (including other comprehensive income) after tax of ₹4,054.52 Lakhs for the year ended March 31, 2023, and net cash outflows of ₹53,134.87 Lakhs as considered in the standalone Ind AS financial statements. The financial information of the branch has been audited by the branch auditor whose reports has been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of this branch, is based solely on the report of such branch auditor and the procedures performed by us as stated under Basis for Opinion section of our report.
- b) The audit of standalone Ind AS financial statements for the year ended March 31, 2022, included in the standalone Ind AS financial statements, was carried out and reported by M/s Deloitte Haskins & Sells LLP, vide their unmodified audit report dated May 29, 2022, whose report has been furnished to us by the Management and which has been relied upon by us for the purpose of our audit of the standalone Ind AS financial statements.
- c) The comparative financial information of the Company for the year ended March 31, 2022 have been restated by the management to include the impact of the Scheme [as stated in Note 48 (II) (A)] and the same has not been audited by us.

INDEPENDENT AUDITOR'S REPORT

Our opinion is not modified in respect of these matters.

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 section 143(11) of the Act, we report in "**Annexure 1**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (2) As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the branch auditor on the separate financial information of the branch referred to in the Other Matters section above 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;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from branch not visited by us;
 - c) The report on the accounts of the branch office of the Company audited under section 143(8) of the Act by branch auditor have been sent to us and have been properly dealt with by us in preparing this report;
 - d) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account and with the return received from branch not visited by us;
 - e) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - f) On the basis of the written representations received from the directors as on March 31, 2023, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of section 164(2) of the Act;
 - g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure 2";
 - h) With respect to the other matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration accrued/paid by the Company along with remuneration accrued/paid by one step down subsidiary to its whole-time directors during the year exceeds the prescribed limit of 10% of net profits laid down under section 197 and 198 of the Act. The remuneration accrued/paid for the year 2022-23 in excess of the limit laid down under this section is ₹3,036.72 lakhs and has been approved by the Nomination and Remuneration Committee of the Company. The remuneration is disclosed in Note 43 Related Party Transactions. The Company has obtained the necessary approval of the members of the Company, in this regard.

- 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 Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 35 on Contingent Liabilities to the standalone Ind AS financial statements;
 - (ii) The Company has made provision, as required under the applicable law or accounting standards, for

INDEPENDENT AUDITOR'S REPORT

material foreseeable losses, if any, on long-term contracts including derivative contracts.

- (iii) Following is the instance of delay in transferring amount, required to be transferred, to the Investor Education and Protection Fund by the Company.

Nature of Dues	Amount to be transferred	Due date for amount to be transferred	Actual date of transferred
3rd Interim unclaimed dividend for FY 2015-16	₹1.12 Lakh	16 March 2023	15 May 2023

- iv. a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in note 53(vi)(I), no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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;
- c) Based on the audit procedures that are considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. As stated in Note 42 (B) to the standalone Ind AS financial statements:
- a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in compliance with section 123 of the Act, as applicable.
- b) The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with section 123 of the Act.
- c) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in compliance with section 123 of the Act, as applicable.
- vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

For Haribhakti & Co. LLP
Chartered Accountants

ICAI Firm Registration No.103523W / W100048

Purushottam Nyati
Partner

(Membership No.118970)

UDIN: 23118970BGWTMP7257

Place : Mumbai
Date : May 26, 2023

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section in the Independent Auditor's Report of even date to the members of Hinduja Global Solutions Limited ("the Company") on the standalone Ind AS financial statements for the year ended March 31, 2023]

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone Ind AS financial statements of the Company and taking into consideration the information, explanations and written representation given to us by the management and the books of account and other records examined by us in the normal course of audit, we report that:

- (i) (i) In respect of the Company's Property, Plant and Equipment and Intangible Assets :
- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of Right-of-Use Assets except in case of set top boxes which are in possession of customers/ third parties and distribution equipment comprising overhead and underground cables, pertaining to digital, media and communication business. As informed by the management, it is impracticable to maintain detailed records of such assets given the nature of such assets and the Company's business.
- (B) The Company has maintained proper records showing full particulars of Intangible Assets.
- (b) The Company has a program of verification of Property, Plant and Equipment, and right-of-use assets so to cover all the items, except set top boxes which are in possession of customers/ third parties and distribution equipment comprising overhead and underground cables pertaining to digital, media and communication business, once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment, except for setup boxes and distribution equipment, were due for verification during the year and were physically verified by the Management during the year and according to the information and explanations given to us, no material discrepancies were noticed on such verification. Further, Management is of the view that it is not possible to physically verify the setup boxes and distribution equipment, due to their nature and location. Further in case of the Company's branch at Philippines, during the year, the branch have not physically verified its Property, Plant and Equipment.
- (c) Based on the examination of the registered sale deed / transfer deed / conveyance deed/ the property tax receipts and the lease agreement for the land/building provided to us, we report that, the title deeds of all the immovable properties, disclosed in the financial statements included in property, plant equipment of land and buildings which are freehold are held in the name of the Company as at the Balance Sheet date. In respect of immovable properties that have been taken on lease and disclosed in the financial statements as at the balance sheet date, the lease agreements are duly executed in favour of the Company except for the followings.

Description of property	Gross carrying value (₹ in Lakh)	Held in name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of Company
Leasehold - Building	965.28	Nxt Digital Limited	Yes	During lease period	Refer Note below
Leasehold - Plant and Equipment	1,306.34	Nxt Digital Limited	Yes	During lease period	Refer Note below
Leasehold -Transponder	7,186.23	Nxt Digital Limited	Yes	During lease period	Refer Note below

Note: The above cases pertain to lease agreement, which are on the name of Nxt digital Limited (" Demerged Company") and the Company is in the process of novation pursuant to Scheme of Arrangement. Refer Note 48(II)(A) of standalone Ind AS financial statements.

- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and/or Intangible Assets during the year. Accordingly, reporting under clause (i)(d) of paragraph 3 of the Order is not applicable.

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

- (e) No proceedings have been initiated or are pending against the Company as at March 31, 2023 for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder, as amended.
- (ii) (a) The inventory lying in the books of account consist of media inventory and stock of network cable and equipment. In respect of media inventory, as explained to us by the Management, it cannot be subject to physical verification as it is in the nature of free commercial time. The management has conducted physical verification of inventory in respect of stock of network cable and equipment at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancies were noticed on physical verification carried out during the year.
- (b) The Company has been sanctioned working capital limits in excess of five crore rupees during the year, in aggregate from banks and/or financial institutions, on the basis of security of current assets as per the agreement. The quarterly returns/statements filed by the Company with such banks and/or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters.
- (iii) During the year, the Company has not made investments in, provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Further, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties except for the unsecured loans granted to some of its subsidiaries and other parties, in respect of which.
- (a) During the year, the Company has provided unsecured loans to some of its subsidiaries and other parties, details of which are given below:-

(₹ in Lakhs)

Sr. No.	Particulars	Loans granted
A	Aggregate amount granted / provided during the year	
	- Subsidiaries	85,171.78
	- Others	1,52,500.00
B	Balance outstanding as at March 31, 2023 in respect of above cases	
	- Subsidiaries	84,497.78
	- Others	1,46,700.00

- (b) In our opinion, the terms and conditions of all loans granted by the Company during the year are, prima facie, not prejudicial to the interest of the Company.
- (c) In respect of the aforesaid loans, there were no schedule for repayment of principal and interest has been stipulated by the Company as the same were repayable on demand except for Loan to one of the WOS amounting to ₹ 43,541.89 Lakhs (outstanding balance as on March 31, 2023 is ₹ 73,902.09 Lakhs) wherein the terms of repayment is perpetuity Therefore, in the absence of stipulation of repayment terms, we are unable to comment on the regularity of repayment of principal and payment of interest and amounts overdue for more than ninety days, if any, as required under clause (iii)(d) of paragraph 3 of the Order.
- (d) There were no loans which has fallen due during the year, have been renewed or extended. Further, there were no instances of fresh loans being granted to settle the overdues of existing loans given to the same parties.
- (e) The Company has granted loans which are either repayable on demand or without specifying any terms or period of repayment. Details of the same are as below:

(₹ in Lakhs)

Particulars	All parties	Related Parties
Aggregate amount of loans		
- Repayable on demand (A)	1,94,129.89	1,94,129.89
- Agreement does not specify any terms or period of repayment (B)	43,541.89	43,541.89
Total (A+B)	2,37,671.78	2,37,671.78
Percentage of loans to the total loans	100%	

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

- (iv) The Company has complied with the provisions of sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) In our opinion, the Company has not accepted any deposits or amounts which are deemed to be deposits. Accordingly, reporting under clause (v) of paragraph 3 of the Order is not applicable.
- (vi) In respect of digital, media and communication business, the maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Act and rules thereunder. We have broadly reviewed such records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) The Company is generally regular in depositing with the appropriate authorities, undisputed statutory dues including Goods and Services tax (GST), provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, value added tax, cess and any other material statutory dues applicable to it, though there has been a slight delay in a few cases. During the year 2017-18, sales tax, value added tax, service tax and duty of excise subsumed in GST and are accordingly reported under GST.

No undisputed amounts payable in respect of Income tax, GST, customs duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable, except as follows:

Name of the statute	Nature of the dues	Amount (₹n Lakh)	Period to which the amount relates	Due Date	Date of Payment
The Employee' Provident Funds & Miscellaneous Provision Act, 1952	Provident Fund	1.84	April 2022 to August 2022	Various date	Not paid
Employee State Insurance Act-1948	ESIC	0.002	July 2022 and August 2022	Various date	Not paid
Madhya Pradesh Professional Tax Act, 1995	Professional Tax	0.18	April 2022 to August 2022	Various date	Not paid

- (b) The dues outstanding with respect to Income tax, GST, sales tax, service tax, value added tax, customs duty, Entertainment Tax, License Fees on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount ((₹ in Lakhs)*	Period to which the amount relates	Forum where dispute is pending
Income Tax Act 1961	Income Tax Act	99.8	AY 1999-2000	High Court
Income Tax Act 1961	Income Tax Act	174.49	AY 2000-2001	High Court
Income Tax Act 1961	Income Tax Act	144.54	AY 2001-2002	High Court
Income Tax Act 1961	Income Tax Act	184.42	AY 2002-2003	Assessing officer
Income Tax Act 1961	Income Tax Act	200.64	AY 2004-2005	Supreme Court
Income Tax Act 1961	Income Tax Act	11.04	AY 2005-2006	Supreme Court
Income Tax Act 1961	Income Tax Act	1010.81	AY 2007-2008	High Court / Commissioner of Income Tax (Appeal)
Income Tax Act 1961	Income Tax Act	333.41	AY 2009-2010	Commissioner of Income Tax (Appeal)
Income Tax Act 1961	Income Tax Act	17.34	AY 2010-2011	Assessing officer
Income Tax Act 1961	Income Tax Act	159.75	AY 2011-2012	Assessing officer
Income Tax Act 1961	Income Tax Act	167.74	AY 2012-2013	Assessing officer
Income Tax Act 1961	Income Tax Act	386.63	AY 2013-2014	Assessing officer
Income Tax Act 1961	Income Tax Act	1577.8	AY 2014-2015	Assessing officer / Commissioner of Income Tax (Appeal)

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Name of the statute	Nature of the dues	Amount ((₹ in Lakhs)*	Period to which the amount relates	Forum where dispute is pending
Income Tax Act 1961	Income Tax Act	512.31	AY 2015-2016	Commissioner of Income Tax (Appeal)
Income Tax Act 1961	Income Tax Act	1135.61	AY 2016-2017	Commissioner of Income Tax (Appeal)
Income Tax Act 1961	Income Tax Act	197.14	AY 2017-2018	Commissioner of Income Tax (Appeal)
Income Tax Act 1961	Income Tax Act	222.15	AY 2018-2019	Commissioner of Income Tax (Appeal)
Income Tax Act 1961	Income Tax Act	7291.1	AY 2020-2021	Commissioner of Income Tax (Appeal)
Income Tax Act 1961	Income Tax Act	14.22	AY 2021-2022	Commissioner of Income Tax (Appeal)
Maharashtra Entertainment Duty Act, 1923	Entertainment tax	56.00	May-2008 to Jul-2010	High Court/ Tahsildar Borivali
Maharashtra Entertainment Duty Act, 1923	Entertainment tax	507.09	Apr-2013 to Sep-2013	District Collector/ Tahsildar
Maharashtra Entertainment Duty Act, 1923	Entertainment tax	1,261.06	Apr-2013 to Mar-2015	Tahsildar
Maharashtra Entertainment Duty Act, 1923	Entertainment tax	41.35	Apr-2013 to Jul-2013	ET Officer
Maharashtra Entertainment Duty Act, 1923	Entertainment tax	19.77	Apr-2009 to Jun-2015	ET Officer
AP Entertainment Act	Entertainment tax	193.00	Apr-2010 to Mar-2014	Commercial Tax Officer
UP Entertainment Tax	Entertainment tax	107.69	Apr- 2013 to June 2017	District Magistrate
Service Tax	Service Tax	41.45	Oct-2006 to Mar-2007	Tribunal
Service Tax	Service Tax	45.63	Apr-2003 to Dec-2007	Tribunal
Service Tax	Service Tax	2.00	Jan-2008 to Sep-2008	Tribunal
Service Tax	Service Tax	3.24	Oct-2008 to Jun-2009	Tribunal
Service Tax	Service Tax	3.38	Jul-2009 to Dec-2009	Tribunal
Service Tax	Service Tax	3.51	Jan-2010 to Dec-2010	Tribunal
Service Tax	Service Tax	9,196.49	April 2010 to December 2014	Commissioner of Service Tax - V, Mumbai
Service Tax	Service Tax	2,981.56	Jan 2015 to June 2017	Commissioner of Service Tax - V, Mumbai
West Bengal Value Added Tax Act, 2003	Sales Tax	44.00	2012-13	Sales Tax Officer
Karnataka Value Added Tax Act	Sales Tax	25.91	2011-12	CTO

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Name of the statute	Nature of the dues	Amount ((₹ in Lakhs)*	Period to which the amount relates	Forum where dispute is pending
Karnataka Value Added Tax Act	Sales Tax	35.45	2012-13	CTO
Karnataka Value Added Tax Act	Sales Tax	14.80	2015-16	CTO
Karnataka Value Added Tax Act	Sales Tax	76.74	2013-14	CTO
Karnataka Value Added Tax Act	Sales Tax	46.47	2016-17	CTO
Central Sales Tax Act 1956	Sales Tax	24.94	2012-13, 2013-14 and 2014-15	High Court of Telangana
UP Value added Tax Act, 2008	Sales Tax	23.66	FY 2016-17	CTO Noida
Telangana Value added Tax Act- 2005	Sales Tax	343.26	Nov 2015 to June 2017	High Court of Telangana
Telangana Value added Tax Act- 2005	Sales Tax	104.47	Nov 2015 to June 2017	High Court of Telangana
AP Value Added Tax, 2005	Sales Tax	297.58	Nov 2015 to June 2017	High Court of Andhra Pradesh
AP Value Added Tax, 2005	Sales Tax	74.40	Nov 2015 to June 2017	High Court of Andhra Pradesh
Gujarat Value Added Tax Act 2003.	Sales Tax	6.01	2015-2016	Vat authorities, Gujrat
Chhattisgarh Value Added Tax, 2005	Sales Tax	54.57	FY 2015-16 and FY 2016-17	Deputy Commissioner Appeal, Raipur
CST Act, 1956	Sales Tax	269.29	2015-16	Sales Tax Officer
CST Act, 1956	Sales Tax	209.55	2016-17	Sales Tax Officer
CST Act, 1956	Sales Tax	833.89	2017-18	Sales Tax Officer
The Customs Act, 1962	Custom duty	9.76	2015 To 2017	CESTAT
The Customs Act, 1962	Custom duty	410.91	2015 To 2019	DRI
The Customs Act, 1962	Custom duty	485.03		CESTAT
Goods and Service Tax Act	Goods and Services Tax	66.99	July 2017 till March 2021	Hon'ble Allahabad High Court
Goods and Service Tax Act	Goods and Services Tax	32.95	Jul-17	Dy. Commissioner of Sales Tax (Appeals)-III, Mazgaon
Department of Telecom	License Fee Payable on Broadband Services	58,711.82	FY 2010-11 to FY 2019-20	TDSAT

*Net of amount paid under protest

(viii) We have not come across any transaction which were previously not recorded in the books of account of the Company that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company did not obtain any money by way of term loans during the year. Accordingly, reporting under clause (ix)(c) of paragraph 3 of the Order is not applicable.
- (d) On an overall examination of the standalone Ind AS financial statements of the Company, no funds raised on short-term basis have, been used for long-term purposes by the Company.
- (e) On an overall examination of the standalone Ind AS financial statements of the Company, the Company has taken funds from the following entities, on account of, to meet the obligations of its subsidiary, as defined under the Act, as per the details below:

Nature of fund taken	Name of the lender	Amount involved (Rupees in Lakh)	Name of the Subsidiaries	Relationship with Company	Nature of Transaction for which Fund utilized
Working Capital Demand Loan	HDFC Bank	₹ 9,000	IndusInd Media & Communications Limited (IMCL)	Wholly owned Subsidiary	Repayment of Existing Loan due by IMCL
Working Capital Demand Loan	Axis Bank	₹ 6,000	IndusInd Media & Communications Limited (IMCL)	Wholly owned Subsidiary	Repayment of Existing Loan due by IMCL

- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies, as defined under the Act.
- (x) (a) The Company has not raised money by way of initial public issue offer / further public offer (including debt instruments) during the year. Therefore, reporting under clause (x)(a) of paragraph 3 of the Order is not applicable.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Therefore, reporting under clause (x)(b) of paragraph 3 of the Order is not applicable.
- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company nor any fraud on the Company has been noticed or reported during the year, nor have we been informed of any such instance by the management.
- (b) No report under section 143(12) of the Act has been filed with the Central Government by the auditors of the Company in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, during the year or upto the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of audit procedures
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, reporting under clause (xii) of paragraph 3 of the Order is not applicable.
- (xiii) All transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and the details have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the Internal Audit Reports of the Company issued till date, for the period under audit.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with them

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

during the year and hence, provisions of section 192 of the Act are not applicable to the Company.

- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, reporting under clause (xvi)(a) and (b) of paragraph 3 of the Order are not applicable.
- (b) The Company is not a Core Investment Company (CIC) as defined in Core Investment Companies (Reserve Bank) Directions, 2016 ("Directions") by the Reserve Bank of India. Accordingly, reporting under clause (xvi) (c) of paragraph 3 of the Order is not applicable.
- (c) As informed by the Company, the Group to which the Company belongs has no CIC as part of the Group.
- (xvii) The Company has not incurred cash losses in the current and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly, reporting under clause (xviii) of paragraph 3 of the Order is not applicable.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone Ind AS financial statements and our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which cause us to believe that any material uncertainty exists as on the date of this audit report and that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in Note 33(a) to the standalone Ind AS financial statements
- (b) There are no unspent amounts in respect of ongoing projects that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in Note 33(a) to the standalone Ind AS financial statements.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.103523W / W100048

Purushottam Nyati
Partner
(Membership No.118970)
UDIN: 23118970BGWTMP7257

Place : Mumbai
Date : May 26, 2023

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditor's Report of even date to the members of Hinduja Global Solutions Limited on the standalone Ind AS financial statements for the year ended 31st March, 2023]

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Hinduja Global Solutions Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date which includes internal financial controls with reference to Financial Statements of the Company's branch.

Management's Responsibility for Internal Financial Control

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note 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 the 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 standalone 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 standalone Ind AS financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to standalone Ind AS financial statements included obtaining an understanding of internal financial controls with reference to standalone Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls 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 standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the branch auditor of the branch located in Philippines in terms of the report referred to in the Other Matters Paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone Ind AS financial statements.

Meaning of Internal Financial Controls with reference to Standalone Ind AS financial statements

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

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

made only in accordance with authorisation 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 Standalone Ind AS financial statements

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone Ind AS financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone 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, to the best of our information and according to the explanations given to us and based on the consideration of the report of the branch auditor on internal financial controls system over financial reporting of the branch referred to in the Other Matters paragraph below, the Company has, in all material respects, adequate internal financial controls with reference to standalone Ind AS financial statements and such internal financial controls with reference to standalone Ind AS financial statements were operating effectively as at March 31, 2023, based on the internal control with reference to standalone Ind AS financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to a branch located in Philippines is based on the corresponding report of the branch auditor.

Our opinion is not modified in respect of this matter.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.103523W / W100048

Purushottam Nyati
Partner
(Membership No.118970)
UDIN: 23118970BGWTMP7257

Place : Mumbai
Date : May 26, 2023

STANDALONE BALANCE SHEET

(All amounts are in Rupees Lakhs)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022*
ASSETS			
Non-current assets			
a) Property, plant and equipment	2	40,120.07	58,423.74
b) Right of use assets	3	48,659.09	36,822.92
c) Capital work-in-progress	2	231.79	464.01
d) Investment property	4a	2,105.39	-
e) Other Intangible assets	4b	8,740.65	8,430.29
f) Goodwill	4c	3,032.83	2,504.26
g) Financial assets			
(i) Investments	5a	73,761.14	73,721.33
(ii) Loans	6	73,902.09	30,360.20
(iii) Other financial assets	7	5,226.94	7,760.21
h) Deferred tax assets (net)	40	7,316.02	28,643.09
i) Income tax assets (net)	8a	14,227.10	11,603.60
j) Other non-current assets	9	5,447.54	5,584.42
Total non-current assets		282,770.65	264,318.07
Current assets			
a) Inventories	15	1,146.21	789.85
b) Financial assets			
(i) Investments	5b	283.56	358.28
(ii) Trade receivables	10	37,481.11	28,592.21
(iii) Cash and cash equivalents	11a	40,566.28	85,825.83
(iv) Bank balances other than (iii) above	11b	7,260.38	147,257.19
(v) Loans	12	187,655.89	103,450.00
(vi) Other financial assets	13	3,927.57	3,290.07
c) Other current assets	14	11,712.67	11,529.47
d) Assets classified as held for sale	16	-	526.17
Total current assets		290,033.67	381,619.07
Total assets		572,804.32	645,937.14
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	17	5,252.03	4,179.51
b) Share Application Money Pending Allotment	48	-	1,068.94
c) Other equity		435,477.93	419,156.26
Total equity		440,729.96	424,404.71
Liabilities			
Non-current liabilities			
a) Financial liabilities			
(i) Borrowings	18a	9,365.92	13,459.12
(ii) Lease Liabilities	19a	32,830.85	31,151.74
(iii) Other non-current financial liabilities	20	399.81	402.52
b) Provisions	21	5,110.14	3,042.16
c) Contract Liabilities	25a	15.49	61.44
Total non-current liabilities		47,722.21	48,116.98
Current liabilities			
a) Financial liabilities			
(i) Borrowings	18d	21,226.49	54,266.45
(ii) Lease Liabilities	19b	14,877.09	7,258.34
(iii) Trade payables			
i. Total outstanding dues of micro enterprises and small enterprises	22	233.50	166.82
ii. Total outstanding dues of creditors other than micro enterprises and small enterprises	22	21,878.92	22,874.97
(iv) Other financial liabilities	23	20,359.14	25,076.51
b) Provisions	24	621.39	12,134.45
c) Contract Liabilities	25b	2,512.81	2,308.03
d) Current tax liabilities(net)	8b	149.89	45,284.49
e) Other current liabilities	26	2,492.93	4,045.39
Total current liabilities		84,352.15	173,415.45
Total liabilities		132,074.35	221,532.43
Total equity and liabilities		572,804.32	645,937.14

See accompanying notes to the financial statements.

* Restated (Refer note 48(II))

As per our report of even date

For Haribhakti & Co. LLP
Firm registration no. 103523W / W100048
Chartered Accountants

Purushottam Nyati
Partner
Membership No. 118970

Place : Mumbai
Date : May 26, 2023

For and on behalf of the Board of Directors of Hinduja Global Solutions Limited

Anil Harish
Director
DIN: 00001685
Place : Mumbai

Partha DeSarkar
Whole-time Director & Chief Executive Officer
DIN: 00761144
Place : London

Vynsley Fernandes
Whole-time Director
DIN: 02987818
Place : Mumbai

Srinivas Palakodeti
Chief Financial Officer
Place : Mumbai

Narendra Singh
Company Secretary
Place : Mumbai

Date : May 26, 2023

STANDALONE STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

(All amounts in Rupees Lakhs, except per share data)

Particulars	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022*
Continuing Operations			
I Revenue from operations	27	132,330.73	125,006.82
II Other income	28	39,821.72	17,306.70
III Total income (I+II)		172,152.45	142,313.52
IV Expenses			
a) Purchases of stock in trade		481.60	551.44
b) Changes in Inventories	29	(356.36)	(186.89)
c) Employee benefit expense	30	64,633.37	58,505.29
d) Finance costs	31	10,080.72	12,537.12
e) Depreciation and amortization expenses	32	23,274.49	22,149.78
f) Other Expenses	33	63,741.80	63,484.86
Total expenses		161,855.62	157,041.60
V Profit/ (Loss) before tax		10,296.83	(14,728.08)
VI Income tax expense			
a) Current tax	39	1,075.98	381.25
b) Deferred tax (credit) / charge	40	(5,639.12)	(6,244.10)
c) Tax relating to prior years	39	(9,294.56)	(347.26)
Total tax expense		(13,857.70)	(6,210.11)
VII Profit/ (Loss) for the year from continuing operations		24,154.53	(8,517.97)
VIII Discontinued Operations			
(a) Profit before tax from discontinued operations	48	11,450.18	329,793.77
(b) Tax expense of discontinued operations	48	2,599.79	86,619.95
IX Profit after tax from discontinued operations [(a)-(b)]		8,850.39	243,173.82
X Profit for the year [VII+IX]		33,004.92	234,655.85
XI Other comprehensive income			
A. Items that will not be reclassified to statement of profit and loss			
a) Remeasurements of defined benefit plans		(876.81)	350.00
b) Net Profit / (Loss) on fair valuation of equity instruments through other comprehensive income		17.75	(7.92)
c) Income tax on above items		37.35	67.42
Net other comprehensive income not to be reclassified to profit and loss in subsequent periods (both continuing and discontinued operations) (A)		(821.71)	409.50
B. Items that may be reclassified to statement of profit and loss			
a) Effective Portion of designated portion of hedging instruments in a cash flow hedge		158.85	(2,930.00)
b) Income tax on above item		12.73	620.73
c) Exchange differences in translating the financial statements of foreign operation		1,662.87	(1,086.32)
d) Income tax on above item		(590.00)	192.09
Net other comprehensive income may be reclassified to profit or loss in subsequent periods (B)		1,244.45	(3,203.50)
XII Other comprehensive income for the year, net of taxes [A+B]		422.74	(2,794.00)
XIII Total comprehensive income for the year		33,427.66	231,861.85
XIV Earning per equity share (both continuing and discontinued operations) [nominal value per share ₹ 10/- each]			
Basic (in ₹)	36	62.84	447.19
Diluted (in ₹)	36	62.84	446.82
Earning per equity share (continuing operations) [nominal value per share ₹10/- each]			
Basic (in ₹)	36	45.99	(16.23)
Diluted (in ₹)	36	45.99	(16.23)
Earning per equity share (discontinued operations) [nominal value per share ₹10/- each]			
Basic (in ₹)	36	16.85	463.42
Diluted (in ₹)	36	16.85	463.04

See accompanying notes to the financial statements.

* Restated (Refer note 48(II))

As per our report of even date

For Haribhakti & Co. LLP
Firm registration no. 103523W / W100048
Chartered Accountants

Purushottam Nyati
Partner
Membership No. 118970

For and on behalf of the Board of Directors of Hinduja Global Solutions Limited

Anil Harish
Director
DIN: 00001685
Place : Mumbai

Partha DeSarkar
Whole-time Director & Chief Executive Officer
DIN: 00761144
Place : London

Vynsley Fernandes
Whole-time Director
DIN: 02987818
Place : Mumbai

Srinivas Palakodeti
Chief Financial Officer
Place : Mumbai

Narendra Singh
Company Secretary
Place : Mumbai

Place : Mumbai
Date : May 26, 2023

Date : May 26, 2023

STANDALONE STATEMENT OF CHANGES IN EQUITY

(All amounts are in Rupees Lakhs)

A. Equity Share Capital

	Notes	Amount
Balance at the April 1, 2021		2,087.73
Changes in equity share capital during the year (Refer note 17)	17	2,091.78
Balance as at March 31, 2022		4,179.51
Changes in equity share capital during the year (Refer note 17)	17	1,072.52
Balance as at March 31, 2023		5,252.03

B. Other Equity

	Reserves and Surplus			Other comprehensive income					Total	
	Capital reserve on merger	Securities premium reserve	General reserve	Retained Earnings	Employee stock options outstanding	Foreign currency translation reserve	Cash flow hedging reserve account	Fair valuation of equity instruments		Remeasurements of defined benefit plans
As at April 1, 2021	96.80	1,309.54	53,897.61	135,114.49	65.95	2,058.81	1,993.11		(6,111.19)	188,425.12
Profit for the year*	(13,220.36)	-	-	247,876.21	-	-	-	-	-	234,655.85
Total Other Comprehensive Income*	(92.96)	-	-	-	-	(894.23)	(2,257.35)	0.27	450.27	(2,794.00)
Total	(13,216.52)	1,309.54	53,897.61	382,990.70	65.95	1164.58	(264.24)	0.27	(5,660.92)	420,286.97
Transaction with owners in their capacity as owners:										
Additions during the year *	46,250.08	-	-	-	-	-	-	-	-	46,250.08
Bonus issue during the year	-	-	-	(2,089.75)	-	-	-	-	-	(2,089.75)
Employee stock options	-	116.79	-	-	(64.95)	-	-	-	-	51.84
Dividends paid	-	-	-	(45,342.88)	-	-	-	-	-	(45,342.88)
As at March 31, 2022*	33,033.56	1,426.33	53,897.61	335,558.07	1.00	1,164.59	(264.24)	0.27	(5,660.92)	419,156.26
Profit for the year	-	-	-	33,004.92	-	-	-	-	-	33,004.92
Total Other Comprehensive Income	-	-	-	-	-	1,072.85	171.58	17.75	(839.46)	422.72
Total	33,033.56	1,426.33	53,897.61	368,562.99	1.00	2,237.44	(92.66)	18.02	(6,500.38)	452,583.90
Transaction with owners in their capacity as owners:										
Additions/ Adjustment during the year	-	1.00	-	-	(1.00)	-	-	-	-	-
Buy back expenses (Refer note 55)	-	-	-	(733..12)	-	-	-	-	-	(733.13)
Employee stock options	-	102.97	-	-	-	-	-	-	-	102.97
Dividends paid	-	-	-	(16,475.82)	-	-	-	-	-	(16,475.82)
As at March 31, 2023	33,033.56	1,530.30	53,897.61	351,354.05	-	2,237.44	(92.66)	18.02	(6,500.38)	435,477.93

The following table summarizes activity in the cash flow hedging reserve within equity related to all derivative instruments classified as cash flow hedges.

STANDALONE STATEMENT OF CHANGES IN EQUITY

(All amounts are in Rupees Lakhs)

	As at	
	March 31, 2023	March 31, 2022*
Balance as at the beginning of the year	(197.95)	2,662.64
Changes in fair value of effective portion of derivatives	(707.70)	3,263.42
Net (gain)/loss reclassified to statement of profit and loss on occurrence of hedged transactions	799.61	(6,124.01)
Balance as at the end of the year	(106.04)	(197.95)
Deferred tax thereon	13.38	(66.29)
Balance as at the end of the year, net of deferred tax	(92.66)	(264.29)

* Restated (Refer note 48(II))

Capital Reserve on Merger

Capital reserve amounting to ₹38.83 lakhs, ₹1,399.12 lakhs, ₹(1,341.15) lakhs and ₹32,936.76 lakhs was created upon acquisition of business of Mphasis limited & Msource India private limited , merger of HGS International Services Private Limited with HGS Business services Private Limited, merger of HGS International Services Private Limited with Hinduja Global Solutions Limited effective from 01.04.2017 and Merger of Digital, Media& Communication busines of NXT Digital with Hinduja Global Solutions Limited effective from 01.02.2022 respectively . The reserve has restriction for use.

Securities premium reserve

Securities premium reserve is used to record the premium on issue of equity shares. The reserve is utilized in accordance with the provisions of the Act.

Cash flow hedging reserve

The Company uses hedging instruments as part of its management of foreign currency risk associated with its highly probable forecast sale, as described within note 46. For hedging foreign currency risk, the Company uses foreign currency forward contracts which are designated as cash flow hedges.

To the extent these hedges are effective; the change in fair value of the hedging instrument is recognized in the cash flow hedging reserve. Amounts recognized in the cash flow hedging reserve is reclassified to statement of profit and loss when the hedged item affects profit and loss.

Employee stock options outstanding

The Employee stock options outstanding account is used to recognize the grant date fair value of options issued to employees under Hinduja Global Solutions Employee stock option plan.

Foreign currency translation reserve

Exchange differences relating to the translation of the results and net assets of the Company's foreign operations from their functional currencies to the Company's presentation currency i.e. indian rupee (₹) are recognized directly in other comprehensive income and accumulated in Foreign currency translation reserve.

STANDALONE CASH FLOW STATEMENT

(All amounts are in Rupees Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022*
Cash Flow from Operating Activities		
Profit before tax		
- Continuing operations	10,296.83	(14,728.08)
- Discontinued operations	11,450.18	329,793.77
Profit before tax	21,747.01	315,065.69
Adjustments for:		
Depreciation and amortization expenses	23,274.49	34,092.06
Net Loss/(Gain) on fair valuation and sale of investments	(52.16)	1.79
Employee share-based payment expense	-	(64.95)
Allowance for bad and doubtful debts/ advances	2,274.24	1,790.82
(Gain)/Loss on disposal of property, plant and equipment and Write-off	(3,741.72)	(851.18)
Dividend Income	(5.05)	(2.11)
Liabilities/ Provision no longer required written-back	(1,476.52)	(3,836.63)
Profit on Sale of Healthcare Division	-	(287,209.50)
Unwinding of discount on security deposits	(435.64)	(2,316.20)
Amortisation of security deposits	-	44.30
Interest income classified as investing cash flows	(19,472.65)	(8,438.63)
Gain on termination of leases	-	(421.53)
Finance costs	10,080.72	16,520.18
Bad debts	54.90	62.37
Advances written off	-	259.75
Net exchange differences	614.24	(3,259.40)
Change in operating assets and liabilities:		
Decrease/ (Increase) in trade receivables	(11,163.88)	(19,615.53)
Decrease/ (Increase) in Inventories	(356.36)	3,532.43
Decrease/ (Increase) in other financial assets	2,105.13	(6,091.38)
Decrease/ (Increase) in other assets	5,249.06	(3,326.63)
Increase/ (Decrease) in trade payables	1,586.50	(8,812.99)
Increase/ (Decrease) in other financial liabilities	(10,900.05)	8,304.85
Increase/ (Decrease) in provisions	(9,162.24)	(7,015.01)
Increase/ (Decrease) in other liabilities	(5,318.36)	(1,257.02)
Cash generated from operations	4,901.65	27,155.55
Income taxes paid	(15,682.07)	(43,544.82)
Net cash outflow from operating activities	(10,780.42)	(16,389.27)
Cash flows from investing activities		
Payments for property, plant and equipment	(17,361.08)	(23,480.33)
Proceeds from sale of property, plant and equipment	22,356.24	2,396.88
Cash proceeds/(Payments) for purchase of investments	667.06	-
Movement in Bank Deposits	139,996.81	(139,063.70)
Payment on acquisition of Teklink	(258.00)	-
Cash proceeds from sale of healthcare business(net)	-	371,048.09
Dividends received	5.05	4.22
Loans repaid	109,924.00	170,500.00
Loans given	(237,671.78)	(247,000.00)
Interest received	20,140.25	8,094.15
Net cash outflow from investing activities	37,798.55	142,499.31

STANDALONE CASH FLOW STATEMENT

(All amounts are in Rupees Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022*
Cash flows from financing activities		
Proceeds from issues of shares	107.55	118.81
Proceeds from borrowings	15,000.00	77,538.00
Repayment of borrowings	(52,133.16)	(75,432.10)
Repayment of Lease liability	(14,062.53)	623.57
Interest paid	(10,558.58)	(16,699.48)
Dividends paid (including dividend tax)	(10,877.28)	(44,472.92)
Net cash outflow from financing activities	(72,524.00)	(58,324.12)
Net increase/ (decrease) in cash and cash equivalents	(45,505.87)	67,785.91
Cash and cash equivalents at the beginning of the financial year	85,825.82	16,311.93
Effects of exchange rate changes on cash and cash equivalents	246.33	1,727.98
Cash and cash equivalents at end of the financial year	40,566.28	85,825.83
Balances per statement of cash flows (Refer Note 11 (a))	40,566.28	85,825.83

Reconciliation of borrowings as disclosed in financing activities and Note 18 & 19 to the financial statements:

Particulars	As at April 1, 2022	Cash Changes		Non Cash Changes				As at March 31, 2023
		Repayment	Proceeds	IND AS 116 Amendment	Net additions/ Deletion to Lease liabilities	Exchange difference/ FCTR	Others	
External commercial borrowings	67,725.57	(52,133.16)	-	-	-	-	-	15,592.41
Bank Overdrafts	-	-	15,000.00	-	-	-	-	15,000.00
Lease liabilities	38,410.08	(14,062.53)	-	-	23,073.88	286.50	-	47,707.94

Particulars	As at April 1, 2021	Cash Changes		Non Cash Changes				As at March 31, 2022
		Repayment	Proceeds	IND AS 116 Amendment	Net additions/ Deletion to Lease liabilities	Exchange difference/ FCTR	Others	
External commercial borrowings	65,447.70	(75,432.10)	77,538.00	-	-	171.97	-	67,725.57
Lease liabilities	77,522.86	623.57	-	-	(40,002.40)	266.06	-	38,410.08

See accompanying notes to the financial statements.

* Restated (Refer note 48(II))

As per our report of even date

For Haribhakti & Co. LLP

Firm registration no. 103523W / W100048

Chartered Accountants

Purushottam Nyati

Partner

Membership No. 118970

For and on behalf of the Board of Directors of Hinduja Global Solutions Limited

Anil Harish

Director

DIN: 00001685

Place : Mumbai

Partha DeSarkar

Whole-time Director & Chief Executive Officer

DIN: 00761144

Place : London

Vynsley Fernandes

Whole-time Director

DIN: 02987818

Place : Mumbai

Srinivas Palakodeti

Chief Financial Officer

Place : Mumbai

Narendra Singh

Company Secretary

Place : Mumbai

Place : Mumbai

Date : May 26, 2023

Date : May 26, 2023

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

1 Background

Hinduja Global Solutions Limited (“HGS” or the “Company”) is a public limited Company, domiciled in India and it’s incorporated under the provisions of The Companies Act 1956 and is engaged in Business Process Management and Media and Communication business. Business Process Management segment offer voice and non-voice based services such as contact center solutions and back office transaction processing across America, Canada, Europe, Asia and Middle East. HGS’ Digital, Media & Communications business, is India’s premier integrated Digital Delivery Platforms Company delivering services via satellite, digital cable and broadband to over 5 million customers across 1,500 cities and towns. Its ordinary shares (equity) are listed on the two registered stock exchanges in India i.e National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) . The address of its registered office is 171, Hinduja House, Dr. Annie Besant Road, Worli, Mumbai 400018.

These financial statements were authorized to be approved by the Board of Directors on May 26, 2023.

a Basis of preparation of standalone financial statements

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under sec. 133 of Companies Act 2013, as applicable. The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The financial statements correspond to the classification provisions contained in Ind AS 1, “Presentation of Financial Statements”. For clarity, various items are aggregated in the statements of profit and loss and balance sheet. These items are disaggregated separately in the notes to the financial statements, where applicable.

Accounting policies have been applied consistently to all periods presented in these standalone financial statements, except for the adoption of new accounting standards, amendments and interpretations effective from April 1, 2023.

All amounts included in the financial statements are reported in lakhs of Indian rupees except share and per share data, unless otherwise stated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures. Previous year figures have been regrouped/re-arranged, wherever necessary.

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements.

(i) Basis of Measurement

The financial statements have been prepared on a historical cost convention and accrual basis, except for the following:

- a. certain financial assets and liabilities (including derivative instruments) that are measured at fair value;
- b. The defined benefit liability / (Asset) is recognised as the present value of present value of defined benefit obligation less fair value of plan assets.; and
- c. Share-based payments

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly and

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

- Level 3 inputs are unobservable inputs for the asset or liability.

All assets and liabilities have been classified as current or non-current as per Company normal operating cycle and presented as per criteria set out in the Division II format of Schedule III to the Act. The Company has identified its operating cycle as twelve months.

b Use of estimates and judgements

The preparation of these financial statements in conformity with Ind AS requires the management to make judgements, accounting estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Accounting estimates are monetary amounts in the standalone financial statements that are subject to measurement uncertainty. An accounting policy may require items in standalone financial statements to be measured at monetary amounts that cannot be observed directly and must instead be estimated. In such a case, management develops an accounting estimate to achieve the objective set out by accounting policy. Developing accounting estimates involves the use of judgements or assumptions based on the latest available and reliable information. Actual results may differ from those accounting estimates.

Accounting estimates and underlying assumptions are reviewed on an ongoing basis. Changes to the accounting estimates are recognized in the period in which the estimates are changed and in any future period affected. In particular, information about material areas of estimation, uncertainty and critical judgement in applying accounting policies that have the material effect on the amounts recognized in the standalone financial statements are included in the following areas.

i) Estimation of provisions & contingent liabilities.

The Company estimates the provisions that have present obligations as a result of past events, and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting date and are adjusted to reflect the current best estimates.

The Company uses significant judgement to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation, or a reliable estimate of the amount cannot be made. Contingent assets are neither recognized nor disclosed in the financial statements. (Refer note 21, 24 and 35)

ii) Estimation of defined benefit plans

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for post employment plans include the discount rate. Any changes in these assumptions will impact the carrying amount of such obligations. The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the defined benefit obligations. In determining the appropriate discount rate, the Company considers the interest rates of government bonds of maturity approximating the terms of the related plan liability. Refer note 41 for the details of the assumptions used in estimating the defined benefit obligation.

iii) Useful lives of property, plant and equipment

The Company depreciates property, plant and equipment on a straight-line basis over estimated useful lives of the assets. The charge in respect of periodic depreciation is derived based on an estimate of an asset's expected useful life and the expected residual value at the end of its life. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. The estimated useful life is reviewed at least annually.

iv) Income taxes

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

v) Deferred taxes

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

profits during the periods in which those temporary differences and tax loss carry-forwards become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.

vi) Impairment testing

Investments in subsidiaries are tested for impairment at least annually and when events occur or changes in circumstances indicate that the recoverable amount of the asset or cash generating units to which these pertain is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to dispose. The calculation of value in use of a cash generating unit involves use of significant estimates and assumptions which includes turnover, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

Goodwill is required to be assessed for impairment for every Cash Generating Unit (CGU) on a yearly basis. For the purposes of the same, the Company calculates the recoverable amount of the CGU. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to dispose. The calculation of value in use of the CGU is based on discounted cash flow model. The cash flows are derived from the budget for the future years. The recoverable amount is sensitive to the discount rates used in discounted cash flow model as well as growth rate used for estimate and involves use of significant estimates and assumptions including turnover, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions. Refer note 38 for the details of assumptions used in estimation of impairment of goodwill.

vii) Revenue

The Company applies judgement to determine whether each product or services promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised product or services are combined and accounted as a single performance obligation. The Company allocates the arrangement consideration to separately identifiable performance obligation deliverables based on their relative stand-alone selling price. In cases where the Company is unable to determine the stand-alone selling price the Company uses expected cost-plus margin approach in estimating the stand-alone selling price. The Company estimates the unbilled receivables (representing revenues recognized for services rendered between the last billing date and the balance sheet date), discounts, incentives, performance bonuses, etc. based on estimates of performance obligations satisfied and historical experience.

viii) Leases

Critical judgements required in the application of Ind AS 116 may include, among others, the following:

- i) Identifying whether a contract (or part of a contract) includes a lease;
- ii) Determining whether it is reasonably certain that an extension or termination option will be exercised;
- iii) Classification of lease agreements (when the entity is a lessor);
- iv) Determination of whether variable payments are in-substance fixed;
- v) Establishing whether there are multiple leases in an arrangement;
- vi) Determining the stand-alone selling prices of lease and non-lease components.

Key sources of estimation uncertainty in the application of Ind AS 116 may include, among others, the following:

- i) Estimation of the lease term;
- ii) Determination of the appropriate rate to discount the lease payments;
- iii) Assessment of whether a right-of-use asset is impaired.

ix) Business combinations:

In accounting for business combinations, judgment is required to assess 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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

x) Useful lives of intangible assets:

The Company amortizes intangible assets on a straight-line basis over estimated useful lives of the assets. The useful life is estimated based on a number of factors including the effects of obsolescence, demand, competition and other economic factors such as the stability of the industry and known technological advances and the level of maintenance expenditures required to obtain the expected future cash flows from the assets. The estimated useful life is reviewed at least annually.

xi) Other estimates

The share based compensation expense is determined based on the Company's estimate of equity instruments that will eventually vest. Accounting of derivative hedging instruments designated as cash flow hedges involves significant estimates relating to the occurrence of forecast transaction.

c Foreign currency translation

(i) Functional and presentation currency

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

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in statement of profit and loss. They are deferred in equity if they relate to qualifying cash flow hedges.

(iii) Foreign operations

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:

- a. assets and liabilities are translated at the closing rate at the date of balance sheet.
- b. income and expenses are translated at average exchange 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
- c. All resulting exchange differences are recognized in other comprehensive income.

d Revenue from contracts with customers

The Company has adopted Ind AS 115 "Revenue from Contracts with Customers" which sets forth a single comprehensive model for recognising and reporting revenues.

Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those services in the normal course of business.

Revenue is measured at the transaction price of the consideration received or receivable excluding taxes collected on behalf of the government and is reduced for estimated credit notes and other similar allowances.

To recognise revenues, we apply the following five step approach:

- (1) identify the contract with a customer,
- (2) identify the performance obligations in the contract,
- (3) determine the transaction price,
- (4) allocate the transaction price to the performance obligations in the contract and
- (5) recognise revenues when a performance obligation is satisfied.

i) Business process management services.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Nature of the services

The Company derives its revenue from business process management (BPM) which includes services like back office processing, contact center and HRO solutions. The Company provides BPM services, which typically involve claim processing and call center services for healthcare industry, call center services for telecom industry, which it administers and manages those services for its client on an ongoing basis. The Company combines technology powered services in automation, analytics and digital with domain expertise focusing on back office processing, contract centers and HRO solutions to deliver transformational impact to clients.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

A. Time and Material contracts

Revenue from time and material transactions and outcome based contracts are recognised as the services are performed.

B. Fixed price contracts

In respect of fixed-price contracts, where performance obligations are satisfied over a period of time, revenue is recognised by means of percentage of completion method. Under this method, revenue is recognised by applying the percentage of completion on the transaction price.

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 Company 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 statement of profit and loss in the period in which such losses become probable based on the current contract estimates as an onerous contract provision.

C. Contract Asset and Liabilities

The Company classifies its right to consideration in exchange for deliverables as either a receivable or a contract asset.

A receivable is a right to consideration that is unconditional. A right to consideration is unconditional if only the passage of time is required before payment of that consideration is due. For example, the Company recognizes a receivable for revenues related to time and materials contracts or volume-based contracts. The Company presents such receivables as part of trade receivables at their net estimated realizable value. The same is tested for impairment as per the guidance in Ind AS 109 using expected credit loss method.

D. Remaining Performance Obligations

Revenue allocated to remaining performance obligations represents contracted revenue that has not yet been recognised which includes unearned revenue and amounts that will be invoiced and recognised as revenue in future periods. Applying the practical expedient, the Company has not disclosed its right to consideration from customer in an amount that corresponds directly with the value to the customer of the Company's performance completed to date which are, contracts invoiced on time and material basis and volume based.

E. Others

Any change in scope or price is considered as a contract modification. The Company accounts for modifications to existing contracts by assessing whether the services added are distinct and whether the pricing is at the stand-alone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract if the additional services are priced at the stand-alone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the stand-alone selling price.

The Company accounts for variable considerations like, volume discounts, rebates and pricing incentives to customers as reduction of revenue on a systematic and rational basis over the period of the contract. The Company 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 Company may be entitled.

Revenues are shown net of allowances/ returns, sales tax, value added tax, goods and services tax and applicable discounts and allowances.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

The Company accrues the estimated cost of warranties at the time when the revenue is recognised. The accruals are based on the Company's historical experience of material usage and service delivery costs.

Incremental costs that relate directly to a contract and incurred in securing a contract with a customer are recognised as an asset when the Company expects to recover these costs and amortised over the contract term.

The Company recognizes contract fulfilment cost as an asset if those costs specifically relate to a contract or to an anticipated contract, the costs generate or enhance resources that will be used in satisfying performance obligations in future; and the costs are expected to be recovered. The asset so recognised is amortised on a systematic basis consistent with the transfer of goods or services to customer to which the asset relates.

The Company 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 Company 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.

The Company may enter into arrangements with third party suppliers to resell products or services. In such cases, the Company evaluates whether the Company 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 Company first evaluates whether the Company controls the services before it is transferred to the customer. If Company controls the services before it is transferred to the customer, Company is the principal; if not, the Company is the agent.

The Company has concluded that it falls under the definition of principal for all its contracts relating to business service division. Since it is the primary obligor and has pricing latitude which establishes control before transferring products and services to the customer, hence, the Company recognises the revenue earned from such contracts on gross basis in its books of accounts.

Estimates of transaction price and total costs or efforts are continuously monitored over the term of the contract and are recognized in net profit in the period when these estimates change or when the estimates are revised. Revenues and the estimated total costs or efforts are subject to revision as the contract progresses.

F. Reconciliation of revenue recognised

The Company recognises Volume discounts, Penalties and Incentives against each transaction price as per the terms of the contract with the customer, the disclosures related to the reconciliation of revenue recognised with the transaction price have not been provided as the same is not material to the Company.

ii) Media and Communication business

Performance obligations

A performance obligation is a promise in a contract to transfer a distinct good or service to the client and is the unit of accounting in Ind AS 115.

The performance obligations of the Company are satisfied over time as services are rendered.

Determination of transaction price

Revenue is measured based on transaction price which includes variable consideration only to the extent it is probable that a significant reversal of revenues recognised will not occur when the uncertainty associated with the variable consideration is resolved. Revenues also exclude taxes collected from customers.

Allocation of transaction price

A contract's transaction price is allocated to each distinct performance obligation and recognised as revenue when, or as, the performance obligation is satisfied. For contracts with multiple performance obligations, we allocate the contract's transaction price to each performance obligation based on the relative standalone selling price. The primary method used to estimate standalone selling price is the adjusted market assessment approach, under which the Company evaluates the price in that market that a customer is willing to pay for those services. While determining relative standalone selling price and identifying separate performance obligations require judgment, generally relative standalone selling prices and the separate performance obligations are readily identifiable as we sell those performance obligations unaccompanied by other performance obligations.

Lease Income - Optic Fibre Cable

The policy for recognition of revenue from operating leases is described in 1.g below

Installation revenue

Installation revenue on Set Top Boxes (STBs) is recognised over the estimated period of customer relationships.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Revenue is recognised on satisfaction of performance obligation upon transfer of promised products or services in an amount that reflects the consideration which the Company expects to receive in exchange of those products and services. Installation revenue on Set Top Boxes (STBs) is deferred and is recognised over the estimated period of customer relationship. Amount billed for services as per contractual terms but not recognised as revenue, is shown as income received in advance under other deferred income. Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for providing services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognized when it becomes unconditional. Revenue in excess of invoicing are disclosed as contracts assets ("unbilled receivables") and invoicing in excess of revenues are disclosed as contract liabilities.

Rendering of other services

Revenue from services is recognised when the services are rendered in accordance with the specific terms of contract and when collectability of the resulting receivable is reasonably assured.

e Income 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 adjustment for unused tax losses.

The current income tax 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 branch 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.

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

f Deferred taxes

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. 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, unused tax losses and MAT credit entitlements only if it is probable that future taxable amounts will be available to utilize those temporary differences, losses and credits.

Deferred tax liabilities are not recognized for temporary differences between the carrying amount and tax bases of investments in branches where the Company 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 recognized for temporary differences between the carrying amount and tax bases of investments in 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 utilized.

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.

Current and deferred tax is recognized in statement of profit and 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 recognized in other comprehensive income or directly in equity, respectively.

The Company has thus disclosed the Income Tax Assets/ Liabilities on a net basis to the extent that the same is settled within the same tax jurisdictions, which is in line with Accounting statements prescribed under Ind AS 12- Income Taxes.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

g Leases

As a lessee

The Company enters into an arrangement for lease of land, buildings, plant and machinery including computer equipment and furnitures. Such arrangements are generally for a fixed period but may have extension or termination options. The Company assesses, whether the contract is, or contains, a lease, at its inception. A contract is, or contains, a lease if the contract conveys the right to –

- (a) control the use of an identified asset,
- (b) obtain substantially all the economic benefits from use of the identified asset, and
- (c) direct the use of the identified asset.

The Company determines the lease term as the non-cancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.

The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term wherein the probability for renewal is remote based on past experience (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. This expense is presented within 'other expenses' in statement of profit and loss.

Lease Liabilities:

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- i) fixed lease payments (including in-substance fixed payments), less any lease incentives;
- ii) variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- iii) the amount expected to be payable by the lessee under residual value guarantees;
- iv) the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- v) payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

Lease liability payments are classified as cash used in financing activities in the Statement of cash flows.

The Company has adopted the amendments to Ind AS 116 for the first time from April 1, 2021. The amendments provide practical relief to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19 by introducing a practical expedient to Ind AS 116. The practical expedient permits a lessee to elect not to assess whether a COVID-19-related rent concession is a leases modification. A lessee that makes this election shall account for any change in lease payments resulting from the COVID-19- related rent concession the same way it would account for the change applying Ind AS 116 if the change were not a lease modification.

The practical expedient applies only to rent concessions occurring as a direct consequence of COVID-19 and only if all of the following conditions are met:

- (a) The change in lease payments results in revised consideration for the lease that is substantially the same as or less than the consideration for the lease immediately preceding the change;
- (b) Any reduction in lease payments affects only payments originally due on or before 30 June 2021 (a rent concession meets this condition if it results in reduced lease payments on or before 30 June 2021 and increased lease payments that extend beyond 30 June 2021); and
- (c) There is no substantive change to other terms and conditions of the lease.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

The Company has applied the practical expedient retrospectively to all eligible rent concessions and has not restated prior period figures.

The Company has benefited from a 12 month waiver of lease payments on buildings in India. The waiver of lease payments of FY 2022-23 ₹ Nil(FY 2021-22 ₹ 137.84 lakhs) has been accounted for as a negative variable lease payment in profit or loss.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever

- i) the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- ii) the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- iii) a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

Right-of-Use Assets:

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. Prepaid lease payments (including the difference between nominal amount of the deposit and the fair value) are also included in the initial carrying amount of the right of use asset.

They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated on a straight line basis over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position.

The Company applies Ind AS 36 to determine whether a ROU asset is impaired and accounts for any identified impairment loss as described in the impairment of non-financial assets below

The Company incurs obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease. the Company has assessed that such restoration costs are negligible and hence no provision under Ind-AS 37 has been recognised.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "other expenses" in the statement of profit and loss.

As a practical expedient, Ind AS 116 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has not used this practical expedient.

The Company's lease asset classes Digital, Media and Communication segment consist of leases for Plant and Machinery, Set top boxes and Transponder. The Company 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. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

Assets leased out under operating leases are capitalised. Rental income from operating lease is recognised on a straight-line basis over the lease term. Rental income, based on agreement, is recognised based on product of number of pairs of dark fibre assets leased out and length of dark fibre assets leased out (in kilometres) and the rate at which lease rent is charged per pair per kilometre of dark fibre assets including minimum guarantee lease rental.

Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The Company as a lessor

Leases under which the Company is a lessor are classified as a finance or operating lease. Lease contracts where all the risks and rewards are substantially transferred to the lessee are classified as a finance lease. All other leases are classified as operating lease. For leases under which the Company is an intermediate lessor, the Company accounts for the head-lease and the sub-lease as two separate contracts. The sub-lease is further classified either as a finance lease or an operating lease by reference to the RoU asset arising from the head-lease.

h Impairment

i) Impairment of non financial assets

The Company assesses long-lived assets such as property, plant and equipment, ROU assets and acquired intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or group of assets may not be recoverable. If any such indication exists, the Company estimates the recoverable amount of the asset or group of assets. Goodwill is tested for impairment at least annually at the same time and when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The goodwill impairment test is performed at the level of cash-generating unit or groups of cash-generating units which represents the lowest level at which goodwill is monitored for internal management purposes. The recoverable amount of an asset or cash generating unit is the higher of its fair value less cost of disposal ("FVLCD") and its value-in-use ("VIU"). The VIU of long-lived assets is calculated using projected future cash flows. FVLCD of a cash generating unit is computed using turnover and earnings multiples. If the recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the reporting date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment losses previously recognized are reversed such that the asset is recognized at its recoverable amount but not exceeding written down value which would have been reported if the impairment losses had not been recognized initially.

ii) Impairment of financial assets

The Company applies the expected credit loss model for recognizing impairment loss on trade receivables including unbilled receivables measured at amortized cost, Expected credit loss is the difference between the contractual cash flows and the cash flows that the entity expects to receive discounted using effective interest rate.

Loss allowances for trade receivables are measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. Lifetime expected credit loss is computed based on historical credit loss experience adjusted for forward looking information.

For other financial assets, expected credit loss is measured at the amount equal to twelve months expected credit loss unless there has been a significant increase in credit risk from initial recognition, in which case those are measured at lifetime expected credit loss.

iii) Impairment of Investment in subsidiaries:

The Company assesses investments in subsidiaries for impairment whenever events or changes in circumstances indicate that the carrying amount of the investment may not be recoverable. If any such indication exists, the Company estimates the recoverable amount of the investment in subsidiary. The recoverable amount of such investment is the higher of its fair value less cost of disposal ("FVLCD") and its value-in-use ("VIU"). The VIU of the investment is calculated using projected future cash flows. If the recoverable amount of the investment is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

i Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, balances with bank in current accounts, Exchange Earners Foreign Currency (EEFC) Accounts, other short-term, highly liquid deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

j Trade receivables

Trade receivables are recognized initially at transaction price and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

k Contract balances

Contract Asset

A contract asset is right to consideration in exchange of services that the company has rendered to a customer when that right is conditioned on something other than passage of time. Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Contract Liability

A contract liability is the obligation to render services to a customer for which the company has received consideration from the customer. If a customer pays consideration before the company renders services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company renders services as per the contract.

l Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

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

m Investments and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- a. those to be measured subsequently at fair value (either through other comprehensive income, or through statement of profit and loss), and
- b. those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through statement of profit and loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit and loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in statement of profit and loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Currently there are no debt instruments measured at Fair value.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

(iii) Derecognition of financial assets

A financial asset is derecognized only when

- a. The Company has transferred the rights to receive cash flows from the financial asset or
- b. retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset, and the transfer qualifies for derecognition under Ind AS 109. If the Company retains substantially all the risks and rewards of a transferred financial asset, the Company continues to recognize the financial asset and recognizes a borrowing for the proceeds received. A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

(iv) Investments in equity instruments:

The Company carries certain equity instruments which are not held for trading. At initial recognition, the Company may make an irrevocable election to present subsequent changes in the fair value of an investment in an equity instrument in other comprehensive income (FVTOCI) or through statement of profit and loss (FVTPL). For investments designated to be classified as FVTOCI, movements in fair value of investments are recognised in other comprehensive income and the gain or loss is not transferred to statement of profit and loss on disposal of investments. For investments designated to be classified as FVTPL, both movements in fair value of investments and gain or loss on disposal of investments are recognised in the statement of profit and loss.

Dividends from these investments are recognised in the statement of profit and loss when the Company's right to receive dividends is established.

(v) Investments in subsidiaries:

Investment in equity instruments of subsidiaries are measured at cost less impairment. Investment in redeemable preference shares of subsidiaries are measured at FVTPL. These investments are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in statement of profit and loss. The gain or loss on disposal is recognised in statement of profit and loss.

(vi) Other financial assets:

Other financial assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. These are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any impairment losses. These comprise finance lease receivables, employee and other advances and other eligible current and non-current assets.

(vii) Income recognition

Interest income:

Interest income from debt instruments is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Dividends:

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

n Derivatives and hedging activities

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

The Company designates their derivatives as hedges of foreign exchange risk associated with the cash flows of highly probable forecast transactions.

The Company documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The Company documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

(i) Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognized immediately in statement of profit and loss, within other income.

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 and deferred costs of hedging in equity at that time 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 within other gains/(losses).

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 statement of profit and loss at the time of the hedge relationship rebalancing.

(ii) Others

Changes in fair value of foreign currency derivative instruments not designated as cash flow hedges are recognised in the statement of profit and loss and reported within foreign exchange gains/(losses), net, within results from operating activities. Changes in fair value and gains/(losses), net, on settlement of foreign currency derivative instruments relating to borrowings, which have not been designated as hedges are recorded in finance costs.

o Offsetting financial instruments

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

p Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

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the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of profit and loss during the reporting period in which they are incurred.

Property, plant and equipment held for use in the supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost (net of duty / tax credit availed) less accumulated depreciation / amortisation and accumulated impairment loss if any. Cost includes freight, duties, taxes, professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Set Top Boxes ('STBs') issued to customers are capitalized at moving average price on issuance / installation. Spares that do not meet the definition of property, plant and equipment and do not satisfy the criteria of Ind AS 16 are charged off to the Statement of profit and loss.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

The residual values and useful lives of Property, plant and equipment are reviewed at each financial year end, and changes, if any, are accounted prospectively.

Capital work in progress

The Set Top Boxes ('STBs') which are not issued to customers are recorded as Capital work-in-progress at moving average price issued. Certain encoders and other plant and machinery not installed at the customer premises are categorised under Capital work-in-progress until installed and ready for intended use. The cost of property, plant and equipment not available for use before such date are disclosed under capital work- in-progress.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Particulars	Useful life
Plant and machinery	6-18 years
Set Top Boxes	8 years
Leasehold building and Leasehold improvement	Over the period of Lease
Building	Upto 60 years
Office Equipment	Upto 7 years
Computers	Upto 6 years
Furniture and Fixtures	Upto 10 years
Vehicles	8 years

Assets costing less than ₹ 5,000 each are depreciated fully in the year of acquisition.

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting year.

Assets given to employees on contractual obligations are depreciated to the extent of 50% of the value over a period of four years, at the end of which these assets are transferred to the respective employees at the residual book value.

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

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

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Borrowing costs include interest, other costs incurred in connection with borrowing and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to the interest cost. General and specific borrowing costs that are directly attributable to the acquisition 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.

Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured at its cost, including related transaction costs and where applicable borrowing costs less depreciation and impairment if any. Depreciation on building is provided over its useful life using the straight-line method, in a manner similar to Property, plant and equipment.

q Business combinations and Goodwill

a) Business combinations:

Business combinations are accounted for using the purchase (acquisition) method. The cost of an acquisition is measured as the fair value of the assets transferred, liabilities incurred or assumed, and equity instruments issued at the date of exchange by the Company. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at fair value at the date of acquisition. Transaction costs incurred in connection with a business acquisition are expensed as incurred. The cost of an acquisition also includes the fair value of any contingent consideration measured as at the date of acquisition. Any subsequent changes to the fair value of contingent consideration classified as liabilities, other than measurement period adjustments, are recognised in the statement of profit and loss.

In respect of common control business combinations, accounting is done as per pooling of interest method in accordance with Part C of Ind AS 103 - Business Combination.

b) Goodwill:

The excess of the cost of an acquisition over the Company's share in the fair value of the acquiree's identifiable assets and liabilities is recognised as goodwill. If the excess is negative, a bargain purchase gain is recognised in equity as capital reserve. Goodwill is measured at cost less accumulated impairment (if any). Goodwill associated with disposal of an operation that is part of cash-generating unit is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained, unless some other method better reflects the goodwill associated with the operation disposed of.

r Other Intangible assets

Costs associated with maintaining software programs are recognized as an expense as incurred.

Costs associated with acquisition of intangible assets is capitalized when it is controlled by entity and probable future economic benefits are expected to flow.

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately is capitalised and carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Amortization methods and periods

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

Particulars	Useful life
Computer software	3 to 6 years
Computer Software (Acquired)	6 years
Network rights	10 years
Licence fees	10 years

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(All amounts are in Rupees Lakhs)

Gains or Losses arising from the retirement or disposal of intangible assets are determined as the difference between the net disposal proceeds and the carrying amount of asset and recognized as income or expense in the Statement of Profit and Loss.

The company incurs certain costs including discounts on packs provided to new subscribers. These costs have been treated as the customer acquisition cost and therefore capitalized as Other Intangible Assets. The assets are amortized over the period of customer's life cycle i.e. 60 months.

s Impairment of tangible and intangible assets

At the end of each reporting period, the Company determines whether there is any indication that its assets have suffered an impairment loss with reference to their carrying amounts. If any indication of impairment exists, the recoverable amount (i.e. higher of the fair value less costs of disposal and value in use) of such assets is estimated and impairment is recognized, if the carrying amount exceeds the 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 for which the estimates of future cash flows have not been adjusted.

When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

t Inventory

Inventory (network cable and equipment and other media inventory), consisting of cables, head-end equipment and other network items like modems etc., are valued at lower of cost and net realizable value. Cost includes all expenses incurred to bring the inventory to its present location and condition. Cost is determined on a weighted average basis.

u Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 60 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

v Borrowings

Borrowings are initially recognised at Amortised cost, net of transaction cost incurred. Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in statement of profit and loss.

w Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

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(All amounts are in Rupees Lakhs)

x Employee benefits

(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

- a. The liabilities for earned 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 market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in statement of profit and loss.
- b. The Company has introduced a deferred performance incentive plan which is 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. The benefits are discounted using the market yields at the end of the reporting period.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity and Pension;
- (b) defined contribution plans such as provident fund.

Defined benefit obligation

The liability or asset recognized in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

In accordance with the Payment of Gratuity Act, 1972, applicable for Indian companies, the Company provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Company. These plans are partially funded and managed by the third-party fund managers

The Company also maintains pension and similar plans for employees outside India, based on country specific regulations. These plans are partially funded, and the funds are managed by third party fund managers. The plans provide for monthly payout after retirement as per salary drawn and service period or for a lumpsum payment as set out in rules of each fund.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to government bond that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized 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.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in statement of profit and loss as past service cost.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Defined contribution plans

The Company pays contributions to publicly administered funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

The Superannuation Fund applicable to certain employees, constitutes an insured benefit, which is classified as a defined contribution plan as the Company makes contributions to an insurance Company and has no further obligation beyond making the payment to the insurance Company.

(iv) Share-based payments

Share-based compensation benefits are provided to employees via the Hinduja Global Solutions Limited Employee Stock Option Plan.

Employee options

The fair value of options granted under the Hinduja Global Solutions Limited 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.

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 statement of profit and loss, with a corresponding adjustment to equity.

(v) Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognizes termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the entity recognizes costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

y Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in Other equity as a deduction, net of tax, from the proceeds.

z Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

za Earnings per share

(i) Basic earning per share

Basic earnings per share is calculated by dividing:

- a. the profit attributable to owners of the Company
- b. by the 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.

(ii) Diluted earning per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- a. the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- b. the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

zb Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets (or disposal group) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and sale is considered highly probable. They are measured at the lower of carrying amount or fair value less cost to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognized for any initial or subsequent write-down of the asset (or disposal group) to fair value less cost to sell. A gain is recognized for any subsequent increase in the fair value less cost to sell of any asset (or disposal group), but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset (or disposal group) is recognized at the date of de-recognition.

Non-Current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the asset of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operations is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is a part of a single co-ordinated plan to dispose of such line of business or area of business of operations, or is a subsidiary acquired exclusively with a view of resale. The result of discontinued operations are presented separately in the statement of profit and loss.

zc Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The Board of Directors of the Company has been identified as CODM which also consists of key managerial personnel of the Company. Refer note 52 for segment information.

zd Subsequent events

The Company evaluates all transactions and events that occur after the balance sheet date but before the financial statements are issued. Based upon the evaluation, the Company did not identify any recognized or non-recognized subsequent events that would have required adjustment or disclosure in the financial statements, except as disclosed.

ze Rounding off amounts

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

zf New Accounting standards adopted by the Company during year

Amendments to Ind AS 16, Property Plant and equipment

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The adoption of these amendments did not have any material impact on the standalone statement of profit and loss for the year ended March 31, 2023.

Amendments to Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labor, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The adoption of these amendments did not have any material impact on the standalone statement of profit and loss for the year ended March 31, 2023.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Amendments to Ind AS 103 – Business Combinations – Reference to Conceptual Framework

The amendments specifies that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The adoption of these amendments did not have any material impact on the standalone statement of profit and loss for the year ended March 31, 2023.

zg New Accounting standards not yet adopted by the Company

The 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

New Amendments not yet adopted by the Company

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 Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements.

Ind AS 8, Accounting Policies, Changes 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 beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its Standalone financial statements.

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 Company has evaluated the amendment and there is no impact on its Standalone financial statements.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

2 Property, Plant and Equipment

	Land	Buildings	Furniture and Fixtures	Vehicles	Office Equipment	Computers	Plant and equipment	Set top boxes (STB)	Leasehold Improvements	Total	Capital work-in-progress
Year ended March 31, 2022											
Gross carrying amount	100.97	2,476.51	2,932.30	378.69	336.10	24,524.96	-	-	13,173.01	43,922.54	320.99
Additions	-	-	10.27	-	50.51	7,396.70	264.65	561.47	40.85	8,324.46	562.65
Additions pursuant to merger of Media Business (Refer Note 48(II))	-	-	79.11	227.99	125.82	1,266.19	47,546.48	39,902.16	3.14	89,150.89	657.62
Transfer pursuant to sale of healthcare business*	-	-	(1,199.63)	(83.80)	(154.15)	(22,679.28)	-	-	(5,688.39)	(29,805.25)	-
Effect of Foreign currency differences	-	-	(40.18)	(7.04)	-	(485.38)	-	-	(190.43)	(723.03)	-
Disposals	-	-	(88.33)	(49.12)	(165.04)	(446.28)	-	(4,760.21)	(311.20)	(5,820.18)	(1,077.25)
Gross carrying amount	100.97	2,476.51	1,693.54	466.72	193.24	9,576.91	47,811.13	35,703.42	7,026.98	105,049.43	464.01
Accumulated depreciation	-	278.45	1,726.80	288.37	18.26	13,967.27	-	-	8,186.82	24,465.97	-
Depreciation	-	46.35	381.23	3.99	177.79	3,155.60	560.48	970.10	833.69	6,129.24	-
Accumulated Depreciation pursuant to merger of Media Business (Refer Note 48(II))	-	-	47.11	199.41	73.42	717.81	16,591.78	18,162.15	3.13	35,794.81	-
Transfer pursuant to sale of healthcare business*	-	-	(718.05)	(46.86)	(13.89)	(11,085.34)	-	-	(2,962.27)	(14,826.41)	-
Effect of Foreign currency differences	-	-	(28.36)	(6.24)	1.68	(348.33)	-	-	(183.94)	(565.19)	-
Disposals	-	-	(65.46)	(49.12)	(148.74)	(383.09)	-	(3,486.34)	(240.02)	(4,372.78)	-
Accumulated depreciation	-	324.80	1,343.27	389.55	108.52	6,023.92	17,152.26	15,645.91	5,637.42	46,625.66	-
Net carrying amount as at March 31, 2022**	100.97	2,151.71	350.27	77.17	84.71	3,552.99	30,658.87	20,057.51	1,389.56	58,423.74	464.01
Year ended March 31, 2023											
Gross carrying amount	100.97	2,476.51	1,693.54	466.72	193.24	9,576.92	47,811.13	35,703.42	7,026.98	105,049.42	464.01
Additions	-	-	11.99	80.02	118.16	2,684.09	841.65	4,058.86	-	7,794.77	3,809.26
Additions pursuant to acquisition of Teklink	-	-	3.53	-	13.91	65.30	-	-	-	82.74	-
Asset classified as Investment Property	-	(2,476.51)	-	-	-	-	-	-	-	(2,476.51)	-
Effect of Foreign currency differences	-	-	3.67	3.30	2.83	212.33	-	-	14.71	236.83	-
Disposals	-	-	(662.44)	(118.70)	(4.77)	(1,030.46)	-	(21,178.59)	(2,549.73)	(25,544.69)	(4,041.48)
Gross carrying amount	100.97	-	1,050.29	431.34	323.37	11,508.18	48,652.78	18,583.69	4,491.96	85,142.56	231.79
Accumulated depreciation	-	324.80	1,343.27	389.55	108.53	6,023.93	17,152.26	15,645.91	5,637.42	46,625.66	-
Depreciation	-	-	187.24	35.38	64.39	2,225.95	3,386.43	3,546.73	326.33	9,772.44	-
Asset classified as Investment Property	-	(324.80)	-	-	-	-	-	-	-	(324.80)	-
Effect of Foreign currency differences	-	-	4.74	0.51	2.20	152.02	-	-	14.57	174.04	-
Disposals	-	-	(661.54)	(111.21)	-	(1,136.66)	-	(6,770.22)	(2,545.23)	(11,224.86)	-
Accumulated depreciation	-	-	873.71	314.23	175.12	7,265.24	20,538.69	12,422.42	3,433.09	45,022.49	-
Net carrying amount as at March 31, 2023#	100.97	-	176.58	117.11	148.25	4,242.94	28,114.09	6,161.27	1,058.86	40,120.07	231.79

Refer Note 37 and Note 49.

Note: The title deeds of immovable properties are in the name of the company (including lease properties, where the lease agreements are in the name of the company) except few lease agreements pertains to Media, Digital and Communication division where the company is in the process of novation of those agreements in the name of the company. (Refer Note No. 48 (ii))

Note : The Company has not revalued any of Property, Plant and Equipment.

Capital Work in Progress aging schedule- Property, Plant and Equipment - March 31, 2023

Particulars	Amount in Capital Work in Progress for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	158.58	-	73.21	-	231.79
(ii) Projects temporarily suspended	-	-	-	-	-

Capital Work in Progress aging schedule- Property, Plant and Equipment - March 31, 2022**

Particulars	Amount in Capital Work in Progress for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	371.23	90.70	2.08	-	464.01
(ii) Projects temporarily suspended	-	-	-	-	-

* Refer Note 48 for details on disposal of Healthcare Services business.(HS Business)

** Restated (Refer note 48(II))

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

3. Right of use assets

	Category of Right of use assets						Total
	Building	Furniture & Fixtures	Office equipments	Set top boxes (STB)	Plant & Equipment	Transponder	
Total carrying amount as at April 1, 2021	64,476.91	203.52	1,785.13	-	-	-	66,465.56
Additions	10,290.10	-	-	1,798.65	20.85	-	12,109.60
Additions pursuant to merger of Media Business (Refer Note 48(II))	2,582.47	-	-	12,450.65	901.32	11,145.89	27,080.33
Effect of Foreign currency differences	(802.99)	-	(1.25)	-	-	-	(804.24)
Disposals*	(45,559.97)	(203.52)	(677.34)	-	-	-	(46,440.83)
Gross carrying amount	30,986.52	-	1,106.54	14,249.30	922.17	11,145.89	58,410.42
Accumulated depreciation	9,002.01	122.15	854.63	-	-	-	9,978.79
Additions pursuant to merger of Media Business (Refer Note 48(II))	992.19	-	-	2,110.23	790.55	2,808.56	6,701.52
Depreciation	12,399.07	46.79	269.06	308.14	152.79	197.38	13,373.24
Effect of Foreign currency differences	(180.28)	-	(0.12)	-	-	-	(180.40)
Disposals*	(8,096.02)	(168.94)	(20.69)	-	-	-	(8,285.65)
Accumulated depreciation	14,116.97	-	1,102.88	2,418.37	943.34	3,005.94	21,587.50
Net carrying amount as at March 31, 2022**	16,869.55	-	3.66	11,830.93	-	8,118.78	36,822.92
Total carrying amount as at April 1, 2022	30,986.52	-	1,106.54	14,249.30	922.17	11,145.89	58,410.42
Additions	3,132.34	-	-	17,337.10	1,515.22	1,018.27	23,002.93
Effect of Foreign currency differences	476.01	-	-	-	-	-	476.01
Disposals	(425.83)	-	-	-	-	-	(425.83)
Gross carrying amount	34,169.04	-	1,106.54	31,586.40	2,437.39	12,164.16	81,463.53
Accumulated depreciation	14,116.97	-	1,102.88	2,418.37	943.34	3,005.94	21,587.50
Depreciation	4,217.24	-	3.66	4,939.06	347.30	1,913.85	11,421.11
Effect of Foreign currency differences	170.42	-	-	-	-	-	170.42
Disposals	(374.59)	-	-	-	-	-	(374.59)
Accumulated depreciation	18,130.04	-	1,106.54	7,357.43	1,290.64	4,919.79	32,804.45
Net carrying amount as at March 31, 2023***	16,039.00	-	-	24,228.97	1,146.75	7,244.37	48,659.09

* Refer note 48 (I) for details on disposal of Healthcare Services business.(HS Business)

** Restated (Refer note 48(II)) for details on Acquisition of business.

*** Refer Note 47 for Leases

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

4a Investment Property

Particulars	Investment property
Year ended March 31, 2023	
Reconciliation of carrying amount	-
Reclassification from property, plant and equipment	2,151.74
Gross Carrying amount	2,151.74
Accumulated depreciation	-
Depreciation for the year	46.35
Accumulated depreciation	46.35
Net carrying amount as at March 31, 2023	2,105.39
Fair value	
As at March 31, 2023	3,403.05

Note : During the year the company has transferred a building to investment in property from Property, Plant and Equipment because it was not used by the company and it was decided that building would be leased to third party.

* The fair value of investment property was determined by an accredited external independent property valuer. The said property valuer is a registered valuer as defined under Rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017.

i) Amounts recognised in Statement of profit or loss

Rental income recognised by the Company during the year ended 31 March 2023 was ₹394.88 lakhs (31 March 2022: ₹Nil lakhs) and was included in 'Other income' (see Note 28). Repairs and maintenance expense, included in 'other expenses' (see Note 33), was as follows.

	Year ended March 31, 2023	Year ended March 31, 2022
a) Rental income derived from investment properties	394.88	-
b) Direct operating expenses (including repairs and maintenance) generating rental income	-	-
Income arising from investment properties before depreciation	394.88	-
Depreciation	46.35	-
Income arising from investment properties (Net)	348.53	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

4b Other Intangible assets

Particulars	Computer Software	Network Rights	License Fee	Other Intangibles	Total
Year ended March 31, 2022					
Gross carrying amount	13,430.40	-	-	-	13,430.40
Transfer pursuant to sale of healthcare business*	(7,848.79)	-	-	-	(7,848.79)
Additions pursuant to merger of Media Business (Refer Note 48(II))	6,651.18	5,675.74	1,772.00	502.41	14,601.33
Effect of Foreign currency differences	(222.03)	-	-	-	(222.03)
Additions	1,655.20	-	-	203.22	1,858.42
Disposals	(40.06)	-	-	-	(40.06)
Gross Carrying amount	13,625.90	5,675.74	1,772.00	705.63	21,779.27
Accumulated amortisation	9,369.27	-	-	-	9,369.27
Amortisation	1,526.53	28.43	17.02	59.20	1,631.18
Accumulated Depreciation pursuant to merger of Media Business (Refer Note 48(II))	4,476.97	1,824.32	664.40	115.53	7,081.22
Transfer pursuant to sale of healthcare business*	(4,515.40)	-	-	-	(4,515.40)
Effect of Foreign currency differences	(177.23)	-	-	-	(175.23)
Disposals	(40.06)	-	-	-	(40.06)
Accumulated amortisation	10,640.08	1,852.75	681.42	174.73	13,348.98
Net carrying amount as at March 31, 2022**	2,985.82	3,822.99	1,090.58	530.90	8,430.29
Year ended March 31, 2023					
Gross carrying amount	13,625.90	5,675.74	1,772.00	705.63	21,779.27
Effect of Foreign currency differences	101.33	-	-	-	101.33
Additions	1,209.57	200.84	-	911.78	2,322.18
Disposals	(922.67)	-	-	-	(922.67)
Gross Carrying amount	14,014.13	5,876.58	1,772.00	1,617.41	23,280.12
Accumulated amortisation	10,640.08	1,852.75	681.42	174.73	13,348.98
Amortisation	1,062.97	667.08	102.14	202.38	2,034.56
Effect of Foreign currency differences	72.12	-	-	-	72.12
Disposals	(916.22)	-	-	-	(916.22)
Accumulated amortisation	10,858.97	2,519.83	783.56	377.11	14,539.47
Net carrying amount as at March 31, 2023	3,155.16	3,356.75	988.44	1,240.30	8,740.65

Intangible assets under development aging schedule As at March 31, 2023

Particulars	Amount in Intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	-	-	-	-	-
(ii) Projects temporarily suspended	-	-	-	-	-

Intangible assets under development aging schedule As at March 31, 2022**

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	-	-	-	-	-
(ii) Projects temporarily suspended	-	-	-	-	-

* Refer note 48 for details on disposal of Healthcare Services business.(HS Business).

** Restated (Refer note 48(II))

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

4C Goodwill

Particulars	Good Will
Year ended March 31, 2022	
Gross carrying amount	2,504.26
Additions	-
Impairment	-
Gross carrying amount	2,504.26
Net carrying amount as at March 31, 2022	2,504.26
Year ended March 31, 2023	
Gross carrying amount	2,504.26
Additions	528.57
Impairment	-
Gross carrying amount	3,032.83
Net carrying amount as at March 31, 2023	3,032.83

5 Investments

Particulars	Face Value Per Share /Unit	As at March 31, 2023		As at March 31, 2022	
		Quantity No's	Amount (₹ in Lakhs)	Quantity No's	Amount (₹ in Lakhs)
5a Non-current Investments					
(i) A Investment in equity Instruments (fully paid up):					
In subsidiaries (Unquoted and Non-Trade)(At cost):					
HGS International, Mauritius (Wholly owned Subsidiary)	USD 1	32,514,228	38,880.28	32,514,228	38,880.28
IndusInd Media and Communications Limited (Holding 77.55%)	₹ 10	150,934,830	7,279.64	150,934,830	7,279.64
ONEOTT Intertainment Limited (Holding 71.65%)	₹ 10	20,221,169	7,199.49	20,221,169	27,199.49
B. Unquoted and Non-Trade preference shares (measured at fair value through profit and loss)					
In Entertainment (India) Limited (8,446,120 (March 31, 2022: 8,446,120) 7% cumulative preference shares of ₹ 10 each)	₹ 10	8,446,120	401.73	8,446,120	361.92
C. Other investments (Non-current)					
Investments in equity instruments at fair value through other comprehensive income:					
A. Quoted equity shares (fully paid up)					
Nil (31 March 2022: 1,916) shares of GOCL Corporation Limited	₹ 2		-		5.22
Nil (31 March 2022: 1,916) shares of Gulf Oil Lubricants India Limited	₹ 2		-		8.05
Nil (31 March 2022: 7,900) shares of IndusInd Bank Limited	₹ 10		-		73.94

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Particulars		Face Value Per Share /Unit	As at March 31, 2023		As at March 31, 2022	
			Quantity No's	Amount (₹ in Lakhs)	Quantity No's	Amount (₹ in Lakhs)
5b	Nil (31 March 2022: 24,007) shares of VCK Capital Market Services Limited	₹ 10		-		-
	Less: Reclassified as held for sale (Refer note 16)			-		(87.21)
	Total			-		-
	Aggregate Value of Unquoted Investments			73,761.14		73,721.33
	Current Investment (measured at fair value through profit and loss)					
	A. Quoted equity shares (fully paid up)					
	Nil (March 31, 2022: 46,902) shares of IndusInd Bank Limited	10.00		-		438.96
	Nil (March 31, 2022: 11,250) shares of GOCL Corporation Limited	2.00		-		30.66
	Nil (March 31, 2022: 11,250) shares of Gulf Oil Lubricants India Limited	2.00		-		47.25
	Less: Reclassified as held for sale (Refer note 16)			-		(438.96)
Total other investments (current)			-		77.91	
Others (Unquoted and Non-Trade): (At Amortised cost)						
Treasury Bills (At Philippines branch) [Deposited with Securities and Exchange Commission in Philippines]			283.56		280.37	
Aggregate Value of Investments and market value thereof			283.56		358.28	
Total investments						
Aggregate value of quoted Investments and market value thereof			-		77.91	
Aggregate value of unquoted investments			74,044.70		74,001.70	
Aggregate amount of impairment in the value of investments			-		-	

Terms of Treasury bill FY 2022-23

	Name of Bank	ISIN	Maturity Date	Rate of Interest	Face Value in' PHP as on March 31,2023 (PHP. in Lakhs)	Face Value in' INR as on March 31,2023 (₹ in Lakhs)
1	Union Bank Plaza*	PIBL1222F269	June 28, 2023	7.60%	186.90	283.56
Total					186.90	283.56

* These investments carry a fixed rate of interest and it is maturing through June 28, 2023.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Terms of Treasury Bill FY 2021-22

	Name of Bank	ISIN	Maturity Date	Rate of Interest	Face Value in' PHP as on March 31,2022 (PHP. in Lakhs)	Face Value in' INR as on March 31,2022 (₹ in Lakhs)
1	Union Bank	PIBL1221E191	May 11, 2022	7.60%	189.82	280.37
Total					189.82	280.37

These investments carry a fixed rate of interest and it is maturing through May 11, 2022.

Note: The Company has complied with the requirements of the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.

6 Loans

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good (At Amortised cost)		
Loans to related parties (Refer note 43)*	73,902.09	30,360.20
Total	73,902.09	30,360.20

* This represents non-current portion of loan to a wholly owned subsidiary to meet its business requirement and to fund organic growth of its Overseas subsidiaries and future acquisitions. Accordingly the loan is considered as net investment in foreign operations. The loan is unsecured and bearing interest rate of US\$ 3 month LIBOR+115 basis points to 4.25%. There is no fixed repayment tenure for the loan and the borrower has an option to repay the loan at any time along with accrued interest.

6 a Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment (Both current and non current).

Type of Borrower	As at March 31, 2023		As at March 31, 2022	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Related Parties				
Non Current Loans (Refer 6)	73,902.09	28%	30,360.20	23%
Current Loans (Refer 12)	187,655.89	72%	103,450.00	77%
Total	261,557.98	100%	133,810.20	100%

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

6 b Particulars of loan granted u/s 186 of the Companies Act 2013.

Loans/Inter Corporate Deposits Receivable Related Party wise. (Non Current Loans and Current Loans)	For FY 2022-23		For FY 2021-22	
	Loan o/s as at March 31, 2023	Maximum O/s Balance in FY 2022-23	Loan o/s as at March 31, 2022	Maximum O/s Balance in FY 2021-22
HGS International	73,902.09	73,902.09	30,360.20	30,360.20
Hinduja Group Limited	46,200.00	50,450.00	50,450.00	53,000.00
Hinduja Realty Ventures Limited	50,500.00	53,000.00	53,000.00	53,000.00
Hinduja Energy (India) Ltd	50,000.00	50,000.00	-	-
In Entertainment India Limited	11,900.00	11,900.00	-	-
IndusInd Media & Communications Limited	14,905.00	15,079.00	-	-
ONEOTT Intertainment Limited	14,150.89	14,300.89	-	-
Aasia Corporation LLC	-	-	-	20,000.00
Total	261,557.98	-	133,810.20	-

Refer Note 6 & 12

7 Other non-current financial asset

Particulars	As at March 31, 2023	As at March 31, 2022
Security Deposit	5,086.08	3,584.27
Deposits with bank for Margin Money*	140.86	4,175.94
Total	5,226.94	7,760.21

* Under lien with bank towards guarantees issued by them on behalf of the company.

8a Income Tax Assets (net)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance tax and tax deducted at source	110,046.90	66,867.07
Less: Provision for Income tax	95,819.80	55,263.47
Total	14,227.10	11,603.60

8b Current tax liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for Income tax	149.89	85,995.92
Less: Advance tax & tax deducted at source	-	40,711.43
Total	149.89	45,284.49

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

9 Other non current assets

Particulars	As at March 31, 2023	As at March 31, 2022
Capital advances	1.44	7.86
Balances with government authorities	2,020.75	5,177.75
Prepaid expenses	3,171.80	369.32
Others	253.55	29.49
Total	5,447.54	5,584.42

10 Trade receivables & Unbilled Receivables

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good	32,684.75	23,357.50
Unsecured, Unbilled Receivables	4,796.36	5,234.71
Trade Receivable- Significant increase in credit Risk	4,176.47	2,062.43
Less: Allowance for bad & doubtful debts	(4,176.47)	(2,062.43)
Total	37,481.11	28,592.21
Current portion	37,481.11	28,592.21
Non-current portion	-	-

For Related party transactions refer Note 43.

Trade Receivables ageing schedule As at March 31, 2023

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	10,674.72	19,651.95	1,750.54	165.00	-	-	32,242.21
(ii) Undisputed Trade Receivables – Significant increase in credit Risk	-	478.02	820.77	2,005.00	209.79	71.98	3,585.56
(iii) Disputed Trade Receivables considered good	-	358.42	84.12	-	-	-	442.54
(iv) Disputed Trade Receivables - Significant increase in credit Risk	-	22.62	24.59	172.87	130.98	239.85	590.91
Less: Allowance for bad and doubtful debts	-	(500.64)	(845.36)	(2,177.87)	(340.77)	(311.83)	(4,176.47)
Unbilled Receivable							
(iii) Undisputed Unbilled Receivable – considered good	4,796.36	-	-	-	-	-	4,796.36
Total	15,471.08	20,010.37	1,834.66	165.00	-	-	37,481.11

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Trade Receivables ageing schedule As at March 31, 2022

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	6,707.39	14,399.65	2,052.61	24.64	0.63	-	23,184.92
(ii) Undisputed Trade Receivables – Significant increase in credit Risk	-	124.23	747.73	598.70	147.91	72.73	1,691.30
(iii) Disputed Trade Receivables considered good	-	169.92	2.65	-	-	-	172.57
(iv) Disputed Trade Receivables considered doubtful-Significant increase in credit Risk	-	-	0.30	130.98	161.19	78.67	371.13
Less: Allowance for bad and doubtful debts	-	(124.23)	(748.02)	(729.68)	(309.10)	(151.40)	(2,062.42)
Unbilled Receivable							
(iii) Undisputed Unbilled Receivable – considered good	5,234.71	-	-	-	-	-	5,234.71
Total	11,942.10	14,569.57	2,055.27	24.64	0.63	-	28,592.21

There were no loans due by directors or other officers of the company or any of them severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a member.

11a Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks		
in current accounts	17,391.83	4,713.77
in Exchange Earners Foreign Currency Account (EEFC) accounts	80.22	153.26
in Term deposits	21,646.06	79,700.90
In Cash credit accounts (Refer Note 49 (a))	1,147.12	1,185.41
Cheques on hand	296.57	67.68
Cash on hand	4.48	4.81
Total	40,566.28	85,825.83

Balances with banks in current account and EEFC account does not carry any interest. Short-term deposits are made for varying periods between one day to three months, depending on the immediate cash requirements of the company, and earn interest at the respective short-term deposit rates.

There are no restrictions with regard to cash and cash equivalents as at the end of the reporting year.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

11b Bank balances other than 11a above

Particulars	As at March 31, 2023	As at March 31, 2022
Earmarked Balances with Banks:		
Unpaid dividend	6,509.77	911.23
Unpaid bonus	1.79	1.79
Bank Deposits maturing more than 3 months but less than 12 months	748.82	146,344.17
Total	7,260.38	147,257.19

Term deposits are made for varying periods having a maturity period of more than three months.

12 Loans

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good (At Amortised cost)		
Loan to related parties (Refer note 43)		
Opening balance	103,450.00	35,950.00
Loans given during the year	194,129.89	238,000.00
Loans repaid	(109,924.00)	(170,500.00)
Closing Balance	187,655.89	103,450.00
Loan to other entities*		
Opening balance	-	53,000.00
Loans given during the year	-	-
Loans repaid	-	(53,000.00)
Effect of foreign currency differences	-	-
Closing Balance	187,655.89	103,450.00

The loans were given to respective parties as disclosed in Note 43 for their working capital needs and general corporate purpose. The transactions were made on normal commercial terms and conditions and at the market rate. The average interest rate on the loans during the year was 8.50% to 8.80% (March 31, 2022 – 5.00% to 7.95%)

* Based on an external legal opinion obtained, the company has concluded that Hinduja Leyland Finance Limited is not a related party in accordance with Ind AS 24 - Related Party Disclosures.

13 Other current financial asset

Particulars	As at March 31, 2023	As at March 31, 2022
Security deposits	247.76	299.09
Interest accrued on deposits/ loans	644.04	831.53
Derivatives - Foreign Exchange Forward Contracts (Refer note 46)	52.47	42.90
Finance lease receivables	215.41	616.53
Other receivables	2,923.47	1,604.49
Less : Provision for Other receivables	(155.58)	(104.47)
Total	3,927.57	3,290.07

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

14 Other current assets

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured and considered good, unless otherwise stated		
Balances with Government Authorities	6,676.59	7,656.69
Advance to employees		
Good	355.09	293.88
Doubtful	12.98	12.98
	368.07	306.86
Less: Allowance for doubtful Advances	(12.98)	(12.98)
	355.09	293.88
Advance to Vendors	1,582.93	2,533.23
Prepaid Expenses	2,779.08	856.16
Gratuity (Refer note 41)	68.98	189.51
Others	250.00	-
Total	11,712.67	11,529.47

There were no loans due by directors or other officers of the company or any of them severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a member.

15 Inventories

Particulars	As at March 31, 2023	As at March 31, 2022
(at cost or net realisable value, which ever is lower)*		
Stock of network cable and equipment's	669.16	631.09
Media Inventories	477.05	158.76
Total	1,146.21	789.85

* Refer Note 49 (b).

16 Financials Assets classified as held for sale

Particulars	Face value per share (in ₹)	As At March 31, 2023		As At March 31, 2022	
		Number of shares	Amount	Number of shares	Amount
Investments in equity instruments at fair value through other comprehensive income:					
A. Quoted equity shares (fully paid up)					
GOCL Corporation Limited	2.00	-	-	1,916.00	5.22
Gulf Oil Lubricants India Limited	2.00	-	-	1,916.00	8.05
IndusInd Bank Limited	10.00	-	-	7,900.00	73.94
VCK Capital Market Services Limited	10.00	-	-	24,007.00	-
Total I			-		87.21
Investments in equity instruments at fair value through profit and loss:					
A. Quoted equity shares (fully paid up)					
IndusInd Bank Limited	10.00	-	-	46,902.00	438.96
Total II			-		438.96
Total investments - Held for Sale			-		526.17
Liabilities associated with Financial Assets classified as held for sale			-		-
Net assets classified as held for sale			-		526.17

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

17 Equity Share capital

Particulars	As at March 31, 2023	As at March 31, 2022
Authorized Share capital:		
7,98,50,000 (March 31, 2022: 7,98,50,000) equity shares of ₹ 10/- each	7,985.00	7,985.00
150,000 (March 31, 2022:150,000) 1% Participatory redeemable Non cumulative preference shares of ₹ 10/- each	15.00	15.00
Total	8,000.00	8,000.00
Issued, subscribed and Paid up :		
52,520,285 (March 31, 2022: 41,795,132) equity shares of ₹ 10/- each fully paid	5,252.03	4,179.51
Total	5,252.03	4,179.51

(i) Movement in equity share capital

Particulars	No.of shares	Equity share Capital (par value)
As at April 1, 2021	20,877,255	2,087.73
Shares issued to Employees under Employee Stock Option Plan (Refer note 34)	20,311	2.02
Bonus Shares issued	20,897,566	2,089.76
As at March 31, 2022	41,795,132	4,179.51
Shares issued to Employees under Employee Stock Option Plan	35,750	3.58
Shares issued other than Cash due to Merger of Digital, Media & Communications Business (Refer Note 48 (II))	10,689,403	1,068.94
As at March 31, 2023	52,520,285	5,252.03

Terms and rights attached to equity shares

Equity Shares: The company has one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend which are approved by Board of Directors in Board Meeting. 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.

Number of shares reserved for issue under the Employee Stock Option Plan (Refer note 34)

Particulars	As at March 31, 2023	As at March 31, 2022
i) Hinduja Global Solutions Limited Employee Stock Option Plan 2008	-	15,000
ii) Hinduja Global Solutions Limited Employee Stock Option Plan 2011	-	5,375

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

(ii) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the Shareholder	As at March 31, 2023		As at March 31, 2022	
	Number of Shares	% held	Number of Shares	% held
Hinduja Group Limited	18,600,791	35.42%	14,254,891	34.11%
Hinduja Realty Ventures Limited	3,404,492	6.48%	2,614,490	6.26%
Hinduja Group Limited jointly with Hinduja Realty Ventures Limited	2,014,490	3.84%	2,014,490	4.82%
Amas Mauritius Limited	6,529,371	12.43%	5,522,854	13.21%

(iii) Shareholding of promoters

Name of the Promoters	As at March 31, 2023		As at March 31, 2022		% Change during the year
	Number of Shares	% held	Number of Shares	% held	
Hinduja Group Limited	18,600,791	35.42	14,254,891	34.11	1.31
Hinduja Realty Ventures Limited	3,404,492	6.48	2,614,490	6.26	0.22
Hinduja Group Limited jointly with Hinduja Realty Ventures Limited	2,014,490	3.84	2,014,490	4.82	(0.98)
Hinduja Properties Limited	67,569	0.13	-	-	0.13
Amas Mauritius Limited	6,529,371	12.43	5,522,854	13.21	(0.78)
Aasia Corporation LLP	417,809	0.8	417,809	1.00	(0.2)
Harsha Ashok Hinduja Jt. Ashok P. Hinduja	1,339,995	2.55	1,114,996	2.67	(0.12)
Ashok P. Hinduja, Karta of S.P. Hinduja HUF (Bigger)	1,301,625	2.48	1,064,966	2.55	(0.07)
Ambika Ashok Hinduja	438,884	0.84	354,484	0.85	(0.01)
Shom Ashok Hinduja	346,683	0.66	280,014	0.67	(0.01)
Ashok P. Hinduja Jt. Harsha Ashok Hinduja	112,203	0.21	90,626	0.22	(0.01)
Vinoo S. Hinduja	141,515	0.27	122,130	0.29	(0.02)
Ashok P. Hinduja, Karta of A.P. Hinduja (HUF)	134,523	0.26	108,654	0.26	-
Shanoo S. Mukhi	2,213	-	1,910	-	-
Harsha Ashok Hinduja	41,340	0.08	33,390	0.08	-
Ashok P. Hinduja	78,247	0.15	63,200	0.15	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Name of the Promoters	As at March 31, 2022		As at March 31, 2021		% change during the year
	No. of Shares	% held	No. of Shares	% held	
Hinduja Group Limited	14,254,891	34.11	14,254,891	34.11	-
Hinduja Realty Ventures Limited	2,614,490	6.26	2,614,490	6.26	-
Hinduja Group Limited jointly with Hinduja Realty Ventures Limited	2,014,490	4.82	2,014,490	4.82	-
Amas Mauritius Limited	5,522,854	13.21	5,522,854	13.21	-
Aasia Corporation LLP	417,809	1.00	417,809	1.00	-
Harsha Ashok Hinduja Jt. Ashok P. Hinduja	1,114,996	2.67	1,114,996	2.67	-
Ashok P. Hinduja, Karta of S.P. Hinduja HUF (Bigger)	1,064,966	2.55	1,064,966	2.55	-
Ambika Ashok Hinduja	354,484	0.85	354,484	0.85	-
Shom Ashok Hinduja	280,014	0.67	280,014	0.67	-
Ashok P. Hinduja Jt. Harsha Ashok Hinduja	90,626	0.22	90,626	0.22	-
Vinoo S. Hinduja	122,130	0.29	122,130	0.29	-
Ashok P. Hinduja, Karta of A.P. Hinduja (HUF)	108,654	0.26	108,654	0.26	-
Shanoo S. Mukhi	1,910	-	1,910	-	-
Harsha Ashok Hinduja	33,390	0.08	33,390	0.08	-
Ashok P. Hinduja	63,200	0.15	63,200	0.15	-

- (iv) The Board of Directors at their meeting held on January 6, 2022 had approved issuance of Bonus Equity Shares of the Company in the proportion of 1 (One) Bonus Equity Share of ₹ 10/- each for every 1 (One) existing Equity Share of ₹ 10/- each, with a record date of February 23, 2022.
- (v) There are no shares which are reserved for issuance pursuant to contract or options except in previous year 10,689,403 equity shares which is to be issued pursuant to the scheme of arrangement. (Refer note 48 (II)).
- (vi) Refer note 55 for Buyback of shares.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

18 Borrowings

	As at March 31, 2023	As at March 31, 2022
a. Borrowings - non-current (Amortised cost) (Refer Note 49 (a))		
Secured		
Term Loans from Banks	9,354.31	13,443.76
other loans	11.61	15.36
Total borrowings	9,365.92	13,459.12
Non-current borrowings	9,365.92	13,459.12
b. Borrowings - current (Amortised cost) (Refer Note 49 (a))		
Secured		
Bank Overdrafts	15,000.00	-
Secured - at amortised cost		
Loans from banks repayable on demand		
- Working Capital demand loan	2,000.00	2,000.00
Unsecured - at amortised cost		
Loans from related parties	-	-
- Inter-corporate deposits	-	48,731.07
- Loans from other parties	3.75	150.00
Total Current borrowings	17,003.75	50,881.07
Less: Interest accrued	-	-
Current borrowings	17,003.75	50,881.07
c. Current maturities of Long term borrowings	4,222.74	3,385.38
	4,222.74	3,385.38
d. Total current borrowings	21,226.49	54,266.45
Total Borrowings	30,592.41	67,725.57

* Refer Note 37, 43 & 49(a).

19 Lease Liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
a. Lease Liabilities - non-current		
Total lease liabilities	47,707.94	38,410.08
Less: Current Maturities of Lease Obligations	(14,877.09)	(7,258.34)
	32,830.85	31,151.74
b. Lease Liabilities - current	14,877.09	7,258.34
	14,877.09	7,258.34
Total	47,707.94	38,410.08

Note: Refer Note 47

20 Other non-current financial liabilities

	As at March 31, 2023	As at March 31, 2022
Deferred rent	49.36	-
Security deposits	350.45	402.52
Total	399.81	402.52

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

21 Non current - provisions

	As at March 31, 2023	As at March 31, 2022
Pension (Refer note 41)	2,923.16	1,975.79
Gratuity (Refer note 41)	924.68	451.19
Compensated absences (Refer note 41)	1,262.30	615.18
Total	5,110.14	3,042.16

22 Trade Payables

	As at March 31, 2023	As at March 31, 2022
i. Total outstanding dues of micro enterprises and small enterprises (Refer note 50)	233.50	166.82
ii. Total outstanding dues of creditors other than micro enterprises and small enterprises	21,878.92	22,874.97
Total	22,112.42	23,041.79

Note: For Related party transactions refer Note 43.

Trade Payables ageing schedule As at March 31, 2023

	Not due & Accrued	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Micro enterprises and small enterprises	129.35	104.15	-	-	-	233.50
(ii) Others	13,039.41	7,886.67	280.40	67.37	605.07	21,878.92
(iii) Disputed dues – Micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-	-

Trade Payables ageing schedule As at March 31, 2022

	Not due & Accrued	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Micro enterprises and small enterprises	32.68	134.14	-	-	-	166.82
(ii) Others	16,851.51	4,264.66	628.53	674.23	456.04	22,874.97
(iii) Disputed dues – Micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

23 Other current financial liabilities

	As at March 31, 2023	As at March 31, 2022
Interest accrued but not due	150.00	157.38
Capital creditors (other than those payable to MSME)	5,782.06	5,833.30
Unpaid dividend [Refer note (a) below]	6,509.77	911.23
Derivatives - foreign exchange forward contracts (Refer note 46)	51.81	185.69
Employee benefit payable	6,372.73	11,143.59
Other Payable	1,492.77	6,845.32
Total	20,359.14	25,076.51

- a. There was a delay in depositing the unclaimed dividend to Investor Education and Protection Fund (IEPF) due to technical difficulties. Subsequently to year end March 31, 2023, the Company has deposited the same to IEPF.

24 Current - provisions

	As at March 31, 2023	As at March 31, 2022
Compensated absences (Refer note 41)	621.39	1,252.31
Deferred Compensation Payable (Refer note 41)	-	10,882.14
Total	621.39	12,134.45

25a Non current Contract Liabilities

	As at March 31, 2023	As at March 31, 2022
Income received in advance	15.49	61.44
Total	15.49	61.44

25b Contract Liabilities

	As at March 31, 2023	As at March 31, 2022
Income received in advance	2,089.99	1,850.32
Advance from Customer	422.82	457.71
Total	2,512.81	2,308.03

26 Other current liabilities

	As at March 31, 2023	As at March 31, 2022
Statutory dues payable	2,300.95	2,571.97
Other payables	191.98	1,473.42
Total	2,492.93	4,045.39

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

27 Revenue from operations

	Year ended March 31, 2023	Year ended March 31, 2022
Sale of products		
Sale of Traded Goods	10.19	20.40
Sale of services		
Business Process Management	78,595.10	61,765.54
Subscription - direct / cable operators	36,432.02	42,924.38
Installation charges	1,529.00	2,457.57
Channel placement fees	10,605.11	9,601.19
LCN Incentive	4,000.83	4,113.80
Sale of set top boxes (net)	-	2,374.72
Other operating income		
Technical advisory fees	526.87	534.92
Commission income	0.60	3.60
Advertisement income	246.01	5.46
Assignment of movie rights	385.00	1,205.24
Total	132,330.73	125,006.82

i) Business Process Management

In response to the COVID-19 pandemic, the Company initiated business continuity program in March 2020 and facilitated its employees to work remotely/work from home where customers have consented. Our business continuity program and the design of our processes allow for remote execution with accessibility to secure data. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.

Revenue is recognized at Point in Time basis in respect of the services provided by the company.

The Company believes that the below disaggregation best depicts the nature, amount, timing and uncertainty of revenue and cash flows from economic factors.

Country / region	Year ended March 31, 2023	Year ended March 31, 2022
USA and Canada	31,223.51	172,484.80
India	36,811.03	29,841.33
UK & Europe	8,520.00	7,373.94
Rest of the world	2,040.56	4,989.46
Total revenue from contracts with customers*	78,595.10	214,689.53

Contract type/ nature of contract	Year ended March 31, 2023	Year ended March 31, 2022
Business Process Management*	78,595.10	214,689.53

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Category of customer	Year ended March 31, 2023	Year ended March 31, 2022
Health Insurance, Pharma & Healthcare	2,793.00	153,605.18
Telecom and Technology	16,696.00	4,078.13
Consumer Electronics, Products, Services and Retail	12,457.00	7,107.60
Banking and Financial Services	29,561.00	37,435.23
Media	1,002.09	1,022.15
Others	16,086.01	11,441.23
Total revenue from contracts with customers*	78,595.10	214,689.52

* Above revenues are including both Continuing and discontinued operations.

ii) Media and Digital

While the Company believes strongly that it has a rich portfolio of services, the impact on future revenue streams could come from resource constraints or their services no-longer being availed by their customers due to pro-longed lock-down situations and the customers postponing their discretionary spends due to change in priorities. Media & Communications business, is India's premier integrated Digital Delivery Platforms Company delivering services via satellite, digital cable and broadband to over 5 million customers across 1,500 cities and towns in India.

The Company earns installation revenue on activation of set-top boxes ('STB') at customer premises, thus money is collected on or before installation of STB. In case of subscription income, the Company largely operates on limited customer base / geographies where the credit limit is less than a year. Also, channel placement / carriage income and LCN income from broadcasters have similar credit risks.

The following table provides a reconciliation of the revenue recognised in the statement of profit and loss with the contract price:

Subscription revenue	March 31, 2023	March 31, 2022
Contracted price	37,065.54	43,321.73
Add: Allocation of transaction price from bundled contracts	-	-
Add: Deferred revenue adjustments	-	236.14
Less: Unbilled revenue adjustments	-	-
Discounts to LCO's	(633.52)	(633.49)
Revenues recognised as per the Statement of profit and loss	36,432.02	42,924.38

Installation revenue	March 31, 2023	March 31, 2022
Contracted price	1,224.18	1,143.94
Less: Allocation of transaction price to subscription revenue for bundled contracts	-	-
Add: Adjustment for deferral for installation revenue	304.82	1,313.63
Revenues recognised as per the Statement of profit and loss	1,529.00	2,457.57

Channel placement fees	March 31, 2023	March 31, 2022
Contracted price	10,447.51	9,702.44
Add: Adjustment for deferral for channel placement revenue	157.60	(101.25)
Revenues recognised as per the Statement of profit and loss	10,605.11	9,601.19

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

The table below discloses the movement in contract liabilities during the year:

	Advance billing	Advance from customer
Balance as at 31 March 2021	3,194.47	772.18
Less: revenue recognised that was included in the contract liabilities at the beginning of the year	(2,908.20)	(772.18)
Add: invoices raised for which no revenue is recognised during the year	1,625.49	457.72
Balance as at 31 March 2022	1,911.76	457.72
Less: revenue recognised that was included in the contract liabilities at the beginning of the year	(1,850.32)	(457.72)
Add: invoices raised for which no revenue is recognised during the year	2,044.04	422.82
Balance as at 31 March 2023	2,105.48	422.82

The table below discloses the movement in contract assets during the year:

Unbilled receivables	March 31, 2023	March 31, 2022
At the beginning of the year	982.41	786
Less: Invoices issued in the current year that was included in contract assets in the beginning of the year	(982.41)	(785.63)
Add: Revenue recognised in the current year for which no invoice is raised in the current year	1,019.69	982.41
Balance as at Year end	1,019.69	982.41

28 Other income

	Year ended March 31, 2023	Year ended March 31, 2022
Interest income on financial assets carried at amortised cost	19,472.65	7,699.67
Dividend income		
- from others	5.05	2.11
Net gain on financial instruments at fair value through profit or loss	52.16	7.19
Unwinding of discount on security deposits	435.64	40.22
Foreign exchange gain (net)	8,796.06	1,370.68
Income from discontinuation of leases	-	417.57
Profit on Sale of property, plant and equipment	3,774.60	922.05
Provision for Doubtful debts no longer required written-back	1,607.16	3,798.38
Miscellaneous income	3,875.79	952.09
Lease income	1,802.61	2,096.74
Total	39,821.72	17,306.70

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

29 Changes in Inventories

	Year ended March 31, 2023	Year ended March 31, 2022
Opening Stock		
Media inventory	158.76	184.76
Network equipment and traded goods	631.09	418.20
	789.85	602.96
Less: Closing Stock		
Media inventory	(477.05)	(158.76)
Network equipment and traded goods	(669.16)	(631.09)
	(1,146.21)	(789.85)
Total	(356.36)	(186.89)

30 Employee benefits expenses

	Year ended March 31, 2023	Year ended March 31, 2022
Salaries and wages	59,669.70	54,041.71
Contribution to provident and other funds (Refer Note 41)	4,215.78	3,470.06
Gratuity and Pension expense	196.05	496.35
Staff welfare expenses	551.84	497.17
Total	64,633.37	58,505.29

31 Finance costs

	Year ended March 31, 2023	Year ended March 31, 2022
Interest expense on		
Inter corporate deposits	2521.86	6,164.41
Term loans from bank	1664.93	2,663.28
Cash credit and others	503.72	4.05
Interest expense on leases (Refer note 47)	5340.42	3,037.46
Other borrowing costs	49.79	667.92
Total	10,080.72	12,537.12

32 Depreciation and Amortization expenses

	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation on property, plant and equipment (Refer Note 2)	9,772.45	13,373.24
Depreciation on Right of use assets (Refer Note 3)	11,421.12	7,743.76
Amortization of intangibles (Refer Note 4b)	2,034.57	1,032.78
Depreciation on Investment property (Refer Note 4a)	46.35	-
Total	23,274.49	22,149.78

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

33 Other expenses

	Year ended March 31, 2023	Year ended March 31, 2022
Power and fuel	1,796.72	1,401.99
Rent	1,483.85	1,020.64
Repairs and maintenance -machinery	1,010.75	949.40
Repairs and maintenance - leased Premises	932.42	957.45
Repairs and maintenance - others	1,600.38	1,695.84
Insurance	302.46	404.73
Rates and taxes	669.26	476.21
Directors' sitting fees and Commission	105.30	825.59
Payment to the auditors:		
- As auditors [including payment to Branch Auditors ₹ 30.86 lakhs (Previous Year ₹ 33.35 lakhs)]	365.06	223.93
- for other services [including payment to Branch Auditors ₹1.23 (Previous Year ₹ Nil)]	51.23	47.87
- for reimbursement of expenses	7.85	-
Connectivity cost	238.94	311.59
Advertisement and business promotion	620.83	377.26
Communication	754.05	821.88
Travelling, conveyance and car hire charges	1,355.52	883.11
Legal and professional	7,120.16	6,799.13
Training and recruitment	878.98	599.62
Subscription - pay channels	32,993.43	34,264.71
Lease rental - duct	232.45	30.19
Bandwidth charges	188.18	193.34
Link charges	126.00	126.00
Installation expenses	-	1.06
Commission	1,640.76	1,552.08
Contract Services	2,717.66	3,290.38
Royalty	360.18	393.19
Call centre charges	270.79	284.09
Donations	-	0.28
Software expenses	1,109.58	1,442.12
Membership and Subscription	-	324.68
Corporate social responsibility (Refer note 33a)	668.00	566.00
Bad debts/ advances written off	54.90	252.72
Allowance for bad and doubtful debts/ advances	2,114.04	1,848.79
Loss on sale of assets (net)	31.49	61.99
Property, plant and equipments Written Off	-	43.06
Miscellaneous expenses	1,940.58	1,013.96
Total	63,741.80	63,484.86

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

33a Corporate Social Responsibility (CSR)

	March 31, 2023	March 31, 2022
I Gross amount required to be spent by the Company during the year	668.00	566.00
II Amount spent during the year		
a. Construction/ acquisition of any asset	-	-
b. On various activities (Refer note below)	668.00	566.00
III Shortfall/Unspent at the end of the year	-	-
IV Total of previous years shortfall	-	-
V Reason for shortfall	Not Applicable	Not Applicable

Vendor Name	Nature of CSR Activity	Amount Spent during 2022-23	Amount Spent during 2021-22
Hinduja Foundation	T1 Diabetes program with Hinduja Hospital, Mumbai, ICU upgradation at PD Hinduja Sindhi Hospital, Bengaluru, Road to School Program with Learning Links Foundation at Nilgiri	448.00	370.00
Learning Links Foundation	Support for the holistic development of children as part of Road To School program in Bengaluru.	94.00	-
Magic Bus India Foundation	Contribution towards Youth Skilling Program	25.00	25.00
Samarpaka Seva Trust	Contribution towards Women's Empowerment at Chikkaballapur	36.00	96.00
Samarthanam Trust for the Disa	Support for vocational skills training and placement of persons with disabilities.	5.00	-
SayTrees Environmental Trust	Contribution towards Increasing the green cover outside the forest areas and livelihoods.	20.00	5.00
Step Up For India	Contribution towards Implementing Comprehensive English Program.	15.00	15.00
The Akshaya Patra Foundation	Contribution towards Mid-day Meals Program.	25.00	25.00
Nasscom Foundation	Distribution of medical kits to rural households for self care at home	-	30.00
Total		668.00	566.00

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

34 Share based payments

a) Employee Option Plan

Details of the employee stock option plan are as given below.

Particulars	ESOP 2008	ESOP 2011
Details of the plan	The Shareholders of the Company at their Annual General Meeting held on September 27, 2008 granted approval to HTMT Global Solutions Limited Employees Stock Option Plan 2008 (now Hinduja Global Solutions Limited Employees Stock Option Plan 2008) ("ESOP 2008"). Subsequently, the Nomination and Remuneration Committee (formerly Compensation Committee) approved the terms and conditions relating to ESOP 2008 and options were granted on July 31, 2009.	The Shareholders of the Company at their Annual General Meeting held on August 1, 2011 granted approval to Hinduja Global Solutions Limited Employees Stock Option Plan 2011 ("ESOP 2011"). Subsequently, the Nomination and Remuneration Committee (formerly Compensation Committee) approved the terms and conditions relating to ESOP 2011 and options were granted on November 11, 2011.
Maximum grant of options	The maximum number of options that could be issued under ESOP 2008 is 205,380 (being 1% of the outstanding equity shares of the Company as at April 1, 2009).	The maximum number of options that could be issued under ESOP 2011 is 308,838 (being 1.5% of outstanding paid up capital of the Company as at April 1, 2011).
Vesting period	Options to vest over a period of three years from the date of their grant as under: <ul style="list-style-type: none"> - 1/6th of the options granted will vest on the first anniversary of the grant date. - 1/3rd of the options granted will vest on the second anniversary of the grant date. - 1/2 of the options granted will vest on the third anniversary of the grant date. 	Options to vest over a period of three years from the date of their grant as under: <ul style="list-style-type: none"> - 1/6th of the options granted will vest at the end of one year from the grant date. - 1/6th of the options granted will vest at the end of 18 months from the grant date. - 1/6th of the options granted will vest at the end of 24 months from the grant date. - 1/4th of the options granted will vest at the end of 30 months from the grant date. - 1/4th of the options granted will vest at the end of 36 months from the grant date.
Exercise period	Options vested with an employee will be exercisable prior to completion of the 48th month from the date of their grant by subscribing to the number of equity shares in the ratio of one equity share for every option. In the event of cessation of employment due to death, resignation or otherwise the options may lapse or be exercisable in the manner specifically provided for in the Scheme.	Options vested with an employee will be exercisable prior to completion of the 24 th month from the date of vesting of options by subscribing to the number of equity shares in the ratio of one equity share for every option. In the event of cessation of employment due to death, resignation or otherwise the options may lapse or be exercisable in the manner specifically provided for in the Scheme.
Exercise price	₹ 296.03 per share	₹282.53 - ₹332.53 per share

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Particulars	ESOP 2008	ESOP 2011
Grant/re-grant options	The Nomination and Remuneration Committee (formerly Compensation Committee) approved the request of lapsed options which were subsequently granted to specific employees. The term for vesting and exercise period are as stated above.	The Nomination and Remuneration Committee (formerly Compensation Committee) approved the request of lapsed options which were subsequently granted to specific employees. The term for vesting and exercise period are as stated above.

The exercise price per share is determined on the basis of closing price at the National Stock Exchange of India Limited immediately preceding the grant date. The fair value of stock option has been calculated using Black-Scholes Option Pricing Model.

Set out below is a summary of options granted under the plan::

ESOP 2008

	March 31, 2023		March 31, 2022	
	Average exercise Price Per share (INR)	Number of Options	Average exercise Price Per share (INR)	Number of Options
Opening balance	580.75	15,000	588.60	34,400
Granted during the year	-	-	-	-
Adjustment due to Bonus issue	-	15,000	-	-
Lapsed during the year	-	-	565.05	(2,200)
Exercised during the year	296.02	(30,000)	588.60	(17,200)
Closing Balance	-	-	-	15,000
Vested and exercisable	-	-	-	-

ESOP 2011

	March 31, 2023		March 31, 2022	
	Average exercise Price Per share (INR)	Number of Options	Average exercise Price Per share (INR)	Number of Options
Opening balance	569.83	5,375	579.38	9,422
Granted during the year	-	-	-	-
Adjustment due to Bonus issue	-	5,375	-	-
Lapsed during the year	-	(5,000)	565.05	(936)
Exercised during the year	307.52	(5,750)	565.05	(3,111)
Closing balance	-	-	-	5,375
Vested and exercisable	-	-	-	1,175

The weighted average share price at the date of exercise of options exercised during the year ended March 31, 2023 - ESOP 2008: ₹ 296.02 and ESOP 2011: ₹ 307.52. (Year ended March 31, 2022 - ESOP 2008: ₹ 2,654.23 and ESOP 2011: ₹ .2,315.38)

Shares options outstanding at the end of the year have the following expiry dates and exercise prices

Grant Date	ESOP Plan	Expiry Date	Exercise Price (INR)	Share options (March 31, 2023)	Share options (March 31, 2022)
August 5, 2019	ESOP 2008	August 5, 2023	592.05	-	15,000
April 21, 2017	ESOP 2011	April 21, 2022	565.05	-	375
November 3, 2020	ESOP 2011	November 3, 2025	665.05	-	5,000

Stock options outstanding at the end of the year have the following Remaining life (In months)

Grant date	ESOP Plan	Expiry Date	Remaining life (months)	Share options (March 31, 2023)	Remaining life (months)	Share options (March 31, 2022)
August 5, 2019	ESOP 2008	August 5, 2023	4	-	16	15,000
April 21, 2017	ESOP 2011	April 21, 2022	-	-	1	375
November 3, 2020	ESOP 2011	November 3, 2025	30	-	42	5,000

Previous year ended March 31, 2022, The Nomination and Remuneration Committee of the Company has approved

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

an adjustment in number of options and exercise price in respect of all unexercised Stock Options under the Employees Stock Option Plan, 2008 and Employees Stock Option Plan, 2011 with effect from February 23, 2022. The Vesting date of additional options and overall value of the total options would remain same as the original options.

ESOP Scheme	Un-exercised Options before adjustment as at March 31, 2022	Original Exercise Price as at March 31, 2022	Un-exercised Options after adjustment	Revised Exercise Price
ESOP 2008	15,000	592.05	30,000	296.03
ESOP 2011	5,000	665.05	10,000	332.53
ESOP 2011	375	565.05	750	282.53

(b) (Income)/Expense arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognized in statement of profit and loss as part of employee benefit (Income)/expense were as follows:

Particulars	March 31, 2023	March 31, 2022
Employee share based payment expenses	1.00	68.43
Employee share based payment Income	-	(3.48)
Total	1.00	64.95

35 Contingent Liabilities

a) Contingent Liabilities

A) Claims against the Company not acknowledged as debts:

Particulars	March 31, 2023	March 31, 2022
1. Income Tax demand		
(i) Prior AY 2007-08 (Refer note 1 & 2 below and Note 48 (II))	16,786.39	16,616.33
(ii) From AY 2007-08 (Refer note 2 below)	10,611.01	11,558.96
(iii) Others	13,840.96	6,143.59
2. Claims against the company not acknowledged as debts relating to:		
Entertainment tax (refer note 3 below)	2,192.55	2,193.00
Cable Television Related Cases	234.16	234.16
Service tax	12,794.00	12,794.00
Sales Tax and Value Added Tax	3,899.17	4,024.93
Custom Duty	1,961.33	1,961.33
Local Body Tax	73.42	73.42
License fee (Department of Telecommunication) (refer note 6 below)	58,711.82	58,711.82
Goods and Service Tax	99.94	99.94
3. Gaurantees/counter guarantees given by the company to:		
Bank guarantees given to various authorities	198.00	4,198.00
Custom authorities	347.00	347.00
Other commitments		
4. Provident fund	409.00	409.00

Notes:

1. NDL Ventures Limited (Formerly known as NXTDIGITAL Limited) has received income tax demand

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

pertaining to IT/ ITES business aggregating ₹ 7,144.66 Lakhs in respect of period prior to October 1, 2006 which is reimbursable by the Company pursuant to the Scheme of Arrangement and Reconstruction for demerger of IT/ITES business into the Company sanctioned by High Court of Judicature of Bombay and made effective on March 7, 2007. In this regard, the Company had paid ₹ 5,550 Lakhs to NDL Ventures Limited to discharge part payment of disputed income tax dues pertaining to IT/ITES business. Out of this amount, the Company has received refund of ₹ Nil including interest of ₹ Nil during the year (March 31, 2022- ₹ Nil including interest of ₹ Nil).

NDL Ventures Limited (Formerly known as NXTDIGITAL Limited) also received income tax demand pertaining to IT/ ITES business in respect of the same issue for the A.Y. 2002-03 to A.Y 2007-08. Pursuant to the Scheme of Arrangement and Reconstruction for merger of Digital, Media & Communications Business into the Company sanctioned by High Court of Judicature of Bombay and made effective on February 1, 2022, all liabilities of the demerged undertaking stand transferred to Resulting Company. The aggregate demand is ₹ 16,786.40 Lakhs including interest ₹7,985.72 Lakhs (March 31, 2022 - ₹16,616.33 Lakhs, ₹ 7,815.61 Lakhs respectively).

2. The Company has received Income Tax Demand orders for the A.Y. (Assessment Year) 2007-08 to A.Y. 2011-12. In all the above assessment orders, demand has been raised mainly on account of denial of section 10A benefit as per the Income Tax Act 1961 in respect of profit earned by the Company's undertaking in Software Technology Parks. The aggregate demand is ₹ 10,611.01 Lakhs including interest ₹1,925.01 Lakhs (March 31, 2022 - ₹11,558.97 Lakhs, ₹1,925.01 Lakhs respectively).

Against the above demands, the respective companies have made various appeals before the relevant Appellate Authority; NDL Ventures Limited Limited received a favourable order from Honourable High Court of Bombay in respect of year 2005-06 dated July 26, 2017. The Honourable Supreme Court of India has admitted a Special Leave Petition (SLP) in respect of the same matter for the years A.Y. 2002-03 to A.Y 2005-06. Future cash outflow in respect of above, if any, is determinable only on receipt of judgements/ decisions pending with relevant authorities and accordingly the amounts are disclosed as a contingent liability. In view of legal advice obtained the Management considers these disallowances as not tenable against us, and therefore no provision for this tax contingency has been recognised.

3 Entertainment tax ('ET') material disputes are given below:

Entertainment tax on Local cable operator (LCO) Points (Maharashtra)

The Government of Maharashtra issued Resolution No. - ENT2013/PK59/T-1 ('GR') dated 7 March 2013 for payment of ET on franchisee points by Multi System Operator (MSO). Accordingly, the ET authorities issued demand notices of ₹ 1,809 lakhs relating to Mumbai, Nagpur and Nashik as under:

S. No.	Period	Notice Issued by	City	March 31, 2023	March 31, 2022
a.	April 2013 – September 2013	District Collector/ Tahsildar	Mumbai	507.08	507.08
b.	April 2013 – June 2013	Office of District Collector	Nagpur	181.14	181.14
c.	April 2013 - July 2013	Office of District Collector	Nashik	41.35	41.35
d.	July 2013 – October 2014	Office of District Collector	Nagpur	1,079.92	1,079.92
				1,809.49	1,809.49

In response to the demand notice issued by the ET authorities in Nagpur, the Company has filed a writ petition with Hon'ble High Court of Bombay (Nagpur Bench) challenging the order of Collector and the validity of GR. The matter shifted to Bombay Bench for Consolidation with writ filed by other MSO's and local cable operator ('LCO') associations in Mumbai and Nashik for similar demand order issued. In the interim, for writ filed by the Company before Nagpur Bench, the Hon'ble High Court of Bombay has stayed any recovery proceeding against the Company and in all writ petitions, Hon'ble High Court of Bombay has directed the LCOs to deposit the ET directly to the Entertainment tax authorities or through the Hon'ble High Court of Bombay. Based on the Orders of the Court, collectors in Mumbai have started to collect the Entertainment tax from the LCO's.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

The Government of Maharashtra has vide an Ordinance dated 10 February 2014 amended the Maharashtra Entertainment Duty Act, 1923 and the said ordinance was replaced with an Act and amendments passed by the ordinance become part of the Maharashtra Entertainment Duty Act, 1923 vide amendment dated 25 July 2014. The constitutional validity of the Ordinance and the Amendments has been challenged by another MSO and a LCO federation in Maharashtra before the Hon'ble High Court of Bombay. The Company has amended its writ petitions filed before Hon'ble High Court of Bombay.

Based on the above facts, the Company is of the opinion that liability for payment of ET on LCO points for the period April 2013 to June 2017 is not required to be provided in its books as the amount of entertainment tax payable is not ascertainable by the company at this stage and it is not payable by the Company.

4 Order from Service tax authorities for reversal of Cenvat Credit on Counter-veiling duty ('CVD') paid on import of Set-top boxes ('STB')

Effective November 2012, Digital Access System (DAS) was introduced in the broadcasting industry in India, in a phased manner, pursuant to which the Company had paid CVD on imported STB's. The Company issues STBs to end subscribers through LCOs (in some cases directly to subscribers) on payment of activation charges. These STBs are not sold to customers and continue to be asset of the Company. STB's are used for providing output service i.e. Cable operator service. The Company has claimed input credit of CVD paid on import against the output liability on Cable operator services under Rule 3 of CENVAT Credit Rules, 2004. The Service Tax Authorities had issued two show cause notice for the period April 2010 to December 2014 and January 2015 to June 2017, denying the claim of the Company for providing Cable operator services for LCO Points, contending STBs are not necessary for providing said services, thus CVD paid on such STBs cannot be availed as input credit under Cenvat Credit Rules, 2004. The matter was heard by Commissioner of the Service Tax during the current year and an Order was passed confirming the demand in both the show cause notices along with penalty amounting to ₹ 12,653 lakhs. In response to the Order, the Company has filed an appeal with the Central Excise and Appellate Tribunal (CESTAT) in April 2019. Based on the above facts, the Company is of the opinion that it still remains the owner of STBs and such STBs have direct nexus with providing of Cable operator services and is thus eligible for input credit and accordingly does not require to make any provisions in the books.

5 Value added tax (VAT) material disputes are given below :

The Company had paid service tax on the activation fees of set top boxes (STB). The VAT authorities in the state of Telangana, Uttar Pradesh, Andhra Pradesh, Karnataka and Chattisgarh passed orders respectively treating the transaction as transfer of Right to use/ Deemed sale and levied VAT. The Company has filed appeal with respective Appellate authorities.

The Company is of the opinion that it still remains the owner of STBs. Though physical control of STB is passed on to the end subscriber effective control remains with the Company hence the transaction is not required to be taxed as transfer of Right to use/ Deemed sale. Accordingly the Company is of the opinion that it does not require to make any provisions in the books for the said demand.

6 License fee demand notice from Department of Telecommunication :

The Company received notices during the financial year 2017-2018 from the Department of Telecommunication (DoT) towards alleged revenue loss due to license fees payable along with interest and penalty thereon, for the period 2010-2011 to 2014-2015, aggregating to ₹ 50,775.24 lakhs, under the License No. 820-5/2002-LR dated 16 May 2002 (hereinafter referred to as ISP License) and Unified License bearing No. 821-52/2013-DS for ISP Category A for PAN India. During the said period i.e from 2010-15, the ISP license was in the name of IndusInd Media and Communications Limited (IMCL) which was subsequently transferred to ONEOTT Entertainment Limited (OIL) with effect from 1 April 2015. DoT demand on the Company was stayed by TDSAT vide its order dated 20 December 2017 and the said stay has not been vacated as on the date of balance sheet.

Although the above referred license has been transferred by IMCL to OIL, the amounts mentioned above have been reported under contingent liability in view of the counter indemnity given by IMCL in favour of OIL, against the indemnity given by OIL to DoT to service any past liability in connection with the said license.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Further, in connection with Network Operations Services availed by the Company from OIL, for the periods starting from Mar 2018 onwards, the Company has given an indemnity to reimburse a sum of ₹ 940.17 lakhs (as at 31st Mar 2022: ₹937 lakhs) along with applicable interest, penalty and interest on penalty towards license fees payable on the adjusted gross revenues thereon, in the event the same becomes a crystallized liability in the hands of OIL.

In light of the Hon'ble Supreme Court's judgement in FY 20, DoT decided to re-examine all demand orders raised and asked all license holders to submit comprehensive representations of the issues involved. The Company have filed representations at appropriate authorities denying the alleged liabilities.

TDSAT vide its order dated 12 June 2020 has set aside the impugned demands and directed DoT to issue directives for maintaining level playing field for all operators.

Relying on an independent legal expert's opinion, the Company and OIL continue to believe that the demands will not be upheld and therefore has disclosed these as Contingent Liabilities.

The Company has received revised demand for F.Y.2014-15, the earlier demand was ₹ 9,017.85 lakhs, which got revised to ₹ 16,014.27 lakhs.

7 Custom Duty on Activation Fee

The Company had received Show cause notice from the Directorate of Revenue Intelligence (DRI), Mumbai for evasion of Custom Duty on payment of activation fees to Nagra Vision SA and inadvertent claim of Exemption for payment of Special Additional Duty pursuant to Notification No. 21/2012 dated 17 March 2012. The Additional Director General DRI (Adjudication) vide its order dated 28 February 2018 rejected the submissions made by the Company and passed the order confirming a demand of ₹ 927 Lakhs (including penalty and redemption fine). The Company has filed an Appeal before the CESTAT, Mumbai in June 2018. Based on the contention that the amount paid to Nagra Vision SA is towards activation fees and not licence fees, the Company expects that the outcome of the matter will be favorable to the Company on the basis of the Appeal and hence has included the demand as above under contingent liabilities. In addition to above order, during the Previous Year, Company had received a new Show Cause Notice on similar issue for Cable and HITS Division. The reply has already been filed by the Company and the matter got heard before the Adjudicating Authority in the previous year. Company has received a letter dated 26th March, 2021, intimating that the adjudication proceeding to be kept pending under the relevant provision of the Custom Act, 1962. The decision to keep the proceedings on hold is on account of the Hon'ble Supreme Court Judgment dated 09/03/2021 in the case of M/s. Canon India Private Limited V/s. Commissioner of Customs.

8 Provident Fund

In February 2019, the Hon'ble Supreme Court of India vide its judgment and subsequent review petition of August 2019 has ruled in respect of compensation for the purpose of Provident Fund contribution under the Employee's Provident Fund Act. The Company has assessed possible outcomes of the judgment on determination of provident fund contributions and based on the Company's current evaluation of the judgment, it is not probable that certain allowances paid by the Company will be subject to payment of provident fund. The Company will continue to monitor and evaluate its position based on future events and developments.

9 The Company has proceedings pending with the Income tax, Service tax authorities, Customs tax authorities, Sales tax authorities and Local body tax authorities. The Company has reviewed all its pending proceedings and has adequately provided where provisions are required and disclosed as contingent liabilities where applicable and quantifiable, in these standalone financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on these standalone financial statements.

10 The Company has given an undertaking to three banks (i.e. Yes Bank Ltd., Axis Bank Ltd. and RBL Bank Ltd.) to retain shareholding to the extent of 51% in the subsidiary viz. IndusInd Media & Communications Limited (IMCL) until all the amounts outstanding under various Facility Agreements entered into by IMCL with the said banks are repaid in full by IMCL. As at the balance sheet date there are no outstanding amounts payable to RBL Bank Limited.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

b) Capital and other commitments:

- (i) Estimated Amount of Contracts (net of capital advances) remaining to be executed on capital account ₹ 2,734.09 Lakhs. (March 31, 2022: ₹ 4,310.11 Lakhs).
- (ii) The Company has issued an Undertaking to the following step-down subsidiaries to provide need based financial support and is committed, if needed, to continue such support to meet the ongoing obligations.
 - i. HGS Mena FZ LLC
 - ii. C-Cubed B.V
 - iii. C-Cubed N.V
 - iv. HGS St. Lucia
 - v. HGS CX Technologies Inc.(including subsidiaries)

There has been no payments during the year against these undertakings.

36 Earnings per share (EPS)

	March 31, 2023	March 31, 2022
Numerator for Basic and Diluted EPS		
Profit attributable to the equity holders of the company (₹ in Lakhs) (both continuing and discontinued operations)	33,004.92	234,655.85
Profit attributable to the equity holders of the company (₹ in Lakhs) (continuing operations)	24,154.53	(8,517.95)
Profit attributable to the equity holders of the company (₹ in Lakhs) (discontinued operations)	8,850.39	243,173.82
Weighted average number of equity shares (Nos.) for calculating basic earnings per share	52,520,285	52,473,442
Number of equity shares (Nos.) for calculating diluted earnings per share	52,520,285	52,517,098
Basic EPS attributable to the equity holders of the Company (₹) (both continuing and discontinued operations)	62.84	447.19
Diluted EPS attributable to the equity holders of the Company (₹) (both continuing and discontinued operations)	62.84	446.82
Basic EPS attributable to the equity holders of the Company (₹) (continuing operations)	45.99	(16.23)
Diluted EPS attributable to the equity holders of the Company (₹) (continuing operations)	45.99	(16.23)
Basic EPS attributable to the equity holders of the Company (₹) (discontinued operations)	16.85	463.42
Diluted EPS attributable to the equity holders of the Company (₹) (discontinued operations)	16.85	463.04
Nominal value of shares (₹)	10.00	10.00
Number of shares considered for basic EPS (Nos.) (Refer note 48 (II))	52,520,285	52,473,442
Add: Shares deemed to be issued for no consideration in respect of Employee stock options (Nos.)	-	43,656
Number of shares considered for diluted EPS (Nos.)	52,520,285	52,517,098

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

37 Assets pledged as security (Refer note 18 & 49 (a))

The Company had pledged certain assets as security for its current and non current borrowings. The carrying amounts of such assets pledged as security are:

Notes	March 31, 2023	March 31, 2022
Current		
Financial Assets		
First Charge		
Current Assets	290,033.67	381,619.07
Total current assets pledged as security	290,033.67	381,619.07
Non-Current		
Exclusive charge		
Movable fixed assets (Refer note below)	38,960.43	54,781.72
Total non-current assets pledged as security	38,960.43	54,781.72
Total assets pledged as security (Refer Note 16)	328,994.10	436,400.79

Particulars	Net carrying amount as at March 31, 2023	Net carrying amount as at March 31, 2022
Furniture and Fixtures (Refer note 2)	176.58	350.27
Vehicles (Refer note 2)	117.11	77.17
Office Equipment (Refer note 2)	148.25	84.72
Plant and equipment (Refer note 2)	28,114.09	30,658.87
Set top boxes (STB) (Refer note 2)	6,161.27	20,057.51
Computers (Refer note 2)	4,242.94	3,552.99
Total	38,960.24	54,781.53

38 Impairment

Goodwill movement:

	March 31, 2023	March 31, 2022
Opening Balance	2,504.26	2,504.26
Add: Additions (Refer note 48 (ii) B)	528.57	-
Closing Balance	3,032.83	2,504.26

Goodwill is tested for impairment at each reporting date. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the Company Cash Generating Unit ("CGU") or groups of CGUs expected to benefit from the synergies arising from the business combinations. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets.

Impairment occurs when the carrying amount of a CGU, including the goodwill, exceeds the estimated recoverable amount of the CGU. The recoverable amount of CGU is higher of its fair value less cost to sell and its value-in-use. Value-in-use is the present value of the future cash flows expected to be derived from the CGU.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

The carrying value of goodwill is allocated to the following CGU's:

	March 31, 2023	March 31, 2022
Business process management - India Human resource operations	2,493.11	2,493.11
Business process management - Digital	11.15	11.15
Business process management - financial planning and analytics services business	528.57	-
Total	3,032.83	2,504.26

The recoverable amount was computed based on value-in-use calculations. Value-in-use is calculated using the pre-tax discount rates.

The future cash flows are based on the medium and long-term business plans approved by the Management and reviewed by the board of directors

The average range of key assumptions used for the calculations are as follows:

(in %)

	March 31, 2023	March 31, 2022
Growth rate	6.1% to 15%	10.00%
Pre-tax discount rate	13% to 17%	16.13%
Terminal growth rate	2%-5%	0.00%

Based on the above no impairment was identified as of March 31, 2023 and March 31, 2022 as the recoverable value of CGU's exceeded their carrying value. An analysis of the calculation's sensitivity to a change in the key parameters (revenue growth, operating margin, discount rate and long-term growth rate) based on reasonably probable assumptions, did not identify any probable scenarios where the recoverable amount of the CGU would fall below their respective carrying amounts.

Reasonable sensitivities in the key assumptions consequent to the change in estimated future economic conditions is unlikely to cause the carrying amount of any of the cash generating units to exceed the recoverable amount.

39 Income tax expense

a) Income tax expense

	Year ended March 31, 2023			Year ended March 31, 2022		
	Continuing Operations	Discontinued Operations	Total	Continuing Operations	Discontinued Operations	Total
Current tax						
Current tax on profits for the year	1,075.98	2,599.79	3,675.77	381.25	86,001.52	86,382.77
Adjustments for current tax relating to prior years	(35,791.66)		(35,791.66)	(347.26)	-	(347.26)
Total current tax expense	(34,715.68)	2,599.79	(32,115.89)	33.99	86,001.52	86,035.51
Deferred Tax						
Decrease/ (Increase) in Deferred tax assets	(5,639.12)	-	(5,639.12)	(6,244.10)	618.43	(5,625.67)
Adjustments for Deferred tax relating to prior years	26,497.10	-	26,497.10			
Total Deferred tax expense/(benefit)	20,857.98	-	20,857.98	(6,244.10)	618.43	(5,625.67)
Income tax expense	(13,857.70)	2,599.79	(11,257.91)	(6,210.11)	86,619.95	80,409.84

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

b) Reconciliation of income tax expense and the accounting profit multiplied by the Indian statutory tax rate

	Year ended March 31, 2023	Year ended March 31, 2022
Profit before income tax expense	21,747.01	315,065.71
Tax at Indian tax rate of 25.168% (2021-22 - 25.168%)	5,473.29	79,295.74
Tax effects of amounts which are not deductible (taxable) in calculating taxable income		
- Expenses towards corporate social responsibility disallowed	168.63	142.45
Difference in overseas tax rate for foreign operation	8.95	1,270.25
Tax credit on profit earned by foreign operation	-	(308.00)
Adjustments for current tax of prior periods due to Merger	(9,294.56)	(347.26)
Difference in tax rate for profit on sale of Operations	(283.51)	2,908.56
Deferred Tax Assets recognised prior years	(6,876.88)	(2,850.90)
Other adjustments	(453.83)	299.00
Total Income Tax expense	(11,257.91)	80,409.84
Tax on Continuing Operations	(13,857.70)	(6,210.11)
Tax on Discontinued Operations	2,599.79	86,619.95

40 Deferred tax liabilities & Deferred tax assets

The balance comprises temporary differences attributable to:

The components of deferred tax assets/ liabilities are follows

	March 31, 2023	March 31, 2022
Property, plant and equipment including Intangible assets	3,219.06	2,815.72
Total Deferred tax liabilities	3,219.06	2,815.72
Provision for compensated absences	727.97	180.63
Provision for gratuity/ pension	259.42	116.88
Leases	69.55	828.77
Deferred performance Incentive	601.27	2,284.04
Derivatives	681.78	109.16
Allowances for doubtful debts	-	519.07
DTA on Brought forward Losses and Loss for the year*	6,876.88	26,529.08
Others	1,318.23	891.19
Total Deferred Tax Assets	10,535.09	31,458.82
Net deferred tax assets	7,316.02	28,643.10

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Movement in Deferred Tax Assets/ Liabilities

	April 1, 2022	Credit/ (Charge) in the statement of profit and loss	Credit/ (Charge) in the Retained earnings	Credit/ (Charge) in the other comprehensive income	Effect of Foreign currency differences	March 31, 2023
Property, Plant & Equipment including Intangible assets	(2,815.72)	(403.34)	-	-	-	(3,219.06)
Provision for Gratuity / Pension	116.88	573.74	-	37.35	-	727.97
Provision for Compensated Absences	180.63	78.79	-	-	-	259.42
Derivatives	109.16	-	-	(39.61)	-	69.55
Allowance for Doubtful Debts	519.07	82.20	-	-	-	601.27
Deferred tax on monetary assets	-	590.00	-	(590.00)	-	-
Leases	828.77	(146.99)	-	-	-	681.78
Deferred performance Incentive	2,284.04	(2,284.04)	-	-	-	-
Deferred Tax Asset on Brought forward Losses*	26,529.08	(19,652.20)	-	-	-	6,876.88
Others	891.19	303.86	-	52.34	70.84	1,318.23
Total	28,643.09	(20,857.98)	-	(539.92)	70.84	7,316.04

*During the year ended March 31, 2023, the Company has recognised deferred tax assets amounting to ₹ 6,876.88 Lakhs, mainly on account of carried forward unused tax losses, acquired by the Company resulting from the merger with NXTDIGITAL Limited, as stated in Note 48(II) (A), on the basis of expected availability of future taxable profits for utilization of such deferred tax assets. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future.

	April 1, 2021	Business Combinations	As at April 1, 2021	Credit/ (Charge) in the statement of profit and loss	Credit/ (Charge) in the Retained earnings	Credit/ (Charge) in the other comprehensive income	Effect of Foreign currency differences	March 31, 2022
Property, Plant & Equipment including Intangible assets	14.65	(3,172.30)	(3,157.65)	341.93	-	-	-	(2,815.72)
Provision for Gratuity / Pension	624.38	-	624.38	(586.56)	-	79.06	-	116.88
Provision for Compensated Absences	643.53	-	643.53	(462.90)	-	-	-	180.63
Derivatives	(669.55)	93.22	(576.33)	10.78	-	674.71	-	109.16
Allowance for Doubtful Debts	53.77	113.15	166.92	352.15	-	-	-	519.07
Leases	2,083.80	615.60	2,699.40	(1,870.63)	-	-	-	828.77
Deferred performance Incentive	1,176.85	-	1,176.85	1,107.19	-	-	-	2,284.04
DTA on Brought forward Losses and Loss for the year*	-	19,392.32	19,392.32	7,136.76	-	-	-	26,529.08
Others	236.22	1,134.13	1,370.35	(403.05)	-	(65.61)	(10.50)	891.19
Total	4,163.65	18,176.11	22,339.76	5,625.67	-	688.16	(10.50)	28,643.10

* Refer the Note 48 (II) (A) Business combinations Digital, Media & Communications Business.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

41 Employee benefit obligations

(i) Compensated Absences

The leave obligations cover the Company's liability for earned leaves of employees.

The amount of the provision of ₹1,883.69 Lakhs (As at March 31, 2022: ₹1,867.49 Lakhs) out of which, ₹ 621.39 Lakhs has been disclosed as current and ₹1,262.30 Lakhs is disclosed as non-current. Based on past experience, the Company does not expect all employees to take the full amount of accrued leaves to make payments in lieu of accrued leaves within the next 12 months.

(ii) Deferred Performance Incentive

The Board of Directors at their meeting held on March 28, 2019 approved an employee defined benefit plan called as "Deferred Payment Incentive" Plan (DPI 2019). The Scheme is applicable to eligible employees of the Company and its subsidiaries including eligible employees transferred pursuant to the sale of healthcare business and in the manner specifically provided for in the Scheme. Payments under this defined employee benefit plan is linked to the Company achieving certain profit targets by the financial year ending March 31, 2022. Pursuant to the plan, the Company carries a NIL provision of as at March 31, 2023. (As at March 31, 2022: ₹10,882.14 lakhs)

(iii) Post-employment obligations

a) Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to Life Insurance Corporation of India (LIC) as per Investment Pattern stipulated for Pension and Group Schemes Fund by Insurance Regulatory and Development Authority Regulations. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

b) Pension benefits

The Branch has a non-contributory and actuarially computed defined benefit pension plan covering substantially all of its employees. The benefits are based on years of service and compensation at the date of retirement, as defined in the policies of the Company.

The plan provides lump sum benefits upon retirement, death, total and permanent disability and separation from service from completion of at least five years of service. Under the provisions of the retirement plan, the normal retirement age is 60 with at least 5 years of credited service, but early retirement is possible for employees reaching age 50 with at least 10 years of credited service. Normal retirement is entitled to 1.5 months basic salary per year of service while early retirement with 10 to 15 years' service is entitled to 1 month basic salary per year of service or 1.5 months per year of service if tenure is beyond 15 years. Employees below 50 years old with at least 10 years of service are entitled to the retirement benefit in case of voluntary separation. 10 to 15 years of service is eligible for 50% of monthly basic pay per year of service, 75% for 15 to 20 years, and 100% of monthly basic pay for 20 years tenure or more.

Plan assets are held in trust by a trustee bank, which is governed by local regulations and practice in the Philippines.

Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets. The largest proportion of assets is invested in debt securities. The Branch believes that debt securities offer the best returns over long term with an acceptable level of risk.

(iv) Defined contribution plans

The Company has classified various benefits provided to employees as under:

- a) Provident Fund
- b) Superannuation Fund
- c) State Defined Contribution Plans:
 - i Employers' Contribution to Employee's State Insurance
- d) Other Statutory contribution schemes

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Amounts recognized in the Statement of Profit and Loss pertaining to the contribution to the above contribution plans are as follows:

	Year ended March 31, 2023	Year ended March 31, 2022*
Employers' Contribution to Provident Fund	2,569.82	4,183.52
Employers' Contribution to Superannuation Fund	-	4.17
Employers' Contribution to Employee's State Insurance	260.21	800.90
Employer's Contribution to Other Employees' contribution Scheme	1,385.75	5,421.75
Total	4,215.78	10,410.34

* Both Continuing and discontinued operations.

(v) Defined Benefit plan

Balance sheet amounts - Pension plan

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

	Present Value of Defined benefit obligation	Fair value of plan assets	Net Amount
April 1, 2021	10,325.74	(343.58)	9,982.16
Current service cost	1,060.44	-	1,060.44
Net Interest cost	475.01	(15.81)	459.21
Total amount recognized in Statement of profit and loss (Both Continuing and discontinued operations)	1,535.45	(15.81)	1,519.65
Remeasurements			
- Return on plan assets, excluding amounts included in interest expense/(income)	-	18.27	18.27
- Actuarial (gain)/loss arising from change in demographic assumptions	-	-	-
- Actuarial (gain)/loss arising from change in financial assumptions	(232.79)	-	(232.79)
- Actuarial (gain)/loss arising from experience adjustments	(435.02)	-	(435.02)
Total amount recognized in other comprehensive income	(667.81)	18.27	(649.54)
Exchange differences (recognised in Foreign Currency translation reserve)	(393.95)	11.71	(382.24)
Contributions:			
- Employers	-	(620.00)	(620.00)
- Plan participants	-	-	-
Payments from plan:			
Benefit payments	(449.70)	449.70	-
Liability Transferred Out/ Divestments (Refer Note 48)	(7,874.23)	-	(7,874.23)
Settlements	-	-	-
March 31, 2022	2,475.50	(499.71)	1,975.80

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

	Present Value of Defined benefit obligation	Fair value of plan assets	Net Amount
April 1, 2022	2,475.50	(499.71)	1,975.79
Current service cost	273.31		273.31
Net Interest cost	138.61	(27.98)	110.63
Total amount recognized in Statement of profit and loss	411.92	(27.98)	383.94
Remeasurements			
- Return on plan assets, excluding amounts included in interest expense/(income)	-	27.92	27.92
- Actuarial (gain)/loss arising from change in demographic assumptions	-	-	-
- Actuarial (gain)/loss arising from change in financial assumptions	(174.42)	-	(174.42)
- Actuarial (gain)/loss arising from experience adjustments	796.42	-	796.42
Total amount recognized in other comprehensive income	622.00	27.92	649.92
Exchange differences (recognised in Foreign Currency translation reserve)	98.65	(8.37)	90.28
Contributions:			
- Employers	-	(176.77)	(176.77)
- Plan participants	-	-	-
Payments from plan:			
Benefit payments	(369.71)	369.71	-
Liability Transferred Out/ Divestments			-
Settlements	-	-	-
March 31, 2023	3,238.36	(315.20)	2,923.16

The company has no legal obligation to settle the deficit in the funded plans with an immediate contribution or additional one off contributions. The Company intends to continue to contribute the defined benefit plans based on short term expected pay-outs in line with the actuary's recommendations.

Balance sheet amounts - Gratuity

BPM Segment

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

	Funded	Unfunded	Present Value of Defined benefit obligation	Fair value of plan assets	Net Amount
April 1, 2021	3,552.91	117.01	3,669.92	(1,255.71)	2,414.21
Current Service Cost	372.43	11.26	383.69	-	383.69
Interest expense/(income)	153.76	4.52	158.27	(66.20)	92.07

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

	Funded	Unfunded	Present Value of Defined benefit obligation	Fair value of plan assets	Net Amount
Total Amount recognized in Statement of profit and loss (Both Continuing and discontinued operations)	526.19	15.77	541.96	(66.20)	475.76
Remeasurements					
- Return on plan assets, excluding amounts included in interest expense/(income)	-	-	-	38.43	38.43
- Actuarial (gain)/loss arising from change in demographic assumptions	0.06	(0.00)	0.06	-	0.06
- Actuarial (gain)/loss arising from change in financial assumptions	(37.95)	(0.48)	(38.43)	-	(38.43)
- Actuarial (gain)/loss arising from Experience adjustments	309.26	46.48	355.74	-	355.74
Total amount recognized in other comprehensive income	271.37	46.01	317.37	38.43	355.80
Employer contributions	-	-	-	(31.73)	(31.73)
Liability Transferred Out/ Divestments (Refer Note 48)	(2,734.63)	-	(2,734.63)	-	(2,734.63)
Other adjustment	(8.59)	-	(8.59)	10.16	1.57
Benefit payments	(318.82)	(29.79)	(348.61)	318.82	(29.79)
March 31, 2022	1,288.42	149.00	1,437.42	(986.23)	451.19

	Funded	Unfunded	Present Value of Defined benefit obligation	Fair value of plan assets	Net Amount
April 1, 2022	1,288.42	149.00	1,437.42	(986.23)	451.19
Current Service Cost	153.00	8.68	161.69	-	161.69
Interest expense/(income)	70.09	6.79	76.89	(53.65)	23.23
Total Amount recognized in Statement of profit and loss	223.09	15.47	238.58	(53.65)	184.92
Remeasurements					
- Return on plan assets, excluding amounts included in interest expense/(income)	-	-	-	(4.35)	(4.35)
- Actuarial (gain)/loss arising from change in demographic assumptions	-	-	-	-	-
- Actuarial (gain)/loss arising from change in financial assumptions	(64.03)	(1.07)	(65.10)	-	(65.10)
- Actuarial (gain)/loss arising from Experience adjustments	212.33	43.79	256.12	-	256.12
Total amount recognized in other comprehensive income	148.30	42.72	191.02	(4.35)	186.67

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

	Funded	Unfunded	Present Value of Defined benefit obligation	Fair value of plan assets	Net Amount
Employer contributions	-	-	-	(62.96)	(62.96)
Liability Transferred In	208.73	-	208.73	(0.13)	208.60
Other adjustment	-	-	-	-	-
Benefit payments	(181.57)	(43.73)	(225.30)	181.57	(43.73)
March 31, 2023	1,686.96	163.46	1,850.45	(925.75)	924.69

Media Segement

	Funded	Unfunded	Present Value of Defined benefit obligation	Fair value of plan assets	Net Amount
April 1, 2021	676.96	-	676.96	(846.87)	(169.91)
Current Service Cost	70.14	-	70.14	-	70.14
Interest expense/(income)	46.03	-	46.03	(57.59)	(11.56)
Total Amount recognized in Statement of profit and loss	116.17	-	116.17	(57.59)	58.58
Remeasurements					
- Return on plan assets, excluding amounts included in interest expense/(income)	-	-	-	2.87	2.87
- Actuarial (gain)/loss arising from change in demographic assumptions	(0.53)	-	(0.53)	-	(0.53)
- Actuarial (gain)/loss arising from change in financial assumptions	(25.31)	-	(25.31)	-	(25.31)
- Actuarial (gain)/loss arising from Experience adjustments	(33.30)	-	(33.30)	-	(33.30)
Total amount recognized in other comprehensive income	(59.14)	-	(59.14)	2.87	(56.27)
Employer contributions	-	-	-	(21.90)	(21.90)
Liability Transferred Out/ Divestments (Refer Note 48)	-	-	-	-	-
Other adjustment	-	-	-	-	-
Benefit payments	(51.79)	-	(51.79)	51.79	-
March 31, 2022	682.20	-	682.20	(871.70)	(189.50)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

	Funded	Unfunded	Present Value of Defined benefit obligation	Fair value of plan assets	Net Amount
April 1, 2022	682.20	-	682.19	(871.70)	(189.51)
Current Service Cost	64.90	-	64.90		64.90
Interest expense/(income)	47.94	-	47.94		47.94
Total Amount recognized in Statement of profit and loss	112.84	-	112.84	-	112.84
Remeasurements					
- Return on plan assets, excluding amounts included in interest expense/(income)	-	-	-	(54.63)	(54.63)
- Actuarial (gain)/loss arising from change in demographic assumptions	-	-	-	-	-
- Actuarial (gain)/loss arising from change in financial assumptions	-	-	-	-	-
- Actuarial (gain)/loss arising from Experience adjustments	94.85	-	94.85	-	94.85
Total amount recognized in other comprehensive income	94.85	-	94.85	(54.63)	40.22
Employer contributions	-	-	-	(13.45)	(13.45)
Liability Transferred In	(19.09)	-	(19.09)		(19.09)
Benefit payments	(205.03)	-	(205.03)	205.03	-
March 31, 2023	665.77	-	665.76	(734.75)	(68.99)

The following table shows the breakdown of the defined benefit obligation and plan assets:

	March 31, 2023			March 31, 2022		
	Gratuity	Pension	Total	Gratuity	Pension	Total
Present Value of Obligation	2,516.19	3,238.36	5,754.55	2,119.61	2,475.50	4,595.11
Fair value of plan assets	(1,660.50)	(315.20)	(1,975.70)	(1,857.93)	(499.71)	(2,357.64)
Total Liability	855.69	2,923.16	3,778.85	261.68	1,975.79	2,237.47

(vi) Actuarial assumptions pension and gratuity

The significant actuarial assumptions were as follows:

	Year ended March 31, 2023		Year ended March 31, 2022	
	Pension	Gratuity	Pension	Gratuity
Discount Rate	6.36%	7.20%-7.29%	5.64%	4.56%-6.8%
Salary growth rate	3.40%	5% - 8%	3.40%	4% - 8%
Rate of return on Plan assets	6.36%	7.20%	5.64%	4.56%-6.8%
Mortality rate	1994GAMT	Indian Assured Lives Mortality 2012-14 (Urban)	1994GAMT	Indian Assured lives Mortality (2006-08) Ultimate
Rate of Employee turnover	8% to 37% p.a.	2% to 70%	8% to 37% p.a.	2% to 70%

Assumptions regarding mortality experience are set based on advice from published statistics.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

The discount rate is primarily based on the prevailing market yields of government securities for the estimated term of the obligations. The estimates of future salary increases takes into account the inflation, seniority and other relevant factors. Attrition rate considered is the Management estimate based on past experience of employee turnover. The expected return on plan assets is based on expectation of the average rate of return expected on investment of the fund.

(vii) Sensivity Analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Impact on defined benefit obligation

	Change in assumption		Increase in assumption		Decrease in assumption	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Discount Rate	1%	1%	(325.08)	(297.63)	325.15	310.14
Salary Growth rate	1%	1%	330.29	315.03	(337.87)	(311.11)

The above sensitivity analysis are based on a change in an 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 year.

(viii) The major categories of plan assets are as follows

	March 31, 2023			March 31, 2022		
	Level-1	Level-3	Total	Level-1	Level-3	Total
Pension						
Debt Instruments						
- Government Bonds	284.98	-	284.98	451.37	-	451.37
- Corporate Bonds	2.92	-	2.92	29.38	-	29.38
Cash and cash equivalents	26.32	-	26.32	16.80	-	16.80
Others	-	1.59	1.59	-	2.16	2.16
Gratuity						
Investment funds	-	-	-	-	-	-
Insurance Funds (LIC Pension and Group Schemes fund)	-	1,660.39	1,660.39	-	1,857.94	1,857.94
Total	314.22	1,661.98	1,976.20	497.55	1,860.10	2,357.65

(ix) Risk exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility	The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments is in fixed income securities with high grades and in government securities.
Changes in bond yields	A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.
Life expectancy	The pension is to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

The Company ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the employee benefit plans. Within this framework, the Company's ALM objective is to match assets to the pension obligations by investing in long-term fixed interest securities with maturities that match the benefit payments as they fall due and in the appropriate currency.

The Company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The Company has not changed the processes used to manage its risks from previous periods. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.

A large portion of assets in FY 2022-23 (PY 2021-22) consists of government & corporate bonds and LIC Pension. The plan asset mix is in compliance with the requirements of the respective local regulations.

(x) Defined benefit liability and employer contributions

Expected contributions to post-employment benefit plans for the year ending March 31, 2024 is ₹851.83 lakhs [Gratuity ₹571.71 Lakhs; Pension ₹280.12 Lakhs]

The weighted average duration of Gratuity plan obligation is 4-10 years. The weighted average duration of Pension plan obligation is 11 years. The expected maturity analysis of undiscounted pension and gratuity is as follows:

	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
March 31, 2023					
Pension plan benefit obligation	280.12	321.37	1,494.18	11,648.25	13,743.92
Gratuity plan benefit obligation	571.71	416.02	778.59	1,938.58	3,704.90
Total	851.83	737.39	2,272.77	13,586.83	17,448.82
March 31, 2022					
Pension plan benefit obligation	255.49	169.29	745.01	10,481.15	11,650.93
Gratuity plan benefit obligation	504.49	264.54	638.24	1,753.25	3,160.51
Total	759.98	433.83	1,383.25	12,234.40	14,811.44

The company has no legal obligation to settle the deficit in the funded plans with an immediate contribution or additional one off contributions. The Company intends to continue to contribute the defined benefit plans based on short term expected pay-outs in line with the actuary's recommendations.

42. Capital management

A) Capital Structure

The Company's objectives when managing capital are to

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

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholder's, return capital to shareholder's, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings offset by net of cash and cash equivalents)/Total 'equity' as shown in the balance sheet.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

The gearing ratios were as follows:

	March 31, 2023	March 31, 2022
Total borrowings (Refer Note 18)	30,592.41	67,725.57
Cash and cash equivalents(Refer Note 11a)	(40,566.28)	(85,825.83)
Net Debt	(9,973.87)	(18,100.26)
Total Equity	440,729.96	424,404.71
Net Debt to Equity ratio*	-	-

* Lease liabilities are not included for computing the gearing ratio.

Loan covenants

The Company has complied with financial covenants implied as a part of external borrowing facilities throughout the reporting year.

B) Dividends

	March 31, 2023	March 31, 2022
(i) Equity shares		
Final dividend (including Special Dividend) for the year ended March 31, 2022 of ₹25 (March 31, 2021 - ₹ 22) per fully paid equity share	10,448.78	4,593.00
Interim dividend (including Special Dividend) for the year ended March 31, 2023 of ₹ 12.50 (March 31, 2022 - ₹195) per fully paid equity share	6,027.04	40,749.88
(ii) Dividends not recognized at the end of the reporting period		
In addition to the above dividends, since year end the directors have recommended payment of a final dividend of ₹ 2.5 per fully paid equity share (March 31, 2022 - ₹ 25). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	1,313.01	10,448.78

Note: The Company has complied with u/s 123 of the Companies Act 2013.

43 Related Party Transactions and Balances

I) Individual having control with his relatives and associates

1. Ashok P. Hinduja
2. Harsha Ashok Hinduja
3. Ambika Ashok Hinduja
4. Shom Ashok Hinduja
5. Shanoo S. Mukhi
6. Vinoo Srichand Hinduja
7. Amas Mauritius Limited

II) Subsidiaries of Hinduja Global Solutions Limited (Includes step-down subsidiaries)

- 1 HGS International
- 2 Hinduja Global Solutions LLC.(Formerly known as Hinduja Global Solutions Inc.)
- 3 HGS Properties LLC
- 4 HGS Canada Holdings LLC
- 5 HGS Canada Inc.
- 6 HGS EBOS LLC (Upto January 5, 2022)*

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

- 7 HGS (USA) LLC
- 8 HGS Healthcare LLC. (Upto January 5, 2022)*
- 9 Affina Company
- 10 Hinduja Global Solutions Mena FZ LLC
- 11 Hinduja Global Solutions Europe Limited (Upto in August 30, 2022)
- 12 Hinduja Global Solutions UK Limited
- 13 HGS France, S.A.R.L (Upto in April 20, 2021)
- 14 C-Cubed N.V.
- 15 C-Cubed B.V.
- 16 Customer Contact Centre Inc.#
- 17 HGS St. Lucia Limited
- 18 Team HGS Limited
- 19 HGS Axis Point Health LLC (Upto January 5, 2022)*
- 20 Falcon Health Solutions Puerto Rico LLC
- 21 Falcon Health Solutions Puerto Rico Holding LLC
- 22 HGS Colibrium LLC (Upto January 5, 2022) *
- 23 HGS Digital, LLC (Formerly known as Element Solutions LLC)
- 24 Diversify Offshore Staffing Solutions Pty Ltd (Effective from February 25, 2022)
- 25 Diversify Intelligent Staffing Solutions Inc (Effective from February 25, 2022)
- 26 Diversify ISS BGC Inc (Effective from February 25, 2022)
- 27 Diversify Offshore Solutions Cebu Inc (Effective from February 25, 2022)
- 28 HGS CX Technologies Inc. (Effective from December 6, 2021)
- 29 HGS Healthcare Operations Inc.(Incorporated on November 17, 2021 and Upto January 5, 2022)*
- 30 HGS Colombia S.A.S
- 31 Teklink International LLC (Formerly known as Teklink International Inc) (Effective from March 1, 2023)
- 32 Teklink International AG (Effective from March 1, 2023)
- 33 IndusInd Media & Communications Limited**
- 34 ONEOTT Intertainment Limited**
- 35 Ajanta Sky Darshan Private Limited**
- 36 Apna Incable Broadband Services Private Limited**
- 37 Bhima Riddhi Infotainment Private Limited**
- 38 Darpita Trading Company Private Limited**
- 39 Gold Star Noida Network Private Limited**
- 40 Goldstar Infotainment Private Limited**
- 41 IN Entertainment (India) Limited**
- 42 OneMahanet Intertainment Private Limited**
- 43 RBL Digital Cable Network Private Limited**
- 44 Sainath In Entertainment Private Limited**
- 45 Sangli Media Services Private Limited**
- 46 Sunny Infotainment Private Limited**
- 47 United Mysore Network Private Limited**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

- 48 USN Networks Private Limited**
- 49 Vinsat Digital Private Limited**
- 50 Vistaar Telecommunication and Infrastructure Private Limited**
- * Refer Note 48 I(A)
- ** Refer Note 48 II(A)
- # Liquidated effective April 3, 2018 (While these are officially liquidated, the repatriation of funds are not yet complete and hence these are still part of the consolidated financial statements).

III) Key Management Personnel

Mr. Partha DeSarkar, Whole-time Director & Chief Executive Officer

Mr. Vysley Fernandes - WholeTime Director (w.e.f 14 November, 2022)

Non executive directors:

Mr. Ashok P Hinduja Chairperson/ Promoter - (w.e.f. 19 December 2022)

Mr. Yashodhan Madhusudan Kale, Chairman and Non-executive Director (Upto December 19, 2022)

Mr. Anil Harish

Ms. Bhumika Batra

Mr. Sudhanshu Kumar Tripathi

Dr. Ganesh Natarajan

Mr. Pradeep Udhas(w.e.f 25 August 2022)

Mr. Paul Abraham (w.e.f 25 August, 2022)

Mr. Munesh Khanna (w.e.f 19 December, 2022)

IV) Enterprises where common control exists

- 1 Hinduja Group Limited
- 2 NDL Ventures Limited (Formerly known as NXTDIGITAL Limited Limited &Hinduja Ventures Limited)
- 3 Hinduja Healthcare Limited
- 4 Hinduja Realty Ventures Limited
- 5 Hinduja Energy (India) Ltd
- 6 Hinduja National Power Corporation Limited
- 7 Aasia Corporation LLC
- 8 Tabula Rasha Music LLP
- 9 Impeccable Imagination LLP
- 10 Hinduja Properties Limited
- 11 Hinduja Estate Private Limited

V) Enterprises where Significant Influence is exercised by Directors

- 1 Global Talent Track Private Limited
- 2 5F World Private Limited
- 3 Skills Alpha Learning Private Limited
- 4 Vihur Apps Private Limited
- 5 Kalzoom Advisors Private Limited
- 6 Oerlikon Textile India Private Limited
- 7 Hinduja Finance Limited
- 8 The British Metal Corporation (India) Private Limited

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

VI) Relatives of key management personnel including directors whether executive or otherwise

Mr. Pabitra DeSarkar (Mr. Partha DeSarkar Father)
 D M Harish & Co (Firm in which Mr. Anil Harish is a Partner)
 Satya A Hinduja (Daughter of Mr. Ashok P Hinduja)
 P.K. DeSarkar & Co (Firm in which Mr. Partha DeSarkar is partner)
 Corner Stone Ventures Partners Investment Advisers LLP (Firm in which Dr. Ganesh Natarajan is a partner)
 M/s. Crawford Bayley & Co. (Firm in which Ms. Bhumika Batra is a partner)
 5F World (Firm in which Dr. Ganesh Natarajan is a partner)
 BSR & Co. LLP (Mr. Yashodhan Madhusudan Kale's relative is a Partner) (Upto December 19, 2022)
 Castle Media Private Limited (Mr. Vynsley Fernandes's relative is a Director)
 Cyqurex System Private Limited (Mr. Ashok Hinduja's relative is a Director)
 Spyke Technologies Private Limited (Mr. Vynsley Fernandes's relative is a Director)

Related Party transactions and balances

The following details pertain to transactions carried out with the related parties in the ordinary course of business at an arm's length and the balances outstanding at the year-end:

Particulars	Parties referred to in I & II above		Parties referred to in III and VI above		Parties referred to in IV and V above	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Rendering of services						
Business Process Management						
HGS Healthcare LLC	-	134,314.13	-	-	-	-
HGS USA LLC	26,876.18	16,971.46	-	-	-	-
Hinduja Global Solutions UK Limited	8,378.64	7,373.94	-	-	-	-
HGS Canada Inc	991.22	869.44	-	-	-	-
Team HGS Limited	116.23	194.99	-	-	-	-
HGS EBOS LLC	-	18,293.44	-	-	-	-
HGS Mena FZ LLC	-	154.46	-	-	-	-
HGS Axis Point Health LLC	-	56.79	-	-	-	-
HGS Digital, LLC	3,168.66	1,940.70	-	-	-	-
Teklink International LLC	470.48	-	-	-	-	-
HGS Colibrium Inc	-	38.86	-	-	-	-
OneOTT Intertainment Limited	26.62	24.32	-	-	-	-
Others	-	-	31.86	30.45	19.80	2.03
Subscription Income						
Sangli Media Services Private Limited	10.06	14.38	-	-	-	-
Bhima Riddhi Infotainment Private Limited	-	2.66	-	-	-	-
Installation Income						
Bhima Riddhi Infotainment Private Limited	185.19	249.15	-	-	-	-
Lease income						
Vinsat Digital Private Limited	74.38	148.30	-	-	-	-
OneOTT Intertainment Limited	2,301.14	1,736.00	-	-	-	-
Link Charges						
Sainath In Entertainment Private Limited	150.55	162.02	-	-	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Particulars	Parties referred to in I & II above		Parties referred to in III and VI above		Parties referred to in IV and V above	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Channel placement income						
In Entertainment (India) Limited	120.00	120.00	-	-	-	-
Total	42,869.35	182,665.04	31.86	30.45	19.80	2.03
Interest Income						
HGS International	1,985.83	403.26	-	-	-	-
Hinduja Group Limited	-	-	-	-	3,683.10	1,794.72
Hinduja Realty Ventures Limited	-	-	-	-	3,857.87	1,680.33
Hinduja Energy (India) Ltd	-	-	-	-	2,210.00	-
Aasia Corporation LLC	-	-	-	-	-	201.37
Vinsat Digital Private Limited	-	0.03	-	-	-	-
IN Entertainment (India) Limited	272.10	1.60	-	-	-	-
Indus Ind Media & Communications Limited	335.96	-	-	-	-	-
OneOTT Intertainment Limited	318.38	-	-	-	-	-
Total	2,912.27	404.89	-	-	9,750.97	3,676.42
Lease payments						
Hinduja Group limited	-	-	-	-	145.44	150.64
Hinduja Realty Ventures Limited	-	-	-	-	356.59	317.88
Satya A Hinduja	-	-	104.18	92.72	-	-
IndusInd Media & Communications Limited	234.17	232.96	-	-	-	-
ONEOTT Intertainment Limited	-	6.61	-	-	-	-
Total	234.17	239.57	104.18	92.72	502.03	468.52
Maintenance expense						
IN Entertainment (India) Limited	1.04	12.41	-	-	-	-
Cyqurex Systems Private Limited	-	-	31.50	8.70	-	-
Spyke Technologies Private Limited	-	-	23.13	22.47	-	-
Hinduja Realty Ventures Limited	-	-	-	-	-	9.00
Total	1.04	12.41	54.63	31.17	-	9.00
Software Charges						
Cyqurex Systems Private Limited	-	-	30.00	54.38	-	-
Total	-	-	30.00	54.38	-	-
Legal & Professional charges						
Hinduja Group Limited	-	-	-	-	985.42	3,814.28
Crawford Bayley & Co.	-	-	130.61	469.50	-	-
Global Talent Track Private Limited	-	-	-	-	-	-
Kalzoom Advisors Private Limited	-	-	-	-	-	-
HGS Digital, LLC	201.93	518.46	-	-	-	-
D M Harish & Co	-	-	7.50	-	-	-
Castle Media Private Limited	-	-	868.13	828.18	-	-
Spyke Technologies Private Limited	-	-	259.74	108.21	-	-
IN Entertainment (India) Limited	0.57	-	-	-	-	-
Total	202.50	518.46	1,265.98	1,405.89	985.42	3,814.28
Technical Fees						
IndusInd Media & Communications Limited	547.42	547.27	-	-	-	-
Total	547.42	547.27	-	-	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Particulars	Parties referred to in I & II above		Parties referred to in III and VI above		Parties referred to in IV and V above	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Training and Recruitment						
Hinduja Global Solutions Mena FZ LLC	-	127.95	-	-	-	-
Global Talent Track Private Limited	-	-	-	-	-	1.17
Total	-	127.95	-	-	-	1.17
Internet Expenses						
ONEOTT Intertainment Limited	10.40	74.29	-	-	-	-
Total	10.40	74.29	-	-	-	-
Business promotion						
IN Entertainment (India) Limited	2.39	2.64	-	-	-	-
Total	2.39	2.64	-	-	-	-
Royalty expense						
IN Entertainment (India) Limited	201.18	180.08	-	-	-	-
Total	201.18	180.08	-	-	-	-
Sale of movie rights						
Hinduja Group Limited	-	-	-	-	385.00	-
	-	-	-	-	385.00	-
Staff Welfare						
IN Entertainment (India) Limited	13.65	28.89	-	-	-	-
	13.65	28.89	-	-	-	-
Interest Expense						
IndusInd Media & Communications Limited	131.92	175.64	-	-	-	-
IN Entertainment (India) Limited	332.34	123.16	-	-	-	-
Hinduja Realty Ventures Limited	-	-	-	-	372.62	1,101.51
Hinduja Group Limited	-	-	-	-	567.80	2,754.70
ONEOTT Intertainment Limited	534.18	377.43	-	-	-	-
Onemahanet Inentertainment Pvt Limited	18.57	166.61	-	-	-	-
Total	1,017.01	842.84	-	-	940.42	3,856.21
Miscellaneous Expenses						
Hinduja Group Limited	-	-	-	-	-	260.12
HGS USA LLC	-	8.71	-	-	-	-
In Entertainment (India) Limited	0.10	128.47	-	-	-	-
ONEOTT Intertainment Limited	-	15.34	-	-	-	-
Total	0.10	152.52	-	-	-	260.12
Executive Remuneration*						
Mr. Partha DeSarkar #	-	-	774.59	2,327.72	-	-
Mr. Vysley Fernandes	-	-	108.35	-	-	-
Total	-	-	882.94	2,327.72	-	-

Note:

* The above Executive remuneration excludes Gratuity and compensated absences which cannot be separately identified from the composite amount advised by the actuary.

The remuneration accrued by the company along with stepdown subsidiary to its whole-time director during the year exceeds the prescribed limit of 10% of net profits laid down under section 197 and 198 of the Act. The remuneration accrued for the year 2022-23 in excess of the limit laid down under this section is ₹ 3,036.72 lakhs. The Company has obtained the necessary approvals from members through postal ballot dated January 25, 2023.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Particulars	Parties referred to in I & II above		Parties referred to in III and VI above		Parties referred to in IV and V above	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Expenses reimbursed to other Companies						
ONEOTT Entertainment Limited	-	26.95	-	-	-	-
IndusInd Media & Communications Limited	315.87	613.92	-	-	-	-
Darpita Trading Company Private Limited	-	25.70	-	-	-	-
United Mysore Network Private Limited	-	55.49	-	-	-	-
Total	315.87	722.06	-	-	-	-
Expenses reimbursed by other Companies						
HGS Healthcare LLC	-	0.71	-	-	-	-
HGS (USA), LLC	423.88	85.27	-	-	-	-
Hinduja Global Solutions LLC.	-	15.16	-	-	-	-
HGS EBOS LLC	-	3.51	-	-	-	-
Team HGS Limited	218.34	150.54	-	-	-	-
Hinduja Global Solutions UK Limited	495.16	36.55	-	-	-	-
HGS Canada Inc.	538.32	22.92	-	-	-	-
HGS Axis Point Health LLC	-	15.10	-	-	-	-
HGS Digital LLC	80.28	-	-	-	-	-
HGS International	23.53	-	-	-	-	-
ONEOTT Entertainment Limited	350.29	-	-	-	-	-
Total	2,129.80	329.76	-	-	-	-
Commission to Directors & sitting fees paid						
Commission to Directors	-	-	93.10	393.75	-	-
Sitting fees paid to Director's	-	-	165.50	180.76	-	-
Total	-	-	258.60	574.51	-	-
Purchase of Fixed Assets						
Spyke Technologies Private Limited	-	-	152.21	409.67	-	-
Total	-	-	152.21	409.67	-	-
Sale of Fixed Assets						
IN Entertainment (India) Limited	10,063.17	3,915.73	-	-	-	-
IndusInd Media & Communications Limited	1,395.21	3,603.93	-	-	-	-
ONEOTT Entertainment Limited	5,813.39	-	-	-	-	-
Onemahanet Inentertainment Pvt Limited	389.63	1,414.64	-	-	-	-
Total	17,661.40	8,934.30	-	-	-	-
Inventory						
IN Entertainment (India) Limited	-	32.89	-	-	-	-
Total	-	32.89	-	-	-	-
Loans Given/Inter-Corporate Deposits Given						
Hinduja Group Limited	-	-	-	-	50,000.00	68,000.00
HGS International	43,541.89	-	-	-	-	-
Hinduja Realty Ventures Limited	-	-	-	-	52,500.00	87,000.00

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Particulars	Parties referred to in I & II above		Parties referred to in III and VI above		Parties referred to in IV and V above	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Hinduja Energy (India) Ltd	-	-	-	-	50,000.00	-
Aasia Corporation LLC	-	-	-	-	-	30,000.00
IndusInd Media & Communications Limited	15,079.00	-	-	-	-	-
ONEOTT Intertainment Limited	14,650.89	-	-	-	-	-
IN Entertainment (India) Limited	11,900.00	865.00	-	-	-	-
Total	85,171.78	865.00	-	-	152,500.00	185,000.00
Loans Repaid/Inter-Corporate Deposits Received back						
Hinduja Group Limited	-	-	-	-	54,250.00	33,550.00
Hinduja Realty Ventures Limited	-	-	-	-	55,000.00	44,000.00
Hinduja Energy (India) Ltd	-	-	-	-	-	-
Aasia Corporation LLC	-	-	-	-	-	30,000.00
IndusInd Media & Communications Limited	174.00	-	-	-	-	-
ONEOTT Intertainment Limited	500.00	-	-	-	-	-
IN Entertainment (India) Limited	-	865.00	-	-	-	-
Total	674.00	865.00	-	-	109,250.00	107,550.00
Inter-Corporate Deposits Taken						
Hinduja Realty Ventures Limited	-	-	-	-	7,850.00	8,050.00
IndusInd Media & Communications Limited	595.00	3,617.50	-	-	-	-
IN Entertainment (India) Limited	2,241.00	5,240.00	-	-	-	-
Onemahanet Inentertainment Pvt Limited	-	6,400.00	-	-	-	-
ONEOTT Intertainment Limited	3,062.00	6,735.50	-	-	-	-
Hinduja Group Limited	-	-	-	-	7,002.00	4,895.00
Hinduja Energy India Limited	-	-	-	-	-	6,000.00
Total	5,898.00	21,993.00	-	-	14,852.00	18,945.00
Inter-Corporate Deposits Repaid						
Hinduja Realty Ventures Limited	-	-	-	-	12,788.84	8,691.16
IndusInd Media & Communications Limited	2,496.00	2,946.50	-	-	-	-
IN Entertainment (India) Limited	4,920.00	3,660.25	-	-	-	-
Onemahanet Inentertainment Pvt Limited	4,730.00	1,670.00	-	-	-	-
ONEOTT Intertainment Limited	11,994.00	500.00	-	-	-	-
Hinduja Group Limited	-	-	-	-	24,998.21	20,488.79
Total	24,140.00	8,776.75	-	-	37,787.05	29,179.95
Dividend Paid						
Hinduja Group Limited	-	-	-	-	5,671.53	14,995.83
Hinduja Group Limited with'Hinduja Realty Ventures Limited	-	-	-	-	814.68	4,458.44
Aasia Corporation LLC	-	-	-	-	156.68	924.05
Hinduja Realty Ventures Limited	-	-	-	-	980.43	564.00
Harsha Ashok Hinduja	448.12	1,246.00	-	-	-	-
Ashok Parmanand Hinduja	520.23	1,440.28	-	-	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Particulars	Parties referred to in I & II above		Parties referred to in III and VI above		Parties referred to in IV and V above	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Ambika Ashok Hinduja	139.26	384.62	-	-	-	-
Shom Ashok Hinduja	110.01	303.82	-	-	-	-
Amas Mauritius Limited	2,146.56	5,992.30	-	-	-	-
Shanoo S. Mukhi	0.74	2.07	-	-	-	-
Vinoo Srichand Hinduja	47.25	132.51	-	-	-	-
Hinduja Properties Ltd.	-	-	-	-	5.07	-
Ganesh Natarajan	-	-	0.39	1.09	-	-
Partha DeSarkar	-	-	37.81	109.41	-	-
Total	3,412.17	9,501.60	38.20	110.50	7,628.39	20,942.32

Particulars	Parties referred to in I & II above		Parties referred to in III and VI above		Parties referred to in IV and V above	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Receivable net of payable as at the year-end						
HGS (USA), LLC	18,509.89	11,678.32	-	-	-	-
HGS Canada Inc.	478.43	298.04	-	-	-	-
HGS Mena FZ LLC	19.21	24.43	-	-	-	-
Hinduja Global Solutions UK Limited	3,550.18	2,384.73	-	-	-	-
Team HGS Limited	214.00	195.40	-	-	-	-
HGS Digital, LLC	1,602.10	802.86	-	-	-	-
HGS International	31.33	358.18	-	-	-	-
Indus Ind Media & Communications Ltd.	315.75	-	-	-	-	-
ONEOTT Entertainment Limited	-	1,395.00	-	-	-	-
Diversify Intelligent Staffing Solutions Inc	23.03	-	-	-	-	-
Teklink International LLC	501.86	-	-	-	-	-
Ajanta Sky Darshan Private Limited	0.43	0.43	-	-	-	-
Apna Incable Broadband Services Private Limited	0.41	0.41	-	-	-	-
Gold Star Noida Network Private Limited	1.01	1.01	-	-	-	-
Goldstar Infotainment Private Limited	0.41	0.41	-	-	-	-
RBL Digital Cable Network Private Limited	0.43	0.43	-	-	-	-
Sunny Infotainment Private Limited	0.40	0.40	-	-	-	-
United Mysore Network Private Limited	55.66	55.66	-	-	-	-
USN Networks Private Limited	0.41	0.41	-	-	-	-
Vinsat Digital Private Limited	27.08	11.00	-	-	-	-
Vistaar Telecommunication and Infrastructure Private Limited	0.45	0.45	-	-	-	-
Others	-	-	-	-	3.94	18.82
Total	25,332.47	17,207.57	-	-	3.94	18.82

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Particulars	Parties referred to in I & II above		Parties referred to in III and VI above		Parties referred to in IV and V above	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Payable net of receivables as at year-end						
Customer Contact Centre Inc.	3,818.59	3,529.80	-	-	-	-
Global Talent Track Private Limited	-	-	-	-	-	1.21
Hinduja Group Limited	-	-	-	-	-	121.60
Hinduja Realty Ventures Limited	-	-	-	-	-	1.62
IndusInd Media & Communications Limited	-	6.67	-	-	-	-
In Entertainment India Limited	183.87	112.40	-	-	-	-
Bhima Riddhi Infotainment Private Limited	3.47	3.47	-	-	-	-
Darpita Trading Company Private Limited	32.17	32.17	-	-	-	-
Sainath In Entertainment Private Limited	3.15	2.65	-	-	-	-
Sangli Media Services Private Limited	0.58	-	-	-	-	-
Castle Media Private Limited	-	-	76.49	5.94	-	-
Spyke Technologies Private Limited	-	-	65.35	225.99	-	-
Cyqurex Systems Private Limited	-	-	-	16.60	-	-
Total	4,041.83	3,687.16	141.84	248.53	-	124.43
Loans/Inter Corporate Deposits Receivable						
HGS International	73,902.09	30,360.20	-	-	-	-
Hinduja Group Limited	-	-	-	-	46,200.00	50,450.00
Hinduja Realty Ventures Limited	-	-	-	-	50,500.00	53,000.00
Hinduja Energy (India) Ltd	-	-	-	-	50,000.00	-
In Entertainment India Limited	11,900.00	-	-	-	-	-
IndusInd Media & Communications Limited	14,905.00	-	-	-	-	-
ONEOTT Intertainment Limited	14,150.89	-	-	-	-	-
Total	114,857.98	30,360.20	-	-	146,700.00	103,450.00
Interest Receivable						
HGS International	542.12	-	-	-	-	-
NDL Ventures Limited	-	-	-	-	-	3.92
Total	542.12	-	-	-	-	3.92
Inter Corporate Deposits Payable						
Hinduja Group Limited	-	-	-	-	-	17,996.21
Hinduja Realty Ventures Limited	-	-	-	-	-	4,938.84
IndusInd Media & Communications Limited	-	1,901.00	-	-	-	-
IN Entertainment (India) Limited	-	2,679.00	-	-	-	-
Onemahanet Inentertainment Pvt Limited	-	4,730.00	-	-	-	-
ONEOTT Intertainment Limited	-	8,932.00	-	-	-	-
Total	-	18,242.00	-	-	-	22,935.05

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Particulars	Parties referred to in I & II above		Parties referred to in III and VI above		Parties referred to in IV and V above	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Interest Payable						
Hinduja Group Limited	-	-	-	-	-	966.57
Hinduja Realty Ventures Limited	-	-	-	-	-	432.07
Onemahanet Inentertainment Private Limited	-	150.36	-	-	-	-
Total	-	150.36	-	-	-	1,398.64
Security deposit						
Hinduja Realty Ventures Limited	-	-	-	-	80.00	80.00
Satya Hinduja	-	-	24.00	24.00	-	-
Total	-	-	24.00	24.00	80.00	80.00
Investments in preference shares at the year end (7% cumulative preference shares of Rs 10 each)						
In Entertainment (India) Limited	401.73	361.92	-	-	-	-
Total	401.73	361.92	-	-	-	-
Investments in equity shares at the year end						
HGS International	38,880.28	38,880.28	-	-	-	-
IndusInd Media and Communications Limited	7,279.64	7,279.64	-	-	-	-
Oneott Intertainment Limited	27,199.49	27,199.49	-	-	-	-
Total	73,359.41	73,359.41	-	-	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

44 Fair value measurements

(a) Financial instruments by category

	March 31, 2023			March 31, 2022		
	FVTPL	FVTOCI	Amortized Cost	FVTPL	FVTOCI	Amortized Cost
Financial assets						
Investments (Refer note 5)						
- Treasury bills	-	-	283.56	-	-	280.37
- Investments (Quoted instruments)	-	-	-	516.87	87.21	-
- Investments (Unquoted instruments)	401.73			361.92		
Loans(Refer note 6 & 12)	-	-	261,557.98	-	-	133,810.20
Security deposits (Refer note 7 & note 13)	-	-	5,333.84	-	-	3,883.36
Bank deposits(Refer note 7)	-	-	140.86	-	-	4,175.94
Trade receivables(Refer note 10)	-	-	37,481.11	-	-	28,592.21
Cash and cash equivalents(Refer note 11a)	-	-	40,566.28	-	-	85,825.83
Bank balances other than Cash and cash equivalents(Refer note 11b)	-	-	7,260.38	-	-	147,257.19
Other receivables (Refer note 13)	-	-	3,627.34	-	-	2,948.06
Derivative financial assets designated in a hedge relationship (Refer note 13)	-	52.47	-	-	-	-
Derivative financial assets (Refer note 13)	-	-	-	-	42.90	-
Total Financial assets	401.73	52.47	356,251.35	878.79	130.11	406,773.16
Financial liabilities						
Borrowings(Refer note 18)	-	-	30,592.41	-	-	67,725.57
Lease liabilities(Refer note 19)	-	-	47,707.94	-	-	38,410.08
Trade payables(Refer note 22)	-	-	22,112.42	-	-	23,041.79
Derivative financial liabilities designated in a hedge relationship (Refer note 23)	-	51.81	-	-	185.69	-
Other financial liabilities(Refer note 20 & 23)	-	-	20,707.13	-	-	25,293.34
Total Financial liabilities	-	51.81	121,119.90	-	185.69	54,470.78

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.

(i) Fair value hierarchy

Financial assets and liabilities include cash and cash equivalents, trade receivables, long and short-term loans and borrowings, finance lease payables, bank overdrafts, trade payable. This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Financial assets and liabilities measured at fair value - recurring fair value measurements	Date of Valuation	Notes	Level 1	Level 2	Level 3	Total
Financial assets						
Investments (Unquoted instruments)	March 31, 2023	5	-	401.73	-	401.73
	March 31, 2022	5	-	361.92	-	361.92
Investments (Quoted instruments)	March 31, 2023	5	-	-	-	-
	March 31, 2022	5	-	604.08	-	604.08
Derivative financial assets						
Derivative financial assets	March 31, 2023	13	-	52.47	-	52.47
Foreign exchange forward contracts*	March 31, 2022		-	42.90	-	42.90
Derivatives designated as hedges	March 31, 2023	13	-	-	-	-
Foreign exchange forward contracts*	March 31, 2022		-	-	-	-
Derivative financial liabilities						
Derivatives designated as hedges	March 31, 2023	23	-	51.81	-	51.81
Foreign exchange forward contracts*	March 31, 2022		-	185.69	-	185.69

*The fair value of derivative financial instruments is determined based on the observable market inputs including currency spot and forward rates, yield curves, currency volatility, credit risk and discount rate etc.

Derivative financial instruments:

The Company has evaluated the impact of the COVID-19 event on its highly probable transactions and concluded that there was no impact on the probability of occurrence of the hedged transaction. The Company has considered the effect of changes, if any, in both counterparty credit risk and its own credit risk in assessing hedge effectiveness and measuring hedge ineffectiveness.

The fair value of loan, cash and cash equivalents, trade receivables, borrowings, trade payables, other current financial assets and liabilities approximate their carrying amount largely due to the short-term nature of these instruments. The Company's long-term debt has been contracted at market rates of interest. Accordingly, the carrying value of such long-term debt approximates fair value. These financial asset & liabilities have been classified as Level 2.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, 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.

There have been no transfers among Level 1, Level 2 and Level 3 during the year.

Valuation techniques and significant unobservable inputs

Type	Valuation technique	Increase /decrease of 5% or so in the discount rate would result in decrease / increase in the fair value	Valuation process
Investments	Discounted cash flow approach	Increase / decrease of 5% or so in the discount rate would result in decrease / increase in the fair value \$	Company has referred the fair valuation report of external valuation consultant for certain equity instruments measured at FVTPL.

\$ holding all other variables constant

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Changes in level 3 items - Investments (Unquoted instruments)

Particulars	Investment in Preference shares
As at April 1, 2021	326.04
Additions	-
Disposals	-
Profit recognised in other comprehensive income	35.88
As at March 31, 2022	361.92
Additions	-
Disposals	-
Profit recognised in other comprehensive income	39.81
As at March 31, 2023	401.73

45 Financial risk management

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Company is foreign exchange risk. The Company uses derivative financial instruments - foreign currency forward contracts to mitigate foreign exchange related risk exposures. The Company's exposure to credit risk, excluding trade receivables from related parties, is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers.

This note explains the sources of risk which the Company is exposed to and how the Company manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortized cost	Ageing analysis Credit ratings	Diversification of bank deposits, credit limits for customers, party-wise and overall limits on the intercorporate deposits.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Future commercial transactions Recognized financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts
Market risk - Interest rate risk	Borrowings and Investment in Non convertible Debentures, financial assets measured at amortized cost	Cash flow forecasting Sensitivity analysis	Interest rate swap

The Company's risk management is carried out by the finance department under direction of the Board of Directors. The company's finance department identifies, evaluates and hedges financial risks in close cooperation with the Company's operating units. The Board provides direction for overall risk management as well as policies covering specific areas, such as foreign exchange risk, credit risk, use of derivative financial instruments and managing the liquidity.

A) Credit risk

Credit risk arises from trade receivables including unbilled receivables, loans and intercorporate deposits, cash and cash equivalents and deposits with banks and financial institutions.

i) Credit risk management:

Credit risk arises from the possibility that customers and borrowers may not be able to settle their obligations as agreed. A default on a financial asset arises when the counterparty fails to make contractual payments within agreed credit terms or when they fall due. Credit risk is managed on a financial asset basis. For banks and financial institutions, only high rated banks/institutions are accepted.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Company's maximum exposure to credit risk for each class of financial asset is the carrying amount of the financial assets recognized in the balance sheet.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default at the date of initial recognition. It considers available reasonable and supportive forward looking information. Especially the following indicators are incorporated:

- Historical default experience by class of financial asset
- the credit rating and financial condition of borrowers
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations
- Other applicable macro economic information such as regulatory changes

A default on a financial asset is when the counterparty fails to make contractual payments within agreed credit terms from the date when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

The major exposure to the credit risk at the reporting date is primarily from:

- a. Trade receivables and unbilled receivables amounting to ₹37,481.11 Lakhs (March 31, 2022 ₹ 28,592.21 Lakhs). Trade receivables are typically unsecured. The Company exposure to credit risk is influenced mainly by the individual characteristics of each customer. Accordingly, credit risk is managed through customer specific credit approvals, establishing credit limits and monitoring the creditworthiness of customers. In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 120 days past due from agreed credit terms with customer. Historically, the company has not experienced any significant non-payment or write-offs and the provision made as at reporting date is considered to be adequate. During the year, the Company made write-offs of ₹ 54.90 Lakhs (March 31, 2022 ₹ 252.72 Lakhs) of trade receivables.

Exposure to credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade and other receivables. "Trade receivables and unbilled revenue are typically unsecured and are derived from revenue earned from customers. "Credit risk has always been managed by the Company by continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business

Expected credit loss assessment for trade and other receivables from customers

The Company uses allowance matrix to measure the expected credit loss of trade and other receivables.

The following table provides information about the exposure to credit risk and expected credit loss allowance (including specific allowance) for trade and other receivables:

	Carrying amount	
	March 31, 2023	March 31, 2022
Gross carrying amount	41,657.58	30,654.64
Weighed average loss rate - range	10%	7%
Loss allowance	4,176.47	2,062.43

Loss rates are based on actual credit loss experience over the past three years. The movement in the allowance for impairment in respect of trade and other receivables is as follows:

Movement in excepted credit loss allowance

	March 31, 2023	March 31, 2022
Balances at beginning of the year	2,062.43	213.64
Movement in excepted credit loss Allowance	2,114.04	1,848.79
Balances at closing of the year	4,176.47	2,062.43

In addition to the historical pattern of credit loss, we have considered the emerging situations due to COVID-19.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

This assessment is not based on any mathematical model but an assessment considering the nature of and the financial strength of the customers in respect of whom amounts are receivable. Company closely monitors its customers who are going through financial stress and assesses actions such as change in payment terms, recognition of revenue on collection basis etc., depending on severity of each case.

- b. The Company held cash and cash equivalents and Other bank balances with credit worthy banks of ₹ 47,967.52 lakhs as at March 31, 2023 (March 31, 2022: ₹ 2,37,258.96 lakhs) respectively. The credit worthiness of such banks and financial institutions is evaluated by management on an ongoing basis and is considered to be good.
- c. Loans receivable and Intercompany deposits amounting to ₹ 261,557.98 Lakhs (March 31, 2022 ₹ 133,810.20 Lakhs). The loans and intercompany deposits are placed with parties approved by the Audit Committee subject to the party-wise and overall limits established by the Board of Directors. The loans and intercompany deposits are unsecured and are repayable on demand. The Company periodically assesses the credit rating and financial condition of the borrowers, historical experience of timely repayment, the current economic trends and other forward looking macroeconomic information.
- d. Exposure of credit loss on security deposits given against the rented premises is considered to be low as recovery of these deposits is supported by contractual agreement. As an internal process management performs background check of counterparty before entering into contractual agreement where credit risk assessment is carried out. As at reporting date credit risk has not increased significantly since initial recognition.

a) Percentage of revenues generated from top customer and top five customers. (Both Continuing and discontinued operations)

Business Process Management

	March 31, 2023	March 31, 2022
Revenue from top customer	33.90%	27.00%
Revenue from top five customers	64.00%	61.00%

Media and Communication business

	March 31, 2023	March 31, 2022
Revenue from top customer	1.47%	1.18%
Revenue from top five customers	2.63%	2.39%

B Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's corporate treasury department, overseen by senior management, is responsible for liquidity and funding as well as settlement management.

Prudent Liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities' to meet obligation's when due and to close out market positions. Due to the dynamic nature of the underlying businesses, the Company's treasury maintains flexibility in funding by maintaining availability under committed credit lines. These limits vary by location to take into account the Liquidity of the market in which the entity operates.

The Company's liquidity management policy involves projecting cash flows in major currencies, considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios and maintaining debt financing plans. Management monitors rolling forecasts of the Company's net liquidity position on the basis of expected cash flows. The company invests its surplus funds in loans and intercompany deposits with parties approved by the Board of Directors to generate better returns. These investments are subject to the party-wise and overall limits established by the Board of Directors. The limits are regularly assessed and determined based upon and analysis of the credit ratings and financial solvency reviews.

i) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Ageing	March 31, 2023	March 31, 2022
Expiring within one year (Cash Credits and other facilities)	12,800.00	39,000.00
Total	12,800.00	39,000.00

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice subject to the continuance of satisfactory credit ratings.

ii) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- all non-derivative financial liabilities, and
- net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities - March 31, 2023	Within 1 year	Between 1 to 2 years	Between 2 to 5 years	More than 5 years	Total
Non-derivatives					
Borrowings	21,226.49	6,274.09	3,091.83	-	30,592.41
Lease liabilities	14,877.09	10,300.03	18,145.85	4,384.97	47,707.94
Trade payables	22,112.42	-	-	-	22,112.42
Other financial liabilities	20,307.32	-	399.81	-	20,707.13
Total non-derivative liabilities	78,523.32	16,574.12	21,637.49	4,384.97	121,119.90
Derivatives					
Foreign exchange forward Contracts - net settled and Interest rate swap	51.81	-	-	-	51.81
Total derivative liabilities	51.81	-	-	-	51.81

Contractual maturities of financial liabilities - March 31, 2022	Within 1 year	Between 1 to 2 years	Between 2 to 5 years	More than 5 years	Total
Non-derivatives					
Borrowings	54,266.45	7,639.58	5,819.54	-	67,725.57
Lease liabilities	7,258.34	18,262.58	8,713.71	4,175.45	38,410.09
Trade payables	23,041.79	-	-	-	23,041.79
Other financial liabilities	24,890.81	-	402.52	-	25,293.33
Total non-derivative liabilities	109,457.40	25,902.16	14,935.77	4,175.45	154,470.78
Derivatives					
Foreign exchange forward Contracts - net settled and Interest rate swap	185.69	-	-	-	185.69
Total derivative liabilities	185.69	-	-	-	185.69

The average credit period of trade payables is 60 days.

C) Market risk

i) Foreign currency risk

The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to USD, GBP and CAD. Foreign exchange risk arises from highly probable forecast transactions (including inter-company transactions) and recognized assets and liabilities denominated in a currency that is not the functional currency.

The risk is measured through a forecast of highly probable foreign currency cash flows.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

The company's risk management policy is to hedge upto 75% of forecasted foreign currency sales for the next 12 months; 40% of forecasted foreign currency sales for the next 24 months and 20% of forecasted foreign currency sales for the next 36 months. As per the risk management policy, foreign exchange forward contracts are taken to hedge the forecasted sales.

As the critical terms of the foreign exchange forward contracts and their corresponding hedged items are the same, the Company performs a qualitative assessment of effectiveness and it is expected that the value of the foreign exchange forward contracts and the value of the corresponding hedged items will systematically change in opposite direction in response to movements in the underlying interest rates. The company monitors the aforesaid critical terms on a quarterly basis to assess if the hedging relationship remains highly effect.

In accordance with its risk management policies and procedures, the Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to highly probable forecasted transactions. When derivative is entered for the purpose of being a hedge, the Company matches the terms of the derivatives to the terms of the hedged exposure and assesses the effectiveness of the hedged item match the terms of the hedged exposure and assesses the effectiveness of the hedged item and hedging relationship based on economic relationship. The objective of the hedges is to minimise the volatility of the functional currency cash flows of highly probable forecast transactions

ii) Foreign currency risk exposure

a) The exposure to foreign currency risk at the end of the reporting period expressed in ₹, are as follows :

Particulars	Currency	March 31, 2023	March 31, 2022
Financial assets			
Loans	USD	73,902.09	30,360.20
Trade receivables	USD	25,442.92	15,751.37
	GBP	57.42	18.09
	SGD	-	2.18
	CAD	-	-
	AED	18.76	2.87
	EUR	4.09	3.06
Cash and cash equivalents	USD	19,402.41	73,308.35
	CAD	82.91	82.73
Total		118,910.60	119,528.85
Financial liabilities			
Lease Liability	USD	10,961.19	13,251.90
Trade payable	USD	7,913.81	11,689.52
	GBP	0.88	2.88
Total		18,875.88	24,944.30
Net unhedged foreign currency exposure (a-b)		100,034.71	94,584.56

b) Foreign Exchange Earnings and Outgo:

The Foreign Exchange earned in terms of actual inflows and outgo during the year are as under:

For the Year	2022-23	2021-22
Total Foreign Exchange earned	23,489.17	105,599.00
Total Foreign Exchange outgo	4,952.09	12,889.40

iii) 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 and Interest rate swap designated as cash flow hedges.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Particulars	Impact on profit after tax	
	March 31, 2023	March 31, 2022
USD sensitivity		
USD - Increase by 5% (March 31, 2022 - 5%)*	3,736.83	3,593.19
USD - Decrease by 5% (March 31, 2022 - 5%)*	3,736.83	(3,593.19)

Particulars	Impact of cash flow hedges in other comprehensive income (net of tax)	
	March 31, 2023	March 31, 2022
USD sensitivity		
USD - Increase by 5% (March 31, 2022 - 5%)*	(5.30)	(163.18)
USD - Decrease by 5% (March 31, 2022 - 5%)*	5.30	181.53

* Holding all other variables constant

iv) Cash flow and fair value interest rate risk

The Company's main interest rate risk arises from borrowings with variable rates, which expose the Company to cash flow interest rate risk. The Company manages its net exposure to interest rate risk relating to borrowings by entering into interest rate swap agreements, which allows it to exchange periodic payments based on a notional amounts and agreed upon fixed and floating interest rates. The Company's investments are primarily in short-term loans and deposits and does not have any variable rate borrowings. Hence the company is not expose to significant interest rate risk.

(a) Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

	March 31, 2023	March 31, 2022
Variable rate borrowings	30,592.41	67,725.57
Total borrowings	30,592.41	67,725.57

(b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates for floating rate borrowings. The amounts presented below are after considering the impact of interest rate swaps.

Particulars	Impact on profit after tax	
	March 31, 2023	March 31, 2022
Interest rates — increase by 100 basis points (March 31, 2022 -100 bps)*	227.55	503.76
Interest rates — decrease by 100 basis points (March 31, 2022 -100 bps)*	(227.55)	(503.76)

* Holding all other variables constant

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

46 Financial risk management

Impact of hedging activities

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

The Company's hedging policy only allows for effective hedge relationships to be established. 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. The company enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item.

As the critical terms of the hedging instruments and their corresponding hedged items are the same, the Company performs a qualitative assessment of effectiveness and whether it is expected that the value of the hedging instruments and the value of the corresponding hedged items will systematically change in opposite direction in response to movements in the underlying exchange rates/interest rates. The Company monitors the aforesaid critical terms on a quarterly basis to assess if the hedging relationship remains highly effective.

Hedge ineffectiveness is recognised on a cash flow hedge in the statement of profit and loss. Ineffectiveness represents remaining portion of gain or loss on the hedging instrument that cannot be offset with the change in the fair value of the hedged item. The main source of hedge ineffectiveness in these hedging relationships is the effect of the counterparty and the Company's own credit risk on the fair value of the forward contracts, which is not reflected in the fair value of the hedged item attributable to changes in foreign exchange rates and when the underlying hedged transaction is no longer expected to occur. No other sources of ineffectiveness emerged from these hedging relationships.

March 31, 2023

Types of hedge and risks	Foreign Currency Notional Amount (USD Mn)	Carrying amount of hedging instrument		Maximum Maturity date	Hedge ratio*	Changes in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognizing hedge effectiveness
		Assets	Liabilities				
Cash flow hedge							
Foreign exchange risk							
Foreign exchange forward contracts: Sell USD, buy INR	16.32	-	(51.81)	March, 2025	1:1	(51.81)	51.81
Foreign exchange forward contracts: Sell USD, buy PHP	4.50	52.47	-	July, 2023	1:1	52.47	(52.47)

March 31, 2022

Types of hedge and risks	Foreign Currency Notional Amount (USD Mn)	Carrying amount of hedging instrument		Maximum Maturity date	Hedge ratio*	Changes in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognizing hedge effectiveness
		Assets	Liabilities				
Cash flow hedge							
Foreign exchange risk							
Foreign exchange forward contracts: Sell INR, buy USD	3.50	-	(43.42)	June, 2022	1:1	(43.42)	43.42
Foreign exchange forward contracts: Sell INR, buy USD	6.10	-	(142.27)	July, 2022	1:1	(142.27)	142.27

* The foreign exchange forward contracts are denominated in the same currency as the highly probable future sales therefore the hedge ratio is 1:1.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

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

March 31, 2023

Type of hedge	Change in the value of hedging instrument recognized in Other comprehensive income	Hedge ineffectiveness recognized in statement of profit and loss	(Gain)/ Loss reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge				
Foreign exchange risk	707.68	-	799.61	Revenue & Other Income

March 31, 2022

Type of hedge	Change in the value of hedging instrument recognized in Other comprehensive income	Hedge ineffectiveness recognized in statement of profit and loss*	(Gain)/ Loss reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge				
Foreign exchange risk	3,263.42	(6,124.03)	(231.54)	Revenue & Other Income
Interest rate risk	-	-	432.52	Finance Cost

* Following the sale of Healthcare business, certain forecast transactions were no longer probable. Hence hedge accounting was discontinued and the cumulative gain of ₹ 6,258.19 lakhs was reclassified to the Profit or Loss statement and included in Profit or Loss from discontinued operations.

47 Leases

(i) Company as a lessee

The Company leases several assets including buildings, furnitures and equipments. The average lease term is 5.82 years.(March 31, 2022- 5.38 years)

Right-of-use assets (both Continuing and discontinued operations)	Building	Office Equipment	Furniture & Fixtures	STB	Plant & Equipment	Transponder	Total
Net carrying amount							
March 31, 2022	16,869.55	3.66	-	11,830.93	-	8,118.78	36,822.92
March 31, 2023	16,038.99	-	-	24,228.97	1,167.92	7,223.20	48,659.08
Depreciation expense for the year ended							
March 31, 2022	11,429.24	46.79	269.06	2,418.37	943.34	3,005.94	18,112.74
March 31, 2023	4,217.24	3.67	-	4,939.06	347.30	1,913.85	11,421.12

Amounts recognised in statement of profit and loss (both Continuing and discontinued operations)	Year Ended March 31, 2023	Year Ended March 31, 2022
Depreciation expense on right-of-use assets	11,421.12	18,112.74
Interest expense on lease liabilities	5,340.42	6,045.49
Expense relating to short-term leases	1,716.30	1,780.51
(Gain)/ Loss on termination of leases	-	(421.53)

Lease liabilities	March 31, 2023	March 31, 2022
Non Current	32,830.85	31,151.74
Current	14,877.09	7,258.34
Total	47,707.94	38,410.08

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Maturity analysis of Lease payments and short term & low value leases

Particulars	March 31, 2023	March 31, 2022
Not later than 1 year	11,239.89	8,431.99
Later than 1 year and not later than 5 years	20,386.40	29,551.36
Later than 5 years	936.80	4,656.32

The Company does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the Company's treasury function.

ii) Company as lessor

i) Operating Lease arrangement

The Company has entered into a non cancellable operating lease arrangement with its lessee. Total lease rental income (receivable on monthly basis) recognized in the statement of profit and loss for the year ended March 31, 2023 is ₹ 2,233.37 Lakhs. (March 31 2022 - ₹ 2,197.75 Lakhs). The average lease term is 5 years. (March 31, 2022- 5 years).

The future minimum lease income under non cancellable operating lease in aggregate are as follows:

Particulars	March 31, 2023	March 31, 2022
Not later than 1 year	431.94	430.76
Later than 1 year and not later than 5 years	1,191.97	1,623.92
Later than 5 years	-	-

ii) Sub-lease arrangement

The Company Sub-leases several assets including buildings, furnitures and equipments. The average lease term is 2.19 years. (March 31, 2022- 1.72 as per FY 2022 disclosures.).

The movement on account of subleased asset during the years ended March 31, 2023 and March 31, 2022 is as follows :

Particulars	March 31, 2023	March 31, 2022
Balance at the beginning of the period	616.53	-
Addition during the period	-	705.14
Interest income accrued during the period	42.80	16.40
Lease receipts	(443.92)	(105.01)
Balance at the end of the period	215.41	616.53

The details of contractual maturities (undiscounted) of the subleased assets as at March 31, 2023 and March 31, 2022 are as follows :

Particulars	March 31, 2023	March 31, 2022
Not later than 1 year	223.89	443.92
Later than 1 year and not later than 5 years	-	223.89
Later than 5 years	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

48 Discontinued operations and Business combinations

I. Discontinued operations

A. Healthcare services business ("HS Business")

a) Disposal of healthcare services business ("HS Business")

The Board of Directors of Hinduja Global Solutions Limited (the "Company"), in its meeting held on August 9, 2021, had approved the sale of its healthcare services business ("HS Business") to wholly owned subsidiaries of Betaine BV ("Investor"), which is owned by funds affiliated with Baring Private Equity Asia. The shareholder and other regulatory approvals have been obtained and the transaction has been consummated on January 5, 2022. As a result, the Company has classified the HS Business as Discontinued Operations in its Financial Statements and related notes.

Discontinued Operations include direct expenses clearly identifiable to the businesses being discontinued. The Company does not expect to incur any significant recurring expenses relating to the HS Business under Continuing Operations except for certain tax adjustments that were required upon filing of tax returns during the year. Accordingly, necessary adjustments are made in the books of accounts.

b) Details of sale of the business

	Year ended March 31, 2022
Consideration received	398,667.60
Less: Carrying amount of net assets	(80,202.67)
Less: Transaction fee	(27,619.51)
Less: Other Expenses	(4,074.05)
Add: Forex impact	529.67
Less: Assets written-off	(91.54)
Gain on sale before Income tax	287,209.50
Income tax expense	72,360.00
Gain on sale after Income tax	214,849.50

c) Carrying amount of assets and liabilities on the date of transfer is as follows:

Assets	As of January 5, 2022
Property, Plant and equipment	14,978.85
Intangible Assets	3,333.38
Office Rental Deposits and Other Deposits	4,091.60
Right to use asset	37,460.30
Derivative financial assets designated in a hedge relationship	6,258.19
Trade Receivables	76,045.08
Employee advances	121.13
Prepaid Expenses	1,890.55
Liabilities	
Gratuity	(2,734.63)
Pension	(7,874.23)
Leave Encashment Liability	(3,700.03)
Lease Liability	(46,964.78)
Employee liabilities	(2,342.00)
Other Liabilities	(360.75)
Net Assets disposed of	80,202.66

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

d) Analysis of profit for the year and cash flows from discontinued operations

	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from operations	-	152,860.12
Other Income	-	11,243.00
Total income	-	164,103.12
Employee benefit expense	-	88,542.78
Finance cost	-	3,294.31
Depreciation and amortisation expense	-	10,520.91
Other Expenses	-	19,151.87
Total expenses	-	121,509.87
Profit before tax (I)	-	42,593.25
Income Tax expense (II)	-	14,262.21
Gain on disposal (III)	11,356.09	287,209.50
Income Tax expense (IV)	2,599.79	72,360.00
Profit before tax from discontinued operations (I) + (III)	11,356.09	329,802.75
Income tax expense of discontinued operations (II) + (IV)	2,599.79	86,622.21
Profit after tax from discontinued operations (attributable to the owners of the Company)	8,756.30	243,180.54

	Year ended March 31, 2023	Year ended March 31, 2022
Cash flows from discontinued operations		
Net cash inflows from operating activities*	-	7,745.47
Net cash inflows/ (outflows) from investing activities	8,756.30	364,033.51
Net cash outflows from financing activities	-	(7,457.90)
Net cash inflows	8,756.30	364,321.08

* Cash from operating activities is reported after reducing the advance tax paid on capital gains.

B. Investment and Treasury segment operation of the Media & Communication segment

As on March 31, 2020, the Investment and Treasury segment operation of the Media & Communication segment was classified as discontinued operation. During the year, the company has sold its investments classified as Fair Value through Profit & Loss and investments classified as Fair Value through OCI. Accordingly, the profit on sale of quoted equity shares has been recognised in profit and loss and other comprehensive income during the current year. The impact of discontinued operations on income, expenses and tax is as under:

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

a) Analysis of profit for the year and cash flows from discontinued operations

	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from operations		-
Other Income	160.48	-
Total income	160.48	-
Employee benefit expense		
Finance cost		
Depreciation and amortisation expense		
Other Expenses	66.39	8.98
Total expenses	66.39	8.98
Profit before tax (I)	94.09	(8.98)
Income Tax expense (II)		
a) Income Tax		2.26
b) Deferred Tax		
Total Income Tax expenses(a+b)	-	2.26
Profit before tax from discontinued operations (I) + (III)	94.09	(8.98)
Income tax expense of discontinued operations (II) + (IV)	-	2.26
Profit after tax from discontinued operations (attributable to the owners of the Company)	94.09	(6.72)

Other comprehensive income

Net Profit / (Loss) on fair valuation of equity instruments through other comprehensive income	-	(7.92)
Income tax on above items	-	2.52
Other comprehensive income	-	(5.40)
Total comprehensive income	94.09	(12.12)

	Year ended March 31, 2023	Year ended March 31, 2022
Cash flows from discontinued operations		
Net cash inflows from operating activities	-	-
Net cash inflows/ (outflows) from investing activities	637.99	-
Net cash outflows from financing activities	-	-
Net cash inflows	637.99	-

II Business combinations

A. Digital, Media & Communications Business

The Board of Directors of the Company, at its meeting held on February 17, 2022 had considered and approved the scheme of arrangement between Hinduja Global Solutions Limited (the "Resulting Company") and NXTDIGITAL Limited (the "Demerged Undertaking") for the demerger of Digital, Media & Communications Business Undertaking along with the investments in its subsidiaries of NXTDIGITAL Limited into Hinduja Global Solutions Limited and had recommended the swap ratio of 20 equity share of ₹10/- each fully paid-up of Hinduja Global Solutions Limited for every 63 equity shares of ₹10/- each fully paid-up held by the

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

public shareholders of NXTDIGITAL Limited. The Mumbai Bench of the Honourable National Company Law Tribunal (NCLT), through its order dated November 11, 2022 has approved the scheme with the appointed date of the merger being February 01, 2022. The effect of the scheme has been incorporated in the above financial results as per the requirements of Appendix C to Ind AS 103 "Business Combination". Further, the comparative financial figures have therefore been restated to include the impact of the demerger. Accordingly financial information for year ended March 31, 2022 has been derived from audited financial information of the Company and reviewed financial information of demerged undertaking of NXTDIGITAL Limited. With effect from the Appointed Date, all debts, liabilities, contingent liabilities, duties and obligations of every kind, nature and description of Demerged Company relating to the Demerged Undertaking shall, without any further act or deed be and stand transferred to Resulting Company so as to become as from the Appointed Date, the debts, liabilities, contingent liabilities, duties and obligations of Resulting Company and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen, in order to give effect to the provisions.

Subsequent to the demerger of Digital, Media & Communications Business Undertaking along with the investments in its subsidiaries of NXTDIGITAL Limited with the Company with effect from February 01, 2022, the Company has reassessed its provision for current taxes and deferred taxes and has written back an amount of ₹ 14,890.40 Lakhs relating to previous year.

As per the swap ratio approved in the scheme, the shareholders of NXTDIGITAL Limited holding 3,36,71,621 equity shares (of ND) to receive 1,06,89,403 equity shares of Hinduja Global Solutions Limited having face value of ₹ 10 each. Pursuant to the Scheme of arrangement, shares of Hinduja Global Solutions Limited are issued to the public shareholders of NXTDIGITAL Limited. Earning per share and Diluted Earning per share have also been restated for comparative year considering the shares issued to public shareholders of NXTDIGITAL Limited.

The Capital Reserve has been arrived at as follows:

Amount (₹ in Lakhs)

Particulars	As at February 1, 2022
Non-current assets	
a) Property, plant and equipment	53,356.26
b) Capital work-in-progress	657.62
c) Right to use asset	20,378.80
d) Other intangible assets	7,520.11
e) Financial assets	
i) Investments	34,831.85
ii) Other financial assets	4,041.71
f) Non-Current tax asset (net)	4,423.88
g) Deferred tax assets (net)	19,903.95
h) Other non-current assets	4,788.66
Current assets	
a) Inventories	904.84
b) Financial assets	
i) Investments	85.47
ii) Trade receivables	6,640.37
iii) Unbilled receivable	1,628.87
iv) Cash and cash equivalents	6,407.85
v) Bank balances other than above	8,517.43
vi) Loans receivables	(11.42)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Particulars	As at February 1, 2022
vii) Other financial assets	237.13
viii) Financials Assets classified as held for sale	501.69
c) Other current assets	5,881.17
Assets Total (A)	180,696.24
1. Non-current Liabilities	
a) Financial liabilities	
i) Borrowings	13,863.92
ii) Lease hold liability	18,793.71
b) Provisions	628.75
c) Deferred income	23.31
2. Current Liabilities	
a) Financial liabilities	
i) Borrowings	63,876.81
ii) Trade payables	26,125.48
iii) Lease hold Liability	3,488.63
iv) Other financial liabilities	8,173.70
b) Provisions	73.94
c) Deferred income	3,431.57
d) Other current liabilities	8,210.72
Liabilities Total (B)	146,690.54
Net assets Acquired (A-B)	34,005.70
Equity Shares	1,068.94
Capital reserve	32,936.76
Profit for the period upto appointed date	(13,220.36)
Total Other Comprehensive Income upto appointed date	(92.96)
Capital reserve	46,250.09
Total Capital Reserve as at appointed date	32,936.76

B. Summary of acquisition of TekLink International India Business

During the year, the Company acquired the financial planning and analytics services business from Teklink International Inc effective from March 1, 2023. Details of Net assets acquired, purchase consideration and goodwill are as follows:

Details of the purchase consideration, the net assets acquired are as follows:

Purchase Consideration	Amount
Consideration Paid in Cash	258.00
Total Purchase Consideration	258.00

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

The assets and liabilities recognized as a result of the acquisition are as follows:

	Amount
Assets	
Fixed assets:	
- Tangible Assets	82.74
Right of Use on leases	282.19
Other assets	54.18
Liability	
Lease liability	(282.19)
Gratuity Payable	(234.36)
Leave Encashment Payable	(140.02)
Other current liabilities	(33.11)
Net identifiable liabilities acquired	(270.57)

	Amount
Calculation of goodwill	
Consideration Paid	258.00
Less: Net identifiable assets acquired	(270.57)
Goodwill	528.57

49a Details of the outstanding principal (including unamortised borrowing cost), interest rate, security and repayment terms:

Particulars	As at March 31, 2023				As at March 31, 2022			
	Non-current	Current	Interest Rate p.a.	Particulars of redemption / repayment	Non-current	Current	Interest Rate p.a.	Particulars of redemption / repayment
Secured								
From Bank								
TL – 1	9,354.31	4,112.75	Between 8.50% to 10.15%	Repayable Between April 2018 to July 2025 (Refer Note 1)	13,333.77	2,647.34	Between 8.50% to 8.55%	Repayable Between April 2018 to July 2025 (Refer Note 1)
BC – 1	-	-	-	-	-	-	-	-
Sub-Total	9,354.31	4,112.75	-	-	13,333.77	2,647.34	-	-
TL – 2	-	109.99	10.35% to 11.60%	Repayable between April 2021 to April 2023 (Refer note 2)	109.99	294.66	10.75% to 11.75%	Repayable between April 2021 to April 2023 (Refer note 2)
TL – 3	-	2,000.00	11.20%	Repayable in Apr-23. (Working capital demand loans) (Refer note 3)	-	2,000.00	11.20%	Repayable in Apr-22. (Working capital demand loans) (Refer note 3)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Particulars	As at March 31, 2023				As at March 31, 2022			
	Non-current	Current	Interest Rate p.a.	Particulars of redemption / repayment	Non-current	Current	Interest Rate p.a.	Particulars of redemption / repayment
From Non-Banking Financial Institution								
TL – 4	11.61	3.75	-	Repayable quarterly up to January 2028 (Refer note 4)	15.36	443.38	-	Repayable quarterly up to January 2028 (Refer note 4)
Sub-Total	-	11.61	2,113.74		-	125.35	2,738.04	-
Unsecured								
Inter corporate deposits	-	-	-		-	48,881.06	7.95% to 11.25%	Repayable on demand
Bank overdrafts-Secured								
Bank Overdrafts -5	-	15,000.00	7.50% to 8.40%	Repayable on Demand	-	-	-	-
Total	-	9,365.92	21,226.49		-	13,459.12	54,266.44	-

Notes:

1. TL-1- The Loan is repayable in 7 years in 28 quarterly instalments, for each tranche of disbursement. First repayment will commence from 4th month of the date of each tranche of disbursement. Interest rate 6 months MCLR and Yes Bank Limited shall reset the 6 months MCLR on 1st day of the month falling after six calendar months including the month in which drawdown has been made. First Charge on all current and movable assets (both present and future) and Escrow Account for collection of proceeds of lease rentals to be created in favour of Vistra ITCL India Ltd. During the previous year, the Company has made prepayment of ₹ 7,763.29 lakhs over and above the payments of regular instalments.
2. TL-2 - Repayable in 24 Quarterly unequal instalments starting from January 2017 after an initial moratorium of 2 years. Interest rate 6 months MCLR plus spread of 2.35%. Interest ranging from 10.35% to 11.60% between April - 2022 to March 2023 with an exclusive charge on all Hits related Fixed assets.
3. TL-3 are secured by pari passu hypothecation on all current assets, movable fixed assets (present and future) and immovable properties.
4. TL-4 - Pertains to sales and lease back transaction conducted in the year ended 31st March 2020 which is payable in 32 unequal installments starting from April 2020, as per the operating lease agreement entered.
5. First Pari-passu charge on current assets and movable Fixed Assets present and future.
6. The quarterly returns / statements of current assets filed by the Company with banks / financial institutions are in agreement with the books of accounts.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

49b Details of traded goods under broad heads

Traded goods	Opening stock (A)	Purchases (B)	Sales / Consumption (C)	Closing stock (D)
Stock of network cable and equipments				
FY 2022-23	631.09	163.31	125.24	669.16
FY 2021-22	418.20	212.89	-	631.09
Media inventory				
FY 2022-23	158.76	318.29	-	477.05
FY 2021-22	184.76	158.76	184.76	158.76

50 Disclosure Under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)

	March 31, 2023	March 31, 2022
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	233.50	166.82
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	2.03	1.65
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier years	10.45	8.42

The above information has been determined to the extent such parties have been identified on the basis of the information available with the Company.

51. Ratios

The ratios for the years ended March 31, 2023 and March 31, 2022 are as follows :

Particulars	Numerator	Denominator	Measure	March 31, 2023	March 31, 2022**	Variance (in %)
(a) Current Ratio *	Current Assets	Current Liabilities	Times	3.44	2.20	56%
(b) Debt-Equity Ratio **	Total Debt	Shareholder's Equity	Times	0.07	0.16	-57%
(c) Debt Service Coverage Ratio *	Earnings available for debt service	Interest cost, Debt and Lease payments.	Times	0.70	3.43	-79%
(d) Return on Equity Ratio *	Net Profits after taxes	Average Shareholder's Equity	percentage	8%	76%	-90%
(e) Inventory turnover ratio	Cost Of Goods Sold	Average Inventory	Days	-	-	-
(f) Trade Receivables turnover ratio	Net Credit Sales	Average accounts receivables	Times	4.01	4.99	-20%
(g) Trade payables turnover ratio *	Net Credit Purchases	Average accounts Payables	Times	2.71	4.35	-38%

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

Particulars	Numerator	Denominator	Measure	March 31, 2023	March 31, 2022**	Variance (in %)
(h) Net capital turnover ratio *	Net Sales	Working Capital	Times	0.64	1.33	-52%
(i) Net profit ratio *	Net Profit	Net Sales	percentage	25%	84%	-70%
(j) Return on Capital employed *	Earning before interest and taxes	Capital Employed	percentage	7%	67%	-90%
(k) Return on investment*	Interest income earned	Average investment in Debentures, Loans, ICD and Treasury bills	percentage	6%	3%	95%

* During FY22, the Company sold its healthcare business resulted in gain of INR 214,849.50 (net of tax). The sales proceeds have been utilized for investment purposes and repayment of borrowings. This has resulted in changes in Debt - Equity ratio, Debt Service Coverage Ratio, Return on Equity Ratio, Return on Capital Ratio, Net Profit Ratio, Current Ratio, Trade payables turnover ratio and Net capital turnover ratio. Increase in Return on Investment is due to timing difference and increase in interest rates charged.

@ Previous Year figures not comparable with current Year due to the sale of healthcare business and merger of the media business.

** Restated (Refer Note 48)

*** The Company holds certain inventories which is not the core line of business of the Company, hence this ratio may not reflect the health parameter appropriately.

52 Segment reporting

In accordance with paragraph 4 of Ind AS 108 "Operating segments", the Company has presented segmental information only on the basis of the Consolidated financial statements (Refer Note 49 of the Consolidated financial statements).

53 Additional regulatory information required by Schedule III to the Companies Act, 2013

- (i) The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) The Company has not traded or invested in Crypto currency or Virtual Currency during the year.
- (iii) The Company has not come across any transaction occurred with struck-off companies under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- (iv) The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.
- (v) The Company does not have any charges or satisfaction of charges which is yet to be registered with the Registrar of the Companies beyond the statutory period.
- (vi) Utilization of borrowed funds and share premium :
 - (I) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding 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) except the loan granted by the company to its subsidiary for acquisition of Teklink International LLC.
 - (b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
 - (II) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall
 - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
- (vii) There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Lakhs)

54 Previous year figures have been regrouped / rearranged wherever considered necessary, to conform to current year's classification. Considering the material events such as discontinued operations and Business combination took place in year 2022 and 2023, it is impractical to provide the quantitative details with respect to reclassification and re-grouping during the year.

55 Subsequent events:

The shareholders approved the proposal of buyback of Equity Shares recommended by its Board of Directors by way of e-voting on the postal ballot, the results of which were declared on December 19, 2022 at the Maximum buyback price of ₹1,700/- per equity share and the Maximum buyback size of ₹102,000 lakhs. Subsequently, the Buyback Committee at its meeting held on 25th January, 2023 has approved the buyback scheme of 60 lakh Equity Shares at a price of ₹1,700 i.e. up to ₹102,000 lakhs (excluding transaction cost & taxes) with the Record Date of 6th March 2023. Public Announcement relating to the Buyback has been made on 31st January 2023 and the draft Letter of Offer has been filed with Securities & Exchange Board of India on 7th February 2023 and SEBI Observation letter dated 9th May 2023 has been received.

The buy-back is offered to all eligible equity shareholders of the Company on proportionate basis through the "Tender offer" route in accordance with SEBI (Buy-back of Securities) Regulations, 2018. The Buyback of equity shares through the stock exchange has commenced on 22nd May 2023 and will close on June 2, 2023. The buyback settlement is expected to be completed by June 13, 2023. If the Buy-back issue is fully subscribed, the Company will buy back and extinguish a total of 60 Lakh equity shares of Face Value of ₹10 each (i.e. ₹600 lakhs) at a price of ₹1,700 per equity share, comprising of 11.43% of pre-buyback paid up equity share capital of the Company as at March 31, 2023. The buyback will result in a cash outflow of ₹102,000 lakhs (excluding transaction cost and taxes), if fully subscribed. The Company will fund the Buyback from its Securities Premium, General reserve and Retained earnings. In accordance with Section 69 of the Companies Act, 2013, the Company will credit 'Capital Redemption Reserve' with an amount of ₹600 lakhs, being amount equivalent to the nominal value of the Equity Shares bought back as an appropriation from General Reserve.

As per our report of even date

For Haribhakti & Co. LLP
Firm registration no. 103523W / W100048
Chartered Accountants

Purushottam Nyati
Partner
Membership No. 118970

Place : Mumbai
Date : May 26, 2023

For and on behalf of the Board of Directors of Hinduja Global Solutions Limited

Anil Harish
Director
DIN: 00001685
Place : Mumbai

Partha DeSarkar
Whole-time Director & Chief Executive Officer
DIN: 00761144
Place : London

Vynsley Fernandes
Whole-time Director
DIN: 02987818
Place : Mumbai

Srinivas Palakodeti
Chief Financial Officer
Place : Mumbai

Narendra Singh
Company Secretary
Place : Mumbai

Date : May 26, 2023

Statement pursuant to Section 129 (3) of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014 [AOC-1].

(₹ in Lakhs, unless otherwise stated)

Sr. No.	Name of the Subsidiary	Reporting period	Reporting Currency	Exchange Rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit/(Loss) before taxation	Provision for taxation	Profit (Loss) after Taxation	Proposed Dividend	% of shareholding
1	HGS International	31.03.2023	USD	B/S 82.1128 82.113 P/L 80.564 80.564	26,696.34	392,290.83	496,462.80	77,473.63	Nil	10,545.98	(2,725.78)	314.78	(3,040.57)	Nil	100
2	Hinduja Global Solutions LLC.	31.03.2023	USD	B/S 82.1128 82.113 P/L 80.564 80.564	0.01	(31,675.80)	107,923.14	139,598.93	Nil	3,559.22	(6,559.24)	-	(6,559.24)	Nil	100
3	HGS Properties LLC	31.03.2023	USD	B/S 82.1128 82.113 P/L 80.564 80.564	-	10,582.54	10,582.54	-	Nil	730.33	369.14	-	369.14	Nil	100
4	HGS Canada Holdings LLC	31.03.2023	USD	B/S 82.1128 82.113 P/L 80.564 80.564	27,803.39	(0.01)	27,803.39	-	Nil	-	-	-	-	Nil	100
5	HGS Canada Inc.	31.03.2023	CAD	B/S 60.7043 60.705 P/L 60.704 60.705	16,007.86	14,772.94	44,184.69	13,403.89	Nil	61,943.14	(1,883.63)	102.83	(1,986.46)	Nil	100
6	HGS (USA), LLC	31.03.2023	USD	B/S 82.1128 82.113 P/L 80.564 80.564	4,351.98	58,210.50	94,512.27	31,949.80	Nil	105,118.64	(3,013.18)	-	(3,013.18)	Nil	100
7	Affina Company	31.03.2023	CAD	B/S 60.7043 60.705 P/L 60.704 60.705	0.12	(2,582.20)	-	2,582.08	Nil	-	-	-	-	Nil	100
8	Hinduja Global Solutions UK Limited	31.03.2023	GBP	B/S 0.7574 0.757 P/L 0.8889 0.788	55.86	68,430.18	127,926.79	59,440.75	Nil	99,145.79	7,287.09	1,452.21	5,834.88	Nil	100
9	C-Cubed N.V	31.03.2023	USD	B/S 82.1128 82.113 P/L 80.564 80.564	4.93	19.06	5,146.01	5,122.02	Nil	154.18	(16.39)	-	(16.39)	Nil	100
10	C-Cubed BV	31.03.2023	EUR	B/S 89.2756 89.276 P/L 83.976 83.976	20.27	(3,400.46)	1,935.94	5,316.16	Nil	169.14	(167.42)	-	(167.42)	Nil	100
11	Customer Contact Centre Inc.	31.03.2023	PHP	B/S 1.5124 1.512 P/L 1.4549 1.455	1,512.40	2,271.30	3,825.13	41.42	Nil	169.14	169.00	-	169.00	Nil	100
12	HGS St. Lucia Limited	31.03.2023	XCD	B/S 30.3904 30.390 P/L 29.8299 29.833	0.00	(19.52)	2,510.04	2,529.56	Nil	-	-	-	-	Nil	100
13	Team HGS Limited	31.03.2023	JMD	B/S 0.5447 0.545 P/L 0.5301 0.530	0.01	69,943.19	81,882.26	11,939.06	Nil	20,419.90	753.55	255.09	488.46	Nil	100
14	HGS Mena FZ LLC	31.03.2023	AED	B/S 24.8993 24.899 P/L 24.899 24.899	246.24	(6,720.92)	119.42	6,594.10	Nil	33.21	(0.81)	-	(0.81)	Nil	100
15	HGS Digital LLC (Formerly known as Element Solutions LLC)	31.03.2023	USD	B/S 82.1128 82.113 P/L 80.564 80.564	5.91	13,322.87	24,010.34	10,681.56	Nil	47,894.77	6,114.33	1,622.23	4,492.10	Nil	100
16	Falcon Health Solutions Puerto Rico Holding LLC	31.03.2023	USD	B/S 82.1128 82.113 P/L 80.564 80.564	0.08	-	0.08	-	Nil	-	-	-	-	Nil	100
17	Falcon Health Solutions Puerto Rico LLC	31.03.2023	USD	B/S 82.1128 82.113 P/L 80.564 80.564	-	2.97	59.86	56.89	Nil	-	(1.16)	-	(1.16)	Nil	100
18	Diversify Offshore Staffing Solutions Pty Ltd	31.03.2023	AUD	B/S 55.0383 55.038 P/L 54.9271 54.927	592.47	(2,257.78)	1,434.79	3,100.10	Nil	16,795.72	(395.36)	262.93	(688.29)	Nil	100
19	Diversify Intelligent Staffing Solutions Inc	31.03.2023	PHP	B/S 1.5124 1.512 P/L 1.4549 1.455	0.76	(791.08)	1,436.84	2,227.16	Nil	5,341.94	338.62	17.90	320.71	Nil	100
20	Diversify ISS BGC Inc	31.03.2023	PHP	B/S 1.5124 1.512 P/L 1.4549 1.455	187.16	1,325.94	7,404.71	5,891.61	Nil	11,014.53	229.33	-	229.33	Nil	100
21	Diversify Offshore Solutions Cebu Inc	31.03.2023	PHP	B/S 1.5124 1.512 P/L 1.4549 1.455	46.37	38.98	143.41	59.06	Nil	963.54	45.76	8.26	37.50	Nil	100
22	HGS CX Technologies Inc.	31.03.2023	USD	B/S 82.1128 82.113 P/L 80.564 80.564	8.21	67,625.00	105,107.49	37,474.28	Nil	-	(144.22)	(6,727.86)	6,583.64	Nil	100
23	Teklink International LLC (Formerly known as Teklink International Inc)	31.03.2023	USD	B/S 80.564 80.564 P/L 80.564 80.564	1,541.93	4.31	12,043.70	6,190.37	Nil	2,218.81	374.64	-	374.64	Nil	100
24	Teklink International AG	31.03.2023	CHF	B/S 89.9309 89.931 P/L 89.0185 89.019	89.93	132.53	341.89	119.43	Nil	146.27	57.50	-	57.50	Nil	100
25	HGS Colombia S.A.S	31.03.2023	USD	B/S 0.0177 0.018 P/L 0.0173 0.017	630.41	(293.31)	927.98	590.89	Nil	0.12	(211.65)	-	(211.65)	Nil	100
26	Indusnet Media & Communications Limited ("IMCL")	31.03.2023	INR	B/S 1 1 P/L 1 1	4,865.77	3,485.07	25,793.18	17,442.34	Nil	2,599.20	317.46	52.99	264.47	Nil	77.55
27	ONEOTT Infrainment Limited ("ONEOTT")	31.03.2023	INR	B/S 1 1 P/L 1 1	2,822.12	30,802.21	76,744.67	42,120.34	Nil	32,309.04	292.81	(274.88)	567.68	Nil	71.65
28	Ajanta Sky Darshan Private Limited	31.03.2023	INR	B/S 1 1 P/L 1 1	2.00	(57.47)	108.10	163.57	Nil	-	(42.34)	-	(42.34)	Nil	51
29	Sangli Media Services Private Limited	31.03.2023	INR	B/S 1 1 P/L 1 1	102.04	(26.66)	328.87	253.49	0.03	202.05	(12.34)	(0.87)	(11.47)	Nil	51
30	United Mysore Network Private Limited	31.03.2023	INR	B/S 1 1 P/L 1 1	227.33	(297.07)	3.85	73.59	Nil	-	(15.18)	-	(15.18)	Nil	99.45
31	Goldstar Infrainment Private Limited	31.03.2023	INR	B/S 1 1 P/L 1 1	92.73	(113.44)	-	20.71	Nil	-	(18.35)	-	(18.35)	Nil	96.92
32	Sainath In Entertainment Private Limited	31.03.2023	INR	B/S 1 1 P/L 1 1	50.00	(345.91)	164.83	460.74	Nil	242.96	10.15	0.07	10.08	Nil	51
33	Derpita Trading Company Private Limited	31.03.2023	INR	B/S 1 1 P/L 1 1	100.00	(120.27)	1,549.44	1,569.71	Nil	2,177.48	141.62	33.44	108.18	Nil	51
34	Gold Star Noida Network Private Limited	31.03.2023	INR	B/S 1 1 P/L 1 1	262.00	(863.90)	82.60	684.50	Nil	-	(18.31)	-	(18.31)	Nil	100
35	U S N Networks Private Limited	31.03.2023	INR	B/S 1 1 P/L 1 1	186.97	(235.92)	5.45	54.40	Nil	-	(15.35)	-	(15.35)	Nil	100
36	Bhima Riddhi Infrainment Private Limited	31.03.2023	INR	B/S 1 1 P/L 1 1	102.04	2,112.43	3,333.54	1,119.07	0.88	7,480.79	529.74	145.18	384.56	Nil	51
37	Sunny Infrainment Private Limited	31.03.2023	INR	B/S 1 1 P/L 1 1	15.00	(95.79)	18.44	99.23	Nil	-	(18.33)	-	(18.33)	Nil	51
38	Alpha Incable Broadband Services Private Limited	31.03.2023	INR	B/S 1 1 P/L 1 1	173.50	(366.16)	0.01	192.67	Nil	-	(18.35)	-	(18.35)	Nil	100
39	RBL Digital Cable Network Private Limited	31.03.2023	INR	B/S 1 1 P/L 1 1	10.00	(15.61)	13.44	19.05	Nil	-	(18.35)	-	(18.35)	Nil	51
40	Vistar Telecommunications & Infrastructure Private Limited	31.03.2023	INR	B/S 1 1 P/L 1 1	2.04	(125.58)	14.43	137.97	Nil	-	(20.35)	-	(20.35)	Nil	51
41	Vinsat Digital Private Limited	31.03.2023	INR	B/S 1 1 P/L 1 1	38.18	212.30	1,022.84	772.36	Nil	949.54	(110.46)	(0.33)	(110.13)	Nil	51.15
42	IN Entertainment (India) Limited	31.03.2023	INR	B/S 1 1 P/L 1 1	607.50	11,286.75	25,136.74	13,242.49	Nil	14,229.41	103.77	37.77	66.00	Nil	100
43	OneMahanet Infrainment Private Limited	31.03.2023	INR	B/S 1 1 P/L 1 1	101.00	(29.41)	112.04	40.45	Nil	399.37	(30.74)	0.10	(30.84)	Nil	100

Note : Companies appearing under Serial Nos. 28 to 41 above are Subsidiaries of IMCL and % Shareholding represents shareholding of IMCL. Further, Companies appearing under Serial Nos. 42 and 43 above are Subsidiaries of ONEOTT and % Shareholding represents shareholding of ONEOTT.

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Glimpses from our New Centers

Barranquilla, Colombia



Mysuru, India



New York, USA





CIN: L92199MH1995PLC084610

Registered Office:

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HINDUJA GLOBAL SOLUTIONS LIMITED

CIN: L92199MH1995PLC084610

Registered Office: Hinduja House, 171, Dr. Annie Besant Road, Worli,
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NOTICE

Notice is hereby given that the 28th Annual General Meeting of the Members of **Hinduja Global Solutions Limited** will be held on **Wednesday, September 27, 2023 at 4.00 p.m. IST** through Video Conferencing / Other Audio Visual Means ('VC' or 'OAVM') to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt:
 - a) the audited financial statements of the Company for the financial year ended March 31, 2023, along with the reports of the Board of Directors and the Auditors thereon; and
 - b) the audited consolidated financial statements of the Company and its subsidiaries for the financial year ended March 31, 2023, along with the report of the Auditors thereon.
2. To declare a final dividend of ₹ 2.50 per equity share (on an equity share of par value of ₹ 10/- each) for the financial year ended March 31, 2023; and to confirm three interim dividends aggregating to ₹ 12.5 per equity share of ₹10/- each already paid for the financial year ended March 31, 2023.
3. To consider the appointment of a Director in place of Mr. Partha DeSarkar (DIN: 00761144), who retires by rotation and being eligible, offers himself for re-appointment.

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Partha DeSarkar (DIN: 00761144), who retires by rotation, be and is hereby re-appointed as a Director (Executive & Whole-time Director) liable to retire by rotation."

SPECIAL BUSINESS

4. **Ratification of the remuneration payable to Cost Auditors for the financial year ending March 31, 2024**

To consider and if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and Rule 6 of the Companies (Cost Records and Audit) Rules, 2014 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. ABK & Associates, Cost Accountants [Firm Registration No. 000036], Cost Auditors appointed by the Board of Directors of the Company to conduct audit of the cost records maintained by the Company for the financial year ending March 31, 2024, be paid remuneration of ₹ 50,000/- plus applicable taxes and out-of-pocket expenses incurred by them for the purpose of Audit, and the same be and is hereby ratified.

RESOLVED FURTHER THAT the Board of Directors or Chief Financial Officer or Company Secretary of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary and desirable to give effect to this Resolution.”

By Order of the Board
For **Hinduja Global Solutions Limited**

Narendra Singh
Company Secretary
F4853

Place : Mumbai
Date : August 29, 2023

NOTES

1. The Ministry of Corporate Affairs ('MCA') has, vide General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 02/2022 dated May 5, 2022 and General Circular No. 10/2022 dated December 28, 2022 (collectively referred to as 'MCA Circulars') and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, and SEBI Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 (collectively referred to as 'SEBI Circulars') and other applicable circulars issued in this regard, have permitted the holding of Annual General Meeting ('AGM') through Video conferencing or Other Audio Visual Means ('VC'), without the physical presence of the Members at a common venue till September 30, 2023, subject to compliance of various conditions mentioned therein.
2. In Compliance with the provisions of the Companies Act, 2013 ('the Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations') read with the Circulars issued by MCA and SEBI, the 28th AGM of the Company shall be conducted through VC on Wednesday, September 27, 2023 at 4.00 p.m. IST. The registered office of the Company shall be the deemed venue for the AGM. KFin Technologies Limited (formerly Known as KFin Technologies Private Limited) ('KFin' or 'Kfintech'), Registrar and Share Transfer Agent ('RTA') of the Company, will be providing facility for remote e-Voting, participation in the AGM through VC and e-Voting during the AGM. The Company has also published an advertisement in newspapers containing the details about the AGM i.e., the conduct of the AGM through VC, date and time of the AGM, availability of the notice of AGM at the Company's website, manner of registering the email IDs of those shareholders who have not registered their email addresses with the Company / RTA and other matters as may be required.
3. A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a Member of the Company. Since the 28th AGM is being held through VC in compliance with the MCA Circulars, the requirement of physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the 28th AGM and hence the Proxy Form and Attendance Slip, including Route Map, are not annexed to this Notice.
4. An Explanatory Statement pursuant to Section 102 of the Act setting out details relating to Special Business under Item No. 4 of the accompanying Notice, is annexed hereto. The relevant details concerning Item No. 3 according to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, in respect of

the Director seeking re-appointment at this AGM is annexed hereunder. Requisite declaration has been received from the Director seeking re-appointment. The matter under Special Business of the AGM Notice is considered to be unavoidable by the Board of Directors of the Company and hence included.

5. Members attending 28th AGM through VC shall be counted for the purpose of reckoning the quorum under Section 103 of the Act. The voting rights of Members shall be in proportion to their share of the paid up equity share capital of the Company as on the cut-off date i.e. Wednesday, September 20, 2023.
6. Institutional investors and Corporate Members are encouraged to attend and vote at the 28th AGM through VC. Institutional investors and Corporate Members (i.e., other than individuals, HUF's, NRI's etc.) intending to appoint their authorized representatives pursuant to Sections 112 and 113 of the Act, as the case maybe, to attend the AGM through VC or to vote through remote e-voting are requested to access the link <https://evoting.kfintech.com> and upload a certified copy of the Board resolution. The said resolutions/authorizations can be forwarded to RTA on evoting@kfintech.com or sent to the Company by e-mail to its registered e-mail address investor.relations@teamhgs.com.
7. In case of joint holders, Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

BOOK CLOSURE AND DIVIDEND

8. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, September 14, 2023 to Wednesday, September 20, 2023 (both days inclusive) for the purpose of AGM and determining the eligibility of Members entitled to final dividend.

The final dividend of ₹ 2.50 per equity share of ₹10 each (25 %), if approved at the AGM, will be paid subject to the deduction of tax at source ('TDS') within thirty days from the date of declaration by the Shareholder to those Members/ beneficial owners whose names appear as per the list furnished by the National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL') in respect of the shares held in electronic form/ Register of Members as on Wednesday, September 13, 2023.

9. Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the Members w.e.f. April 1, 2020, and the Company is required to deduct TDS from the dividend paid to the Members at rates prescribed under the Income-tax Act, 1961 (the IT Act). In general, to enable compliance with TDS requirements, Members are requested to complete and/ or update their Residential status, Permanent Account Number ('PAN'), Category as per the IT Act with their Depository Participants ('DPs') or in case shares are held in physical form, with the Company / its RTA, i.e., KFin by sending documents at its e-mail ID investor.relations@teamhgs.com/ einward.ris@kfintech.com or update the same by visiting the link: <https://ris.kfintech.com/form15/> on or before Wednesday, September 13, 2023 in order to enable the Company to determine and deduct appropriate TDS/ withholding tax rate. No communication/ documents on the tax determination/ deduction shall be considered after Wednesday, September 13, 2023.
10. SEBI has mandated submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their DPs with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's RTA.
11. Members who hold shares in dematerialized form and want to provide/ change/ correct the bank account details should send the same immediately to their concerned DP and not to the Company. The Company will not entertain any direct request from such Members for change of address, transposition

of names, deletion of name of deceased joint holder and change in the bank account details. While making payment of dividends, RTA is obliged to use only the data provided by the Depositories, in case of dematerialized shares.

12. Members holding shares in physical form are requested to notify/ send the following to the Company's RTA, i.e., KFin Technologies Limited (Unit: Hinduja Global Solutions Limited), Selenium Tower B, 31-32, Financial District, Nanakramguda, Serilingampally, Hyderabad Rangareddi, Telangana - 500032 to facilitate better service:
 - i) Any change in their address/ mandate/ bank details/ email address;
 - ii) Particulars of their bank account, for printing on the dividend warrants/ drafts (to help prevent fraudulent encashment), in case the same have not been sent earlier; and
 - iii) Share certificate(s) held in multiple accounts in identical names or joint accounts in the same order of names for consolidation of such shareholdings into one account.

DISPATCH OF ANNUAL REPORT THROUGH EMAIL AND REGISTRATION OF EMAIL IDs:

13. In compliance with the Circulars issued by MCA and SEBI, Notice of the 28th AGM along with the Annual Report for FY 2022-23 are being sent only by electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories. Members may please note that the Notice and Annual Report 2022-23 will also be available on the Company's website at <https://hgs.cx/investors/annual-reports-hgsl/>, websites of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited at <https://www.bseindia.com/> and <https://www.nseindia.com/> respectively, and on the website of KFin at <https://evoting.kfintech.com>.
14. Members who have not registered their e-mail address are requested to register the same in respect of shares held in electronic form with the Depository through their Depository Participant(s) and in respect of shares held in physical form by writing to the Company's RTA, i.e., KFin Technologies Limited, Selenium Tower B, 31-32, Financial District, Nanakramguda, Serilingampally, Hyderabad Rangareddi, Telangana - 500032.
15. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions in writing to the Company Secretary at least 7 (seven) days before the date of the AGM, so that, the requested information may be made available at the Meeting.

REGISTRATION OF PAN, KYC DETAILS AND NOMINATION BY PHYSICAL SHAREHOLDERS.

16. Pursuant to Regulations 39 and 40 of the SEBI Listing Regulations, as amended, listed companies can effect issuance of duplicate securities certificate; renewal / exchange, endorsement, sub-division/ split, consolidation of securities certificate; transfer, transmission and transposition, as applicable, in Dematerialised form only with effect from January 24, 2022.

Further, SEBI vide its circular dated March 16, 2023 in supersession of earlier circular dated November 3, 2021, read with clarification dated December 14, 2021, introduced common and simplified norms for processing investor's service request by Registrar and Transfer Agent(s) (RTAs) and norms for furnishing PAN, KYC details and Nomination. Accordingly, RTA cannot process any service requests or complaints received from the holder(s) / claimant(s), till PAN, KYC and Nomination documents/ details are updated. Moreover, on or after October 1, 2023, in case any of the above cited documents/ details are not available in the folios, RTA shall be constrained to freeze such folios. The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing the aforesaid details. This communication was also intimated to the Stock Exchanges and available on the website of the Company. In view of this requirement and to eliminate all risks associated with physical

shares and for ease of portfolio management, Members holding shares in physical form are once again requested to update their KYC details (through Form ISR-1, Form ISR-2 and Form ISR-3, as applicable) and consider converting their holdings to dematerialized form. Members can download Forms to make their service request with RTA from link <https://hgs.cx/investors/kyc-documents/> or contact the Company's RTA - KFin Technologies Limited at einward.ris@kfintech.com for assistance in this regard.

17. As per the provisions of the Act and applicable SEBI Circular, Members holding shares in physical form may file nomination in the prescribed Form SH-13 with KFin or make cancellation/ changes to their nomination details through Form SH-14. Members can also opt out of nomination through Form ISR-3. In respect of shares held in dematerialised form, the nomination form may be filed with the respective DPs and not to the Company or KFin. The relevant forms are available on the Company's website at <https://hgs.cx/investors/kyc-documents/>
18. The Members who are unable to receive the dividend directly in their bank accounts through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the dividend warrant/ Bankers' cheque/ demand draft to such Members.
19. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company and the Company's RTA of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
20. Non-resident Indian shareholders are requested to inform about the following immediately to the Company or its RTA or the concerned DP(s), as the case may be:-
 - a) the change in the residential status on return to India for permanent settlement, and
 - b) the particulars of the NRE account with a Bank in India, if not furnished earlier.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF) RELATED INFORMATION:

21. Members who wish to claim their unclaimed dividend are requested to either correspond with the Corporate Secretarial Department at the Company's Registered Office or the Company's RTA, i.e., KFin, for revalidation and encashment before the due dates. The details of such unclaimed dividends are available on the Company's website at www.hgs.cx Members are requested to note that the dividend remaining unclaimed for a period of seven (7) consecutive years from the date of transfer to the Company's Unpaid dividend Account shall be transferred to the Investor Education and Protection Fund (IEPF). In addition, all shares in respect of which dividend has not been claimed for seven (7) consecutive years or more shall be transferred to demat account of the IEPF Authority within a period of thirty (30) days of such shares becoming due to be transferred.

In the event of transfer of shares and the unclaimed dividends to IEPF, Members are entitled to claim the same from the IEPF authority by submitting an online application in the prescribed Form IEPF-5 available on the website <http://www.iepf.gov.in> and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in Form IEPF-5. Members can file only one consolidated claim in a financial year as per the IEPF Rules.

22. Pursuant to the Rule 5(8) of the Investor Education and Protection Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has uploaded details of unpaid and unclaimed amounts lying with the Company as on September 28, 2022 (date of last Annual General Meeting) on its website at <https://hgs.cx/investors/other-reports/#toggle-id-7> and also on the website of the Ministry of Corporate Affairs.

PROCEDURE FOR INSPECTION OF DOCUMENTS:

23. The following documents will be available for inspection by the Members electronically during the 28th AGM. Members seeking to inspect such documents can send an email to investor.relations@teamhgs.com
- a) Certificate from the Secretarial Auditors relating to the Company's Stock Options/ Restricted Stock Units Plans under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
 - b) Register of Directors and Key Managerial Personnel and their shareholding, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under the Act.

Members may note that all documents referred to in this Notice and Explanatory Statement will be also available for electronic inspection without any fee by the Members from the date of dispatch of this notice up to the date of AGM, basis the request being sent by the members on e-mail to investor.relations@teamhgs.com.

In case of any queries regarding the Annual Report, the Members may write to investor.relations@teamhgs.com.

24. Members are requested to always quote their Folio No./ DP ID - Client ID in all correspondence with the Company and the Company's RTA.

REMOTE E-VOTING AND E-VOTING DURING AGM:

25. In compliance with provisions of Section 108 of the Act read with the Rule 20 of the Companies (Management and Administration) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force); Regulation 44 of SEBI Listing Regulations, 2015, and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide Members with a facility to exercise their right to vote by electronic means for the business to be transacted at the AGM.
26. Members whose name appears in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date i.e., Wednesday, September 20, 2023, shall only be entitled to attend and vote through remote e-voting as well as e-voting during the 28th AGM. A person who is not a Member as on the cut-off date should treat this Notice of AGM for information purpose only.

Remote e-voting period commences on Saturday, September 23, 2023 at 9:00 a.m. IST and ends on Tuesday, September 26, 2023, at 5:00 p.m. IST.

The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.

27. The Company has appointed Ms. Amrita D. C. Nautiyal, Practicing Company Secretary, Mumbai, (Membership No.: FCS 5079 and C. P. No. 7989) of M/s. Amrita Nautiyal & Associates, to act as the Scrutinizer, to scrutinize the remote e-voting and e-voting that will take place at the 28th AGM through VC in a fair and transparent manner.
28. **Remote e-Voting:** Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI Listing Regulations read with MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM, through e-Voting agency KFin

Technologies Limited. The facility of casting votes by a member using remote e-Voting system as well as e-voting that will take place at the 28th AGM, will be provided by KFin.

Voting at the e-AGM: Members who are present at the 28th AGM through VC and have not cast their vote on resolutions through remote e-voting, can vote through Insta-poll at the Meeting. Members who have already cast their votes by remote e-voting are eligible to attend the Meeting. However, those Members are not entitled to cast their vote again at the Meeting.

29. A Member can opt for only single mode of voting i.e. through Remote e-voting or voting during the AGM. If a Member casts votes by both modes then voting done through Remote e-voting shall prevail and vote during the AGM shall be treated as invalid.

The scrutinizer shall immediately after the conclusion of voting at the AGM, unblock the votes cast through e-voting (votes cast during the AGM and votes cast through remote e-voting), count the votes and shall submit a consolidated Scrutinizer's Report of the votes cast in favour or against, if any, within 2 working days from the conclusion of the Annual General Meeting to the Chairman of the Company or a person authorised by him in writing who shall countersign the same. The Chairman or a person authorised by him in writing shall declare the result of voting forthwith.

30. On the receipt of the scrutinizer report, the results of the e-voting along with the scrutinizer's report shall be communicated immediately to the BSE Limited and National Stock Exchange of India Limited, where the shares of the company are listed and shall be placed on the Company's website www.hgs.cx and on the website of KFinTech at <https://evoting.kfintech.com> immediately after the result declared by the Chairman or any other person authorised by the Chairman.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3

Mr. Partha DeSarkar (DIN: 00761144), was appointed as an Executive Director (Whole-time Director), liable to retire by rotation, effective September 04, 2019, for a period of five years at the 24th AGM held on September 28, 2019. Mr. Partha DeSarkar has been recognised as a Key Managerial Personnel (KMP) pursuant to the provisions of Section 203 of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

In compliance with the provisions of Section 152 of the Companies Act, 2013, it will be necessary for Mr. Partha DeSarkar, to come up for retirement by rotation at the ensuing AGM. Mr. Partha DeSarkar, being eligible, has offered himself for re-appointment as a Director and consent of the Members would be required by way of an Ordinary Resolution at the ensuing 28th AGM to be held on September 27, 2023.

In view of the above, the Nomination and Remuneration Committee and the Board of Directors at their meeting held on August 8, 2023 and August 9, 2023, respectively, have approved and recommended the re-appointment of Mr. Partha DeSarkar and his continuation as an Executive Director (Whole-time Director) of the Company.

Mr. Partha DeSarkar is not related to any other Directors of the Company. Except Mr. Partha DeSarkar who is being re-appointed, none of the Directors and/ or Key Managerial Personnel of the Company and their relatives, are directly or indirectly concerned or interested financially or otherwise in the resolution set out at Item No. 3 of the accompanying Notice.

Details of Mr. Partha DeSarkar, pursuant to the provisions of (i) the SEBI Listing Regulations; and (ii) Secretarial Standard on General Meetings ('SS-2'), issued by the Institute of Company Secretaries of India, are provided in 'Annexure A' to the Notice.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 3 of the accompanying Notice for approval of the Members.

Item No. 4

The Board of Directors, on the recommendation of the Audit Committee, approved the appointment of M/s. ABK & Associates, Cost Accountants [Firm Registration No.: 000036] as the Cost Auditors of the Company for auditing the cost records of 'Telecommunication activity' pertaining to digital media business, maintained by the Company for the financial year ending on March 31, 2024, at a remuneration of ₹ 50,000/- plus out-of-pocket expenses and applicable taxes.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to the Cost Auditor, as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the Members of the Company.

M/s. ABK & Associates, Cost Accountants, Mumbai have confirmed that they are eligible to be appointed as Cost Auditors of the Company and hold a valid certificate of practice under Section 6(1) of the Cost and Works Accountants Act, 1959.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution set out at item no.4 for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2024.

None of the Directors and/ or Key Managerial Personnel of the Company and their relatives, are directly or indirectly concerned or interested financially or otherwise in the resolution set out at Item No. 4 of the accompanying Notice.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 4 of the accompanying Notice for approval of the Members.

By Order of the Board
For **Hinduja Global Solutions Limited**

Narendra Singh
Company Secretary
F4853

Place : Mumbai
Date : August 29, 2023

ANNEXURE 'A' TO THE NOTICE

[Information pursuant to the Regulation 30 and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and Secretarial Standard - 2 on General Meetings in respect of Director seeking re-appointment]

(Item No. 3 of the Notice)

Name of the Director	Mr. Partha DeSarkar
DIN	00761144
Date of Birth/ Age	May 17, 1963 - 60 years.
Date of first Appointment on the Board of Hinduja Global Solutions Limited (the 'Company' or 'HGS')	Director liable to retire by rotation and seeking reappointment.
Qualification	PGDM, M.Sc.IT & PhD in Management.
Brief resume and nature of expertise in functional areas.	<p>Mr. Partha DeSarkar, is an Executive Director (Whole-time Director), of Hinduja Global Solutions Limited ("the Company") for a period of five (5) years with effect from September 04, 2019, up to September 03, 2024 (both days inclusive). He joined the Company in 2003 and was Manager of the Company from April 2007 to September 03, 2019. He has been a part of the growth story of the Company. He has around 30 years of experience in customer service and operations across industries like Banking, Financial Services, Healthcare and Insurance.</p> <p>Prior to joining the Company, Mr. Partha DeSarkar has set up complex outsourcing projects in organizations like Deloitte Consulting, GE Capital International Services and Bank of America. He has set up and run operations for large remote processing centers in India to service international clients. He holds a postgraduate Diploma in Management from the Indian Institute of Management (IIM), Bangalore, and a Master 's Degree in Technology from the Indian Institute of Technology (IIT), Chennai. He has a PhD in Management from the Indian Institute of Technology (IIT), Delhi. Mr. Partha DeSarkar has recently been appointed as the NASSCOM BPM Council Chairperson for the period 2019-21. He has been associated with NASSCOM D&I Council for many years.</p>
Relationship between Directors/ KMP inter-se.	None
Name of the listed companies in which the person holds Directorships (excluding HGSL).	None
Memberships/ Chairmanship of Committees of the Board of Listed Companies (includes only Audit Committee and Stakeholders Relationship Committee) (excluding HGS & its subsidiaries and Foreign entities).	None
Name of the listed entities from which the person has resigned in past three years.	None

Number of meetings of the Board attended during the year 2022-23.	Attended 11 Board Meetings of the Company.
Details of Shareholding of Non - Executive Director, including shareholding as a beneficial owner	Not applicable, since he is "Executive Director" of the Company.
Terms and conditions of appointment	Executive Director liable to retire by rotation.
Details of remuneration last drawn (for FY 2022-23)	Refer Report on Corporate Governance FY 2022-23
Details of remuneration sought to be paid in 2022-23	Sitting Fees and Commission as recommended by the NRC and approved by the Board.

PROCEDURE FOR REMOTE E-VOTING

- i) In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and as per Regulation 44 of the SEBI Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), the Company is providing e-voting facility through KFin Technologies Limited ('KFintech') on all resolutions set forth in this Notice, from a place other than the venue of the Meeting, to Members holding shares as on September 20, 2023, being the cut-off date fixed to determine eligible Members to participate in the remote e-voting process. The instructions for e-Voting are given below.
- ii) As per the SEBI circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on "e-Voting facility provided by Listed Companies", and as part of increasing the efficiency of the voting process, e-voting process has been enabled to all individual shareholders holding securities in demat mode to vote through their demat account maintained with depositories / websites of depositories / depository participants.
- iii) Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service providers (ESPs) thereby not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.
- iv) Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@Kfintech.com. However, if he / she is already registered with KFintech for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote.
- v) In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under "Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode."
- vi) The details of the process and manner for remote e-Voting and joining virtual AGM are explained herein below:

Step 1: Login method for Individual shareholders holding securities in demat mode is given below:

Individual shareholders holding securities in demat mode with NSDL	Individual shareholders holding securities in demat mode with CDSL
<p>1. User already registered for IDeAS facility:</p> <p>I. Visit URL: https://eservices.nsdl.com</p> <p>II. Click on the "Beneficial Owner" icon under "Login" Under 'IDeAS' section.</p> <p>III On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting".</p> <p>IV. Click on company name or e-Voting service provider (i.e. KFintech) and you will be re-</p>	<p>1. Existing user who have opted for Easi / Easiest:</p> <p>I. Visit URL: https://web.cdslindia.com/myeasinew/home/login/</p> <p>II. Click on New System Myeasi.</p> <p>III. Login with your registered user id and password.</p> <p>IV. User will see the e-Voting Menu. The Menu will have links of ESP i.e. KFintech e-Voting portal.</p> <p>V. Click on e-Voting service provider name to cast your vote.</p>

<p>directed to e-Voting service provider website for casting the vote during the remote e-Voting period.</p>	
<p>2. User not registered for IDeAS e-Services:</p> <p>I. To register click on link: https://eservices.nsdl.com.</p> <p>II. Select “Register Online for IDeAS” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp.</p> <p>III. Proceed with completing the required fields.</p> <p>IV. Follow steps given in points 1.</p>	<p>2. User not registered for Easi/Easiest:</p> <p>I. Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>II. Proceed with completing the required fields.</p> <p>III. Post registration is completed, follow the steps given in point 1.</p>
<p>3. Alternatively by directly accessing the e-Voting website of NSDL:</p> <p>I. Open URL: https://www.evoting.nsdl.com/</p> <p>II. Click on the icon “Login” which is available under ‘Shareholder/Member’ section.</p> <p>III. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen.</p> <p>IV. Post successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page.</p> <p>V. Click on company name or e-Voting service provider name and you will be redirected to KFintech e-Voting website for casting your vote during the remote e-Voting period.</p>	<p>3. Alternatively, by directly accessing the e-Voting website of CDSL:</p> <p>I. Visit URL: www.cdslindia.com</p> <p>II. Provide your demat Account Number and PAN No</p> <p>III. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account.</p> <p>IV. After successful authentication, user will be provided links for the respective ESP, i.e. KFintech where the e- Voting is in progress.</p> <p>V. Click on company name and you will be redirected to KFintech e-voting website for casting your vote during the remote e-voting period.</p>

Individual Shareholders (holding securities in demat mode) login through their depository participants.

- I. You can also login using the login credentials of your demat account through your demat accounts / websites of Depository Participants registered with NSDL /CDSL for e-Voting facility.
- II. Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature.
- III. Click on options available against company name or e-Voting service provider – KFintech and you will be redirected to e-Voting website of KFintech for casting your vote during the remote e-Voting period without any further authentication.

Important note:

Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned websites of Depositories / Depository Participants.

Helpdesk for individual shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL:

Members facing any technical issue - NSDL	Members facing any technical issue - CDSL
Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 18001020990 or 1800224430	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or call the toll free number 022-23058738 or 022-23058542-43

Step 2: Login method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

- A. **Members whose email IDs are registered with the Company/ Depository Participants (s), will receive an email from KFintech which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:**
- i. Launch internet browser by typing the URL: <https://evoting.kfintech.com>.
 - ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) '7623' followed by folio number. In Case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting the vote.
 - iii. After entering these details appropriately, click on "LOGIN".
 - iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
 - v. You need to login again with the new credentials.
 - vi. On successful login, the system will prompt you to select the "EVEN" i.e. 7623" and click on "Submit".
 - vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/ AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
 - viii. Members holding multiple folios/ demat accounts shall choose the voting process separately for each folio/ demat accounts.

- ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
 - x. You may then cast your vote by selecting an appropriate option and click on “Submit”.
 - xi. A confirmation box will be displayed. Click “OK” to confirm else “CANCEL” to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
 - xii. Corporate/ Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/ Authority Letter etc., authorizing its representative to attend the AGM through VC on its behalf and to cast its vote through remote e-voting. together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at amrita.nautiyal@gmail.com with a copy marked to evoting@kfintech.com. The scanned image of the above-mentioned documents should be in the naming format “Corporate Name_ Even No.”
- B. Members whose email IDs are not registered with the Company/Depository Participants(s), and consequently the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, will have to follow the following process:**
- i. Members who have not registered their email address and in consequence the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, may follow the process detailed below for registration of email ID to obtain the report and update of bank account details for the receipt of dividend:

Type of Holder	Process to be followed	
Physical	For availing the following investor services, send a written request in the prescribed forms to the RTA of the Company, KFin Technologies Limited either by email to einward.ris@kfintech.com or by post to KFin Technologies Limited, Unit: Hinduja Global Solutions Limited, Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad-500 032	
	Form for availing investor services to register PAN, email address, bank details and other KYC details or changes / update thereof for securities held in physical mode	Form ISR-1
	Update of signature of securities holder	Form ISR-2
	For nomination as provided in Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014	Form SH-13
	Declaration to opt out of Nomination	Form ISR-3
	Cancellation of nomination by the holder(s) (along with ISR-3) / Change of nominee	Form SH-14
	Form for requesting issue of duplicate certificate and other service requests for shares / debentures / bonds, etc., held in physical form	Form ISR-4
Demat	Please contact your DP and register your email address and bank account details in your demat account, as per the process advised by your DP	

- ii. Alternatively, member may send an e-mail request at the email id einward.ris@kfintech.com along with scanned signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual report, Notice of AGM and the e-voting instructions.
- iii. After receiving the e-voting instructions, please follow steps given to cast your vote by electronic means.

INSTRUCTIONS FOR ATTENDING THE AGM THROUGH VC

- i) Member will be provided with a facility to attend the AGM on Wednesday, September 27, 2023 at 4.00 p.m. IST through VC/ OAVM platform provided by KFinTech. Members may access the same at <https://emeetings.kfintech.com/> by using the e-voting login credentials provided in the email received from the Company/ KFinTech.

After logging in, click on the Video Conference tab and select the EVEN of the Company. Click on the video symbol and accept the meeting etiquettes to join the meeting. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned above.

- ii) Facility for joining AGM through VC/ OAVM shall open at least 15 minutes before the commencement of the Meeting.

Members are encouraged to join the Meeting through Laptops/ Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22. Members will be required to grant access to the webcam to enable VC/ OAVM. Further, Members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

- iii) As the AGM is being conducted through VC/ OAVM, for the smooth conduct of proceedings of the AGM, Members may express their views/ send their queries in advance mentioning their name, demat account number/ folio number, email id, mobile number at: investor.relations@teamhgs.com. Questions/ queries received by the Company till Saturday, September 23, 2023 shall be considered and responded during the AGM.
- iv) The Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC/ OAVM platform. The Members may click on the voting icon displayed on the screen to cast their votes.
- v) A Member can opt for only single mode of voting i.e., through Remote e-voting or voting at the AGM. If a Member casts votes by both modes, then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.
- vi) Facility of joining the AGM through VC/ OAVM shall be available for at least 2000 members on first come first served basis. However, FIFO entry into AGM for large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. is not restricted.

Members who need assistance before or during the AGM, can contact KFinTech on meetings@kfintech.com or call on toll free number 1800-309-4001. Kindly quote your name, DP ID-Client ID / Folio No. and e-voting Event Number in all your communications.

GENERAL INSTRUCTIONS

- i) **Speaker Registration:** The Members who wish to speak during the meeting may register themselves as speakers for the AGM to express their views. They can visit <https://emeetings.kfintech.com> and login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Speaker Registration' which will be opened from September 23, 2023 to September 26, 2023. Those Members who have registered themselves as a speaker will only be allowed to speak/ express their view/ ask questions during the AGM provided they hold shares as on the cut-off date. The Company reserves the right to restrict the number of speaker, depending on the availability of time for the AGM.
- ii) In case of any query and/ or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.kfintech.com> OR contact at investor.relations@teamhgs.com, or Mr. Prem Kumar Nair KV, Manager – Corporate Registry, KFIN Technologies Limited Selenium, Tower B, Plot No. 31- 32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana – 500 032 or at email id evoting@kfintech.com or call KFin's toll free No. 1-800-309-4001 for any further clarifications.
- iii) In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under "Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode."
- iv) In case a person (a person holding shares in physical mode and non-individual holders) has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting i.e., September 20, 2023, he/she may obtain the User ID and Password in the manner as mentioned below:
 - a) If the mobile number of the member is registered against Folio No./ DP ID Client ID, member may send SMS: MYEPWD <space> E-Voting Event Number + Folio No. or DP ID Client ID to 9212993399
Example for NSDL:
 1. MYEPWD <SPACE> IN12345612345678**Example for CDSL:**
 2. MYEPWD <SPACE> 1402345612345678**Example for Physical:**
 3. MYEPWD <SPACE> XXXX1234567890
 - b) If e-mail address or mobile number of the member is registered against Folio No./ DP ID Client ID, then on the home page of <https://evoting.kfintech.com/>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
 - c) Members who may require any technical assistance or support before or during the AGM are requested to contact KFinTech at toll free number 1-800-309-4001 or write to them at evoting@kfintech.com
- v) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the e-votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and submit, not later than 2 working days from the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, forthwith to the Chairman of the Company or any person authorized by him who shall counter sign the same.
- vi) The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.hgs.cx and on the website of KFin at <https://evoting.kfintech.com> immediately after the Result is declared by the Chairman or any other person authorized by him and shall be simultaneously communicated to the National Stock Exchange of India Limited and BSE Limited, where the Equity shares of the Company are listed. The Results shall also be displayed on the Notice Board at the Registered Office and Corporate Office of the Company.
